

Table of Contents

General Information

- o Site Name, Address, Contact Information, ED Organization Contact Information
- o Site Control Document

Site Characteristics

- o Acreage, Dimensions, Previous Use
- o Fire Rating, Distance to Fire Station
- o Distance to Interstates and 4-Lane Highway, Road Frontage
- o Distance to Rail, Distance to Airport, Distance to Port, Distance to Retail
- o Site Type

Cost Estimates and Timing

- o Cost per Acre
- o Special Timing Considerations
- o Clearing Cost, Grading Cost, Cut/Fill Cost
- o Utility Extension or Upgrade Costs

Environmental

- o Wetlands Screening
- o Floodplain Clearance
- o Historical Survey
- o Endangered Species Survey
- o Environmental Phase I (II)
- o Stormwater Retention Plan

Geotechnical

- o Soils Report, Water Table Depth, Seismic Rating

Zoning/Permitting

- o Copy of Restrictive Covenants
- o Current Classification and Proposed Zoning
- o Copy of Zoning Ordinance, Explanation of Process to Change Zoning

Utilities

- o Local Contact Information and Service

Taxes

- o Local Sales Tax Rates, Property Tax Rates and Methods of Assessment
- o State Taxation Summary

Maps

- o Topography, Utilities, Surrounding Uses, Road Infrastructure, Vicinity Maps, Floodplain Delineation, USGS Quadrangle, Site Dimensions



General Information

Site Name: Interstate 530 Industrial Mega Site

Site Address: Saline County, AR

Owner Contact Name: Bill Hope, Jr.

**Economic Development
Organization Contact
Information:** Saline County Economic Development Corporation
P.O. Box 2066
Benton, Arkansas 72018
Phone: (501) 315-0786
Email: bj@hopeengineers.com

Site Control Document: See Attachment G-1 for Detail



CONTRACT FOR CONDITIONAL OPTION

THIS CONTRACT FOR CONDITIONAL OPTION ("Contract") is made and entered into on this 26th day of December, 2007, by and between Clear Creek Woodlands, LLC, hereinafter called "First Party", and the Saline County Economic Development Corporation, acting by and through its duly authorized representative, Eddie Black, hereinafter called "Second Party."

RECITALS

A. The First Party is the owner of and is in possession of the following described land in Saline County, Arkansas (the "Property"):

All of the South Half (*S1/2*) Of the Southeast Quarter (*SE1/4*) of Section Twenty-Two (22), the South Half (*S1/2*) of the Southwest Quarter (*SW1/4*) and the South Half (*S1/2*) of the Southeast Quarter (*SE1/4*) of Section Twenty-Three (23), all of the Southwest Quarter (*SW1/4*) of Section Twenty-Four (24), the Northeast (*NE1/4*) and all of the West Half (*W1/2*) LESS AND EXCEPT the Southwest Quarter (*SW1/4*) of the (*SW1/4*) of Section Twenty-Five (25), all of Section Twenty-Six (26) LESS AND EXCEPT the Southwest Quarter (*SW1/4*) of the Southeast Quarter (*SE1/4*), the East Half (*E1/2*) of Northwest (*NW1/4*), and the East Half (*E1/2*) of the Southwest Quarter (*SW1/4*) and all of the Northeast Quarter (*NE1/4*) and the Southeast Quarter (*SE1/4*) of Section Twenty-Seven (27), all that part of Section Thirty-Four (34) and Section Thirty-Five (35) lying north of Hensley Mail Route Road containing 2045.5 Acres more or less of Township Two (2) South, Range Twelve (12) West in Saline County, Arkansas. See attached map for reference.

B. The parties have, subject to the provisions of this Contract, agreed to develop the Property as an industrial park.

NOW THEREFORE, for and in consideration of Ten Dollars (\$10.00) and of the good and valuable considerations, the receipt, adequacy and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. First Party does hereby give and grant unto Second Party an option to purchase all or any part of the Property selected by Second Party and approved by First Party for \$8,000.00 per acre. In the event Second Party elects to purchase less than all the Property (the "Purchased Property"), First Party may, at its option, reserve over the balance of the Property (the "Remaining Property") an easement to (i) tap into and use any utility lines, (ii) install, repair and maintain any utility lines

to service the Remaining Property, (iii) use any roads on the Purchased Property to access a public right-of-way and (iv) construct, maintain and repair stub roads on the Purchased Property to tie into the roads on the Purchased Property that provide access to and from a public right-of-way to the Remaining Property. Furthermore, First Party, as the owner **of the** Remaining Property, shall have the right to restrict the use of the Purchased Property to industrial use.

2. Payment of the purchase price shall be made within forty-five (45) days of the selection of the tract as hereinafter provided.

3. Since the First Party has an interest in assuring a uniform development of the property and in preventing inequitable tract selection for industrial sites by the Second Party that would leave First Party with fragmented tracts, irregular property lines and land locked parcels, the parties agree that First Party has reserved the right to refuse to agree with any parcel selected by Second Party under this option agreement. Second Party, on the other hand, desires to assure prospective industry that the entire tract is available for development. The parties therefore agree that selection of individual tracts for purposes of exercising the within option shall be as follows:

- a. The Second Party shall designate the tract upon which this option is to be exercised and if the selection made by the Second Party meets the approval of the First Party, the option shall be exercised as to that tract; but
- b. In the event First Party does not agree to sell the tract selected by Second Party, First party may reject the tract as selected. First Party will not arbitrarily reject tracts selected by Second Party and will, at no cost to First Party, work with Second Party to meet the needs of industrial prospects.
- c. Once the boundaries of the tract have been agreed upon the option price will be calculated and it will be paid as provided by this agreement.

4. **THE OPTION HEREIN GRANTED IS SUBJECT TO** express and written approval being granted by Clear Creek Woodlands, LLC. The approval or disapproval of an option under this agreement may be granted or withheld by Clear Creek Woodlands, LLC in the exercise of its sole discretion or upon such conditions as Clear Creek Woodlands, LLC may impose in the exercise of its sole discretion.

5. This option to expire on the 31st day of December 2012.

6. Clear Creek Woodlands, LLC reserves the right to sell any or all of the above described tracts of property to any third person for any price and at any time upon written notice to "Second Party."

Executed in duplicate on the day and year first above written.

Saline County Economic Development Corporation

By: Eddie Black
Eddie Black, President

Clear Creek Woodlands, LLC

By: Timberland Investment Resources, LLC
Its: Manager

BY: Mark T. Seaman
Mark T. Seaman, Manager

STATE OF ARKANSAS

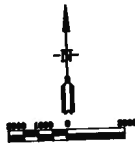
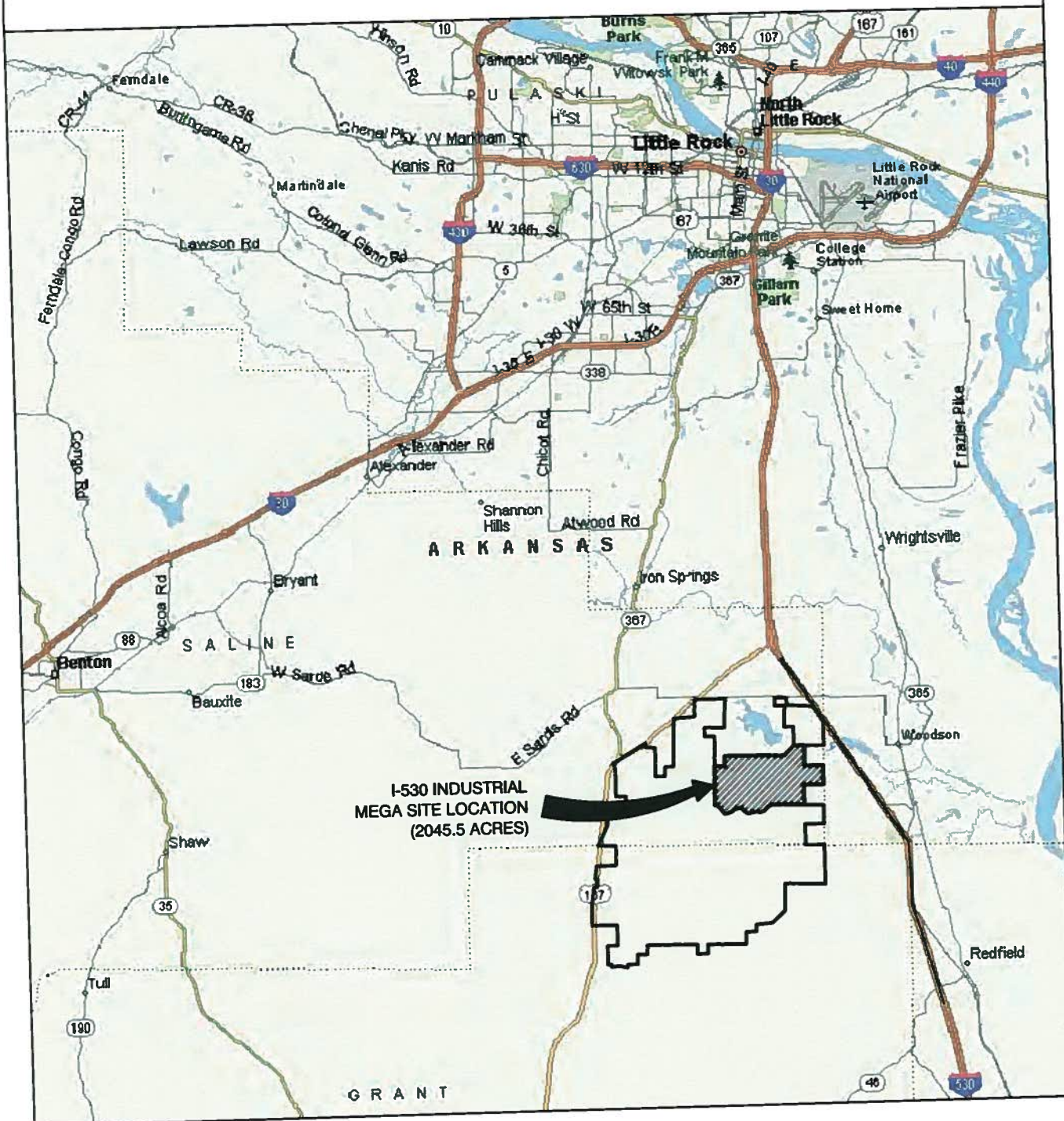
COUNTY OF SALINE


Subscribed and sworn to before me this 4 d of January, 2008.

Louretta Best
Notary Public



VICINITY MAP



	<p>HOPE ENGINEERS</p>	<p>322 North Marshall Street, Bartlett, Arkansas 72018 PH (501)315-0798 FAX (501) 315-0700</p>	<p>www.hopeengineers.com</p>
<p>FOR LEASE AND RENEWAL OF</p>			
<p>Timberland Investment Resources, LLC</p>			
<p>I-530 INDUSTRIAL MEGA SITE</p>			
<p>PROPOSED DEVELOPMENT LOCATION SALINE COUNTY, ARKANSAS</p>			
<p>DATE: 24 Sept 2007</p>	<p>C.A.D. BY: L TYLOR</p>	<p>DRAWING NUMBER</p>	
<p>REVIEWED:</p>	<p>CREATED BY:</p>	<p>07-0624</p>	
<p>SHEET 1 OF 1</p>	<p>SCALE: AS NOTED</p>	<p>0</p>	
<p>500</p>	<p>0</p>	<p>0505</p>	

06 143374

SALINE COUNTY
Circuit Clerk
2006 DEC 28 PM 1:28
BY: [Signature]

I certify under penalty of false swearing that the legally correct amount of documentary stamps have been placed on this instrument.
<u>Sharon K. Rozier, Esq.</u> Grantee or Agent
<u>3379 Peachtree Rd, Ste 420</u> Grantee's Address
<u>Atlanta Georgia 30326</u> City and State

This Instrument Prepared By:
Jackie W. Rozier, Esq.
Adams & Reese LLP
111 East Capitol Street, Suite 350
Jackson, MS 39201
(601) 353-3234

STATE OF ARKANSAS

COUNTY OF SALINE

QUITCLAIM DEED

KNOW ALL MEN BY THESE PRESENTS:

THAT **INTERNATIONAL PAPER COMPANY**, a New York corporation (Grantor), for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, hereby sells and quitclaims to **CLEAR CREEK WOODLANDS, LLC**, a Delaware limited liability company, having an address in care of Timberland Investment Resources, LLC, 3379 Peachtree Road, Suite 420, Atlanta, Georgia 30326 ("Grantee"), its successors and assigns, subject to the other exceptions, reservations and provisions set forth below, all rights of Grantor in and to any minerals, including any sand, clay, and gravel rights, which may be owned by Grantor, lying in, under or upon the Saline County, Arkansas lands described on Exhibit "A" attached hereto and made a part

hereof, with the exception that no coalbed methane is being conveyed. Said quitclaim is subject to all matters of record and prior conveyances of minerals.

The parties acknowledge that:

(i) the oil, gas and associated hydrocarbons and minerals produced in connection therewith have been previously sold and are not being conveyed hereunder and that this conveyance is subject to all matters of record; and

(ii) this conveyance does not affect the rights of Grantor to any coalbed methane previously reserved by Grantor and Grantor reserves all rights it has in any coalbed methane which may lie in, on or under the Property.

TO HAVE AND TO HOLD THE SAME unto the said Grantee and unto its successors and assigns forever.

The effective date of this conveyance shall be the December 22, 2006.

Executed this the 19th day of December, 2006.

INTERNATIONAL PAPER COMPANY

BY: E. Wayne Plummer

NAME: E. Wayne Plummer

ITS: Attorney In Fact

STATE OF TENNESSEE

COUNTY OF SHELBY

ACKNOWLEDGMENT

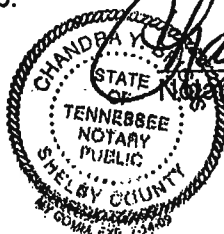
On this day personally appeared before me, the undersigned, a Notary Public, within and for the County and State aforesaid, duly qualified, commissioned and acting, the within named E. Wayne Plummer, being the Attorney In Fact, respectively of International Paper Company, a New York corporation, and who had been designated by said corporation to execute the above instrument, to me personally well known, who stated he is the Attorney In Fact, of said corporation and is duly authorized in his respective capacity to execute the foregoing instrument for and in the name and behalf of said corporation, and further stated and acknowledged that he had so signed, executed and delivered said foregoing instrument for the consideration, uses and purposes therein mentioned and set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and seal as such Notary Public on this 19th day of December, 2006.

MY COMMISSION EXPIRES:
My Commission Expires:
JULY 14, 2009

Address of Grantor

International Paper Company
6775 Lenox Center Court
Building E, 4th Floor
Memphis, TN 38115
(901) 419-9000



Address of Grantee

Clear Creek Woodlands, LLC
c/o Timberland Investment Resources, LLC
3379 Peachtree Road, Suite 420
Atlanta, GA 30326
Phone: (404) 848-2006

EXHIBIT A: Legal Description

SALINE COUNTY, ARKANSAS

Township 2 South, Range 12 West

Section 13: The West Half of the Southwest Quarter of the Northwest Quarter of Section, lying South of Woodson Lateral Road, **LESS and EXCEPT** that portion lying within lands conveyed in Correction Deed dated January 13, 1979 and filed March 16, 1979 in Saline County Deed Record Book 217 at page 740 and more particularly described as follows: Commencing at the Southwest Corner of the said S 1/2 of the N 1/2; thence South 89 degrees 33 minutes 20 seconds East 340.63 feet to the point of beginning; said point being the West right-of-way of a dirt road; thence along said right-of-way on the following three (3) courses: (1) North 21 degrees 04 minutes 21 seconds West 181.72 feet; (2) North 01 degrees 21 minutes 10 seconds West 459.42 feet (3) North 00 degrees 59 minutes 47 seconds East 511.46 feet to the South right-of-way of Woodson Lateral Road; thence along said South right-of-way North 89 degrees 33 minutes 15 seconds East 1757.95 feet to the Westerly right-of-way of Highway 65; thence along said right-of-way on the following eight (8) courses: (1) South 00 degrees 13 minutes 22 seconds West 20.01 feet, (2) South 73 degrees 22 minutes 32 seconds East 127.49 feet, (3) South 14 degrees 30 minutes 04 seconds East 162.12 feet, (4) South 46 degrees 24 minutes 24 seconds East 152.83 feet, (5) North 88 degrees 11 minutes 21 seconds East 242.24 feet, (6) South 89 degrees 47 minutes 36 seconds East 326.92 feet, (7) South 73 degrees 35 minutes 21 seconds East 291.12 feet, (8) South 35 degrees 09 minutes 41 seconds East 961.41 feet to the South line of the said South one-half (S 1/2) of the North one half (N 1/2); thence North 89 degrees 33 minutes 20 seconds West, along the said South line, 3364.11 feet to the point of beginning.

All of the South Half of Section lying West of Interstate 530 **less and except** that part conveyed to Arkansas State Highway Department by Court Order dated November 21, 1960, Circuit Court Case No.7749.

Section 14 All of the Southeast Quarter of the Northeast Quarter of Section, lying South of Woodson Lateral Road.

Section 15 All that part of the Southwest Quarter of the Northeast Quarter lying South of Woodson lateral Road and all that part of the South Half of the Northwest Quarter lying South of Woodson Lateral Road;

All of the Southwest Quarter of Section;

All of the North Half of the Northwest Quarter of the Southeast Quarter of Section.

Section 16: All of the Southeast Quarter of the Southwest Quarter of Section lying South and East of Highway No. 167;

All of the Southwest Quarter of the Southeast Quarter of Section.

All that part of the Southeast Quarter of the Northeast Quarter of Section lying South of Woodson Lateral Road and lying South and East of Highway 167 **less and except** all that part conveyed to Arkansas State Highway Commission more particularly described in Warranty Deed recorded in Book 104, Page 216 and **less and except** Part of the Southeast Quarter of the Northeast Quarter of Section 16, Township 2 South, Range 12 West, Saline County, Arkansas more particularly described as:

Commencing at a 5/8 inch Rebar being used as the Northeast 1/16th Corner of Section 16; thence South 03° 20' 48" West along the West line of the Southeast Quarter of the Northeast Quarter of Section 16 a distance of 2.92 feet to a point on the Centerline of Woodson Lateral Road as established by Deeds recorded as Document # 2004-74161; thence South 88° 35' 29" East along said Centerline a distance of 749.63 feet to a point on the Southeasterly right of way line of U.S. Highway 167 as established by AHTD Job 6663; thence South 00° 35' 21" West along said right of way line a distance of 30.00 feet for the point of beginning; thence North 71° 26' 37" East a distance of 87.77 feet to a point on the Centerline of Woodson Lateral Road as established by Deeds recorded as Document # 2003-33346; thence South 88° 34' 32" East along said Centerline a distance of 418.95 feet to a point; thence South 01° 13' 29" West a distance of 45.21 feet to a point; thence North 88° 48' 06" West a distance of 199.07 feet to a point; thence South 87° 10' 20" West a distance of 91.07 feet to a point; thence South 68° 02' 06" West a distance of 196.02 feet to a point; thence South 75° 55' 19" West a distance of 109.86 feet to a point; thence North 89° 29' 01" West a distance of 110.27 feet to a point; thence North 74° 28' 18" West a distance of 122.31 feet to a point on the Southeasterly right of way line of U. S. Highway 167 as established by AHTD Job 6663;

thence North 50° 47' 02" East along said right of way line a distance of 109.14 feet to a point; thence South 84° 26' 01" East a distance of 135.59 feet to a point; thence North 65° 52' 08" East a distance of 94.09 feet to the point of beginning and containing 1.34 acres more or less as shown on plans prepared by the AHTD referenced as Job 060135.

All of the Northeast Quarter of the Southeast Quarter of Section;

Section 19 All of the Southeast Quarter of Section lying South and East of Highway 167, **less and except** all that part conveyed by Warranty Deed to the Arkansas State Highway Commission more particularly described in Deed Book 104, Page 220 and also **less and except** all that part conveyed to Arkansas State Highway Commission by Declaration of Taking, Circuit Court Case No. CIV-2001-486-3.

Section 20 All of the Southwest Quarter of Section lying South & East of the right of way of Highway 167, **less and except** all that part conveyed by Warranty Deed to the Arkansas State Highway Commission more particularly described in Deed Book 104, Page 220.

All of the Northwest Quarter of the Southeast Quarter of Section.

All of the Southwest Quarter of the Southeast Quarter of Section.

All of the Southeast Quarter of Northwest Quarter lying South and East of Highway 167.

Section 21: All of the East Half of Section,

All of the East Half of the West Half of Section,

Section 22: All of the Southwest Quarter of the Northwest Quarter of Section;

All of the West Half of the Southwest Quarter of Section;

All of the Southeast Quarter Section.

Section 23 All of the South Half of the South Half of the Northwest Quarter of Section;

All of the Southwest Quarter of Section;

All of the South Half of the Southeast Quarter of Section.

- Section 24 All of the Northeast Quarter of Section;
- All of the East Half of the Northwest Quarter of Section;
- All of the Southwest Quarter of Section.
- Section 25 All of the North Half of Section;
- All of the Southwest Quarter of Section, **less and except** the Southwest Quarter of the Southwest Quarter thereof.
- Section 26 All of Section, **less and except** the Southwest Quarter of the Southeast Quