



Oklahoma's Renewable Resources

Division of Agricultural Sciences and Natural Resources • Oklahoma State University

Developing a Timber Sale Contract

The sale of timber often represents the culmination of years of management and hard work. For many private forest landowners, timber sales hold the key to a comfortable retirement or an education which will prepare children to succeed in the future. Unfortunately, the days when a handshake was all that was needed to protect that future have gone the way of slide rule and the poodle skirt. Timber sales, like any other transaction involving property and large sums of money, should be bound by a written contract. The contract will protect both the buyer and seller. The contract does not need to be complicated, however, it should detail exactly what the buyer and seller has agreed to with respect to all aspects of the sale.

The timber buyer you choose will most likely have a contract he normally uses. There is nothing wrong with using this contract, as long as you use it as a starting point. Remember just as all stands of timber are different, all sales are different, and no contract is perfect in all situations. Before entering into a contract to sell timber, the landowner should consider his management objectives and any special circumstances that may be warranted by those management objectives. A professional forester can be a valuable asset in determining the practices that will be needed to protect your investment, as well as the future productivity of your forest. The contract negotiations are the perfect time for the buyer and seller to discuss how the harvesting operation will be conducted including any restrictions or required practices. All restrictions and practices that the parties agree to should be included in the contract. As with any legal document, you should have a lawyer review it before signing.

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EPA Proposes Rule to Regulate Forestry Activities

On August 23, 1999 the U.S. Environmental Protection Agency (EPA) announced its intentions to require federal point source discharge permits for forestry activities under their proposed revisions to the water quality regulations known as the *Total Maximum Daily Load* (TMDL) program. The proposed revision attempts to withdraw the "silvicultural exemption" from Clean Water Act permitting requirements, eliminating the designation of forestry activities as a non-point source. This action would remove the authority of the states to regulate forestry as a non-point source and place regulatory authority with the EPA. While the regulation does not actually impose filing requirements on private forest owners, it does establish a right for EPA to impose such requirements if EPA finds that waters are impaired or threatened by impairment.

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2000 Forest Utilization Conference Slated for April

Have you ever wondered how you could reduce taxes on your timberlands, increase the efficiency of your sawmill operation, or reduce drying defects in your kiln drying operations? The answers to these questions and many more await you at the 5th annual Forest Utilization Conference and Equipment Exposition. Whether you are a landowner, technical service provider, primary producer, or secondary processor you are sure to find answers and solutions at this regional event. The conference features nationally known experts as well as local presenters covering all aspects of today's forest industry.

Three concurrent sessions will provide a forum for presentations covering everything from selling timber to the production of cabinets and furniture.

In addition to the conference sessions there will also be an equipment exposition featuring the latest technologies available for the production and processing of forest products. Inside exhibits will feature everything from hypo-hatchets to dry kilns and finishing equipment. Outside you will find machinery such as firewood processors, sawmills, pallet assemblers, and heavy equipment demonstrating their capabilities. If you are considering an equipment purchase in the future, you don't want to miss this opportunity get a hands on demo of the latest offerings.

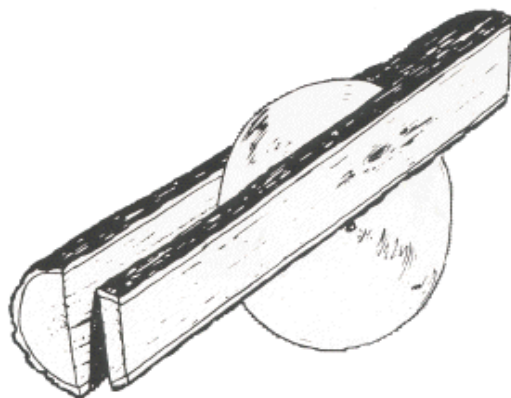
The event also provides an opportunity to network with others who have an interest in Forest Industry throughout Oklahoma and the surrounding region. While the majority of participants come from OK, AR, TX, and MO, past conferences have seen participants from 22 states, all meeting in a relaxed and informal setting to gain new knowledge and establish contacts.

The event is administered by the Ouachita Mountains RC&D and sponsored by the Weyerhaeuser Company Foundation, US Forest Service, Oklahoma Forestry Services, and the Oklahoma Forestry Association. Other organizations involved in the planning of the conference include the Oklahoma

Cooperative Extension Service, Oklahoma Woodland Owners Association, Natural Resources Conservation Service, and Wood Industry Association of Oklahoma.

The Conference will be held April 26-28, 2000 at Western Hills Guest Resort near Wagoner, Oklahoma. The resort offers golf, horseback riding, hiking, fishing, and many other activities. Lodging for the conference is available at Western Hills Resort at a special rate of \$55.00/night, single or double occupancy, by calling them at 1-800-654-8240. Be sure to mention that you will be with the Forest Utilization Conference and Expo to receive this reduced rate.

The preregistration cost for the conference is \$75.00, which includes admittance to all conference sessions and exhibit areas, 3 meals, evening hospitality, and all breaks. If you would like more information about the conference and equipment exposition, or if you would like to receive a registration form, you should contact the Ouachita Mountains RC&D office in McAlester, OK at 918-423-2479.



Master Tree Farmer Program

Forest landowners and others interested in managing our southern forests are invited to participate in a live satellite broadcast short course next spring. The course "Master Tree Farmer 2000" will be broadcast live from Clemson University every Tuesday beginning in early February and ending in the middle of March 2000 at selected locations throughout the South. The course will introduce landowners to stewardship considerations, best management practices for protecting the environment, planning for objectives, and services and assistance available for managing forest lands.

This effort was initiated by Extension Forester, Dr. George Kessler of Clemson University after the state of South Carolina recently conducted a similar satellite broadcast program with over 200 landowners in attendance at 13 sites. The regional effort

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Timber Sale Contracts

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Although contracts differ from sale to sale there are certain provisions that should be included in any contract.

The names and addresses of both the buyer and seller. This will identify the parties entering into the contract and should be included in any legal document.

Date of contract execution.

A **legal description** of the location of the timber sale.

A description of **exactly what is being sold**. If the sale is a clear-cut, a statement indicating all merchantable trees within the specified boundary may be sufficient. If individual trees are to be removed from a stand there should be a statement describing exactly how those trees are marked.

A Declaration of the seller's ownership and right to convey the timber to the buyer.

The **selling price and how payment will be made**. If this is a lump sum sale, the total selling price along with a payment schedule should be included. If the sale is a sale-by-unit, the exact price per unit, method and location of scaling, person responsible for scaling, and payment plan should be included. You should also include the price for timber which may be inadvertently cut or damaged during the sale.

The **duration of the contract**, and any extensions along with the cost of extensions. Typically a sale contract is set for a period of 1 to 3 years. If the buyer has not removed all the timber in that time the remaining timber should revert to the original owner. Sometimes extensions are allowed with a payment equal to some percentage of the original contract price.

Provisions for assignment of all or part of the contract. In many cases there will be several product class as well as tops and stumps. The ownership of these products and that owner's ability to transfer those products to a third party, for example tops for firewood, should be clearly stated.

Provisions for arbitration. This is included to settle disputes, which may arise after the harvest begins. This section should state clearly who will sit on the arbitration board, along with deadlines for judgment by the board.

Utilization standards should be clearly stated in cases of a sale-by-unit sale. This is generally not required in a lump sum sale as the buyer has already purchased the entire product. However, you may wish to add a clause requiring that undesirable species or unmerchantable trees be felled to facilitate site preparation. Utilization standards would include species, top limits, stump heights, etc.

A statement indicating **who is responsible should the timber be destroyed or stolen** after the contract is signed. Generally timber sold as a lump sum sale becomes the property and responsibility of the buyer when the contract is signed, while the seller retains

ownership until the timber is cut in a sale-by-unit sale.

A statement of the **legal and financial responsibilities of the buyer**. This should include proof of adequate liability insurance, worker's compensation insurance, whether or not a performance bond is required, and any practices the buyer must perform to control erosion. In addition there should be statements of the buyers responsibility for damage to the sellers

property. This would include roads, fences, crops, culverts, residual timber, etc. Rather than vague generalities, these statements should be clear and enforceable.

Other restrictions such as points of access, construction standards and location of roads and skid trails and landings, cleanup of trash and debris, times or periods when operation cannot continue, etc. You may also wish to ask for a harvest plan. This document will detail the location of landings, skid trails, and haul roads. There should also be provisions for sensitive areas.

Finally the **signature of both parties** along with witnesses in the presence of a notary public. The contract should then be filed with the county recorder in the county of the sale.

These provisions should be included in all timber

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Alternative Forest Management Practices Improve Deer Habitat

A recent study conducted by OSU researchers Dr. Ron Masters, Dr. William Warde, and Dr. Robert Lochmiller, has found that forest management activities can be utilized to improve forage and cover for white-tailed deer on oak-pine sites in southeastern Oklahoma.

In the study, forest sites were subjected to an array of management prescriptions including timber harvests and prescribed fire. The use of these sites by white tailed deer, elk, and cottontail rabbits was then compared to use of traditional food plots. Forest management activities included no management; winter burn only; pine harvest, hardwood thinning with natural regeneration; pine harvest, hardwood with 4,3,2, or 1 year winter burn intervals. Additional treatments included clearcut, site preparation, and planting of pine; and pine harvest with annual winter burning.



Tall grasses and woody sprouts of varying density dominated the harvested and thinned sites within a short time after the harvest activities. The density of woody sprouts was found to increase as fire frequency decreased, while tall grasses and forbs increased with more frequent burning intervals (1&2 year burns). Post oak, shortleaf pine, blackjack oak,

and mockernut hickory dominated the unharvested sites. The study found that use of low productivity sites by deer increased on forest openings created by timber harvests and maintained by prescribed fire. The research suggests that forest openings maintained in early succession with fire were used as frequently as food plots while being much more cost effective. Three year burn intervals on harvested and thinned sites provided the best foraging conditions for deer while allowing a valuable cover component to develop. When considering cost, browse use, and cover provided, forest management can improve habitat year round while food plots have value limited to certain seasons.

The importance of cover was also demonstrated in this study. Researchers found that deer will use unburned, naturally regenerated areas or areas clearcut, burned, and planted to pine as screening

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Recreational Lease Web Site Available

Hunting leases are the most common types of recreational leases in Oklahoma, however many landowners are finding that other types of recreational leases such as camping, hiking, fishing, or horseback riding can provide income diversification for farm operations. In addition recreational leases can often alleviate trespass problems as the lessee will assume responsibility for posting and monitoring the area.

To assist contact between those with land to lease and those seeking recreational opportunities, OSU Extension Forestry, Wildlife, and Aquaculture has included a recreational lease page on our Web Site. The site allows those interested in recreational leasing to post their needs in a public forum. Lands for lease are organized by county, and specific activities and lease characteristics can be included.

If you would like to visit the site it can be found at agweb.okstate.edu/fwa/lease.html. If you do not have Internet access, but would like to receive the list, or be included on the list, you can contact Kenneth Hitch at (405) 744-5442. If you would like to learn more about recreational leases, consult the OSU Extension Publication *Lease Hunting Opportunities for Oklahoma Landowners*.

Oklahoma Woodland Owners Association Holds Annual Meeting

The Forest Heritage Center at Beavers Bend State Park near Broken Bow was the site of the Annual Meeting of the Oklahoma Woodland Owners Association (OWOA) on October 9, 1999. It was the fourth meeting of the private landowners' association. The morning session featured presentations by foresters from Oklahoma Department of Agriculture Forestry Services. John Norris's discussion of Best Management Practices was followed by Steve Mattax's presentation on Sustainable Forest Management. Of particular interest in the morning session was a report on the U. S. Environmental Protection Agency's plan to classify forestry operations as point sources of stream sedimentation. If implemented, many forest practices would require permits under the Clean Water Act. That afternoon, participants were treated to a tour of the Pan Pacific medium density fiberboard plant in Broken Bow. The tour was arranged by Kenny Hitch, Oklahoma Cooperative Extension Service, and led by Cheryl Fortnier of Pan Pacific.

Current President Patt Nelson along with Steve Anderson and Champe Greene of Oklahoma State University's Department of Forestry formed the OWOA in 1994. The group's purpose is to serve the nonindustrial private woodland owners of Oklahoma in promoting sound and profitable forest management, landowner education and private property rights. It serves also as a liaison between landowners and policy-makers. Although relatively young, the OWOA is emerging as an important collective voice for Oklahoma's woodland owners.

Persons interested in more information about OWOA may contact President Patt Nelson at (918) 743-0458, write to OWOA, 2657 South Trenton Avenue, Tulsa, OK 74114, or visit the association's web site at www.owoa.org.

Oklahoma to Host Quail Symposium

Kingfisher, Oklahoma will be the site of the Bollenbach Quail Symposium on August 4, 2000. Though still in the planning stage, a host of speakers have already been confirmed including personnel from Oklahoma State University, Texas A&M University, Noble Research Center, OSU Extension, Oklahoma Department of Wildlife Conservation, Quail Unlimited, Oklahoma Sportsman's Coalition, and private landowners. The symposium will include topics covering landowner issues, hunter issues, research updates, and management techniques. The specific site and registration information is not available at this time. But if you would like to receive more information as it is available, contact Dr. Fred Guthery, Department of Forestry, Oklahoma State University at (405) 744-9431 or by email at forfsg@okstate.edu.

Alternative Forest Management Practices

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and bedding cover when they are located adjacent to forested or harvested and burned sites.

The researchers concluded that deer management in southeastern Oklahoma should incorporate a mixture of commercial timber harvest using natural regeneration and clearcuts to provide cover; harvested, thinned, and burned (3 to 4 year interval) stands to provide forage; and a mosaic of mature timber to produce mast rather than relying solely on food plots for supplemental forage. For more information on improving white-tailed deer habitat in forested areas consult Wildlife Management Notes # 1, White-tailed Deer.

Don't forget! Now is the time to order trees for your spring reforestation needs. For information contact the Oklahoma Department of Agriculture - Forest Regeneration Center, Washington, OK at (800) 517-3673.

EPA Proposal

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EPA claims that forest management is a significant contributor and threat to water quality protection despite the fact that their own 1996 National Water Quality Inventory found that silvicultural activities are responsible for just 2 percent of impaired river miles. That is the lowest of any source category tracked by the states and annual EPA audits of non-source impairment show that this figure is declining under the current state Best Management Practices (BMP). In fact Silviculture is often prescribed as the land use solution to water quality impairments in many problem watersheds. The Conservation Reserve Program (CRP) has provided federal cost share money to convert millions of acres of highly erodible crop land to pine plantations in an effort to improve water quality. Voluntary BMPs have been endorsed by forest industry for over 20 years as the most practical, cost effective means of protecting forest water resources. BMP compliance and effectiveness studies document over 85% compliance nationwide, and numerous scientific studies support their effectiveness in protecting water quality.

Should the current proposal be accepted, Clean Water Act Permits could add expense and delays to forestry operations. The EPA proposal would allow for the case by case regulation of forestry operations. These forestry operations could include not only harvesting and road construction, but other activities such as site preparation, reforestation, prescribed burning, pest and fire control, thinning, etc.. In addition, if Federal permits are required prior to conducting forest management activities, citizens and citizen groups will be able to challenge in federal court the issuance of those permits. Since the permits would be issued under a federal law, other federal laws such as the Endangered Species Act could become involved before the permit would be issued.

Congress has delayed the public comment period on this proposed regulation until January 20, 2000. If you would like to comment on this proposal or any other proposal before congress you can reach them via the Internet at <http://www.house.gov/house/MemberWWW.html> for house members or <http://www.senate.gov/> for senate members.

Timber Sale Contracts

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sale contracts. Depending on your management objectives and the nature of your sale, there may be other provisions. Timber sale contracts can range from simple one page documents to those the size of a small paperback novel. Your professional forester and a good property lawyer should look over the contract to ensure that your objectives and needs are being met. If you would like more information on developing a timber sale contract, and timber sales in general, consult the OSU Extension publication *Selling Your Timber* or contact your local Extension Office.

Extension Publication Spotlight

With winter coming on, colder temperatures must be on their way. Many homeowners have opted to reduce their consumption of fossil fuels during winter months by heating their homes with wood. The *Heating Your Home With Wood* series of publications is designed to address the most common questions and problems associated with wood heat. The Publications include:

- F-9430 Safe Chainsaw Operation
- F-9431 Cutting Firewood Safely
- F-9433 Safe Installation of Wood Burning Stoves
- F-9434 Safe Operation of Wood Burning Stoves
- F-9438 Wood Stove Chimney Installation
- F-9439 Managing Your Woodlot for Firewood
- F-9440 Firewood: How to Obtain, Measure, Season, and Burn
- F-9441 Heating Your Home With Wood
- F-9442 Safe Installation and Operation of Wood Burning Furnaces

If you would like to receive one of these publications or the entire Heating With Wood Series, you can download them from the OSU Extension Forestry, Wildlife, and Aquaculture Web Site at <http://agweb.okstate.edu/fwa/pubpage.html> or by calling OSU Extension at (405) 744-6432.

Forestry Department Announces New Department Head

Craig R. McKinley, a 1968 graduate in forestry at Oklahoma State University, is returning to his alma mater as Head of the Forestry Department on Jan. 3, 2000. Dr. McKinley most recently was professor and departmental Cooperative Extension leader at North Carolina State University. A forest geneticist by training, McKinley's research strengths and professional interests have focused on the improvement and production of Christmas Trees. At NCSU, he directed and coordinated research and Cooperative Extension educational programs for Christmas trees. He also established and maintained on-going research activities to support the Christmas tree industry on a statewide basis. McKinley co-developed the first cloned Virginia pine Christmas trees at Texas A&M prior to moving to NCSU. He also taught courses in tree physiology, silviculture, dendrology and genetic improvement at graduate and undergraduate levels. He also has experience with the Potlatch Corporation in Warren, Arkansas, from 1974 to 1980. McKinley developed long-range site preparations, hardwood control and comprehensive forest management plans for Potlatch's Southern Division.

"Dr. McKinley will bring to the position an impressive breadth of experience in teaching, research and extension, and has strong leadership skills. We are very pleased that he will be joining our administrative team in the Division of Agricultural Sciences and Natural Resources," said Dr. Sam Curl, Division Dean and Director. McKinley grew up on a 2,200-acre farm and cattle ranch near Elmore City, where he graduated from high school. After graduation from OSU in 1968, he attended Texas A&M, where he earned an MS degree in plant sciences and a PhD. in genetics in 1971 and 1973, respectively. He received an officer's commission through the Texas A&M ROTC program and served in the U.S. Army Medical Service Corps in 1972. He was a first lieutenant when he received an honorable discharge in 1980. His wife, Jean McKinley, is a native of Bryan, Texas. They have a son, Scott, who is 13. The family will make their home in Stillwater.

Grants Available for Oklahoma Producers

The Kerr Center for Sustainable Agriculture has issued a call for proposals to participate in the Oklahoma Producer Grant Program (OPGP). The program provides funds for the development of a new idea or innovative practice in the area of sustainable agriculture. The OPGP will fund on farm tests of an idea or technology as well as on-farm presentations of a proven farming/ranching practice.

Any producer or producer organization in the state of Oklahoma is eligible for this program. For more information contact Alan Ware at (918)647-9123 or by email at mailbox@kerrcenter.com.

Master Tree Farmer

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has gained support from a number of natural resource affiliations including the American Tree Farm System, the USDA Forest Service, the Cooperative Extension System, Forest Landowner's Association, the American Forest and Paper Association, and state forestry agencies and associations.

In Oklahoma the course will be broadcast at the Oklahoma State University Campus in Stillwater and the OSU Tulsa Campus. The course will begin broadcasting on February 1, 2000 and continue every Tuesday. The Broadcasts will be from 6:00 to 9:00 PM and will be followed by a phone in question and answer session. For information on exact broadcast locations, registration fees, and course particulars contact Dr. Bill Ross, State Forestry Specialist at (405) 744-6432 or visit the Master Tree Farmer Web Site at www.mtf2000.net.

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U.S. DEPARTMENT OF AGRICULTURE
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Renewable Resources Managing Editor Kenneth Hitch

Cooperative Extension forest, wildlife, and range specialists are available to assist your land management education needs. Feel free to contact them at the phone number or address listed below. Thank you for your interest in Oklahoma's renewable resources.

Sincerely,



Kenneth Hitch, RREA Extension Specialist

State Office:
008C Agricultural Hall, OSU, Stillwater, OK 74078 • (405) 744-6432
hitchk@okstate.edu <http://agweb.okstate.edu/fwa>

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Upcoming Events

For more information on upcoming events call Extension Forestry and Wildlife @ (405) 744-6432.

Master Tree Farmer Course. February 1, 8, 15, 22, 29, and March 7 & 14, 2000. Oklahoma State University, Stillwater and Tulsa Campuses. For information Contact Dr. Bill Ross at (405) 744-6432.

Forest Management Meetings. February 24 and March 2, 2000. Mayes County Fairgrounds Ag Center. For more information contact Mike Rose at (918) 825-3241.

Redcedar Rodeo. March/February, 2000. Taloga, Oklahoma and Ada, Oklahoma. Information on the utilization, control, and management of eastern redcedar as well as its effect on plant and animal communities throughout Oklahoma. For information contact Dr. Terry Bidwell at (405) 744-9618.

2000 Forest Utilization Conference and Exposition. April 26-28, 2000 Western Hills Guest Resort, Wagoner, OK. For information contact Ouachita Mountains RC&D at (918)423-2479.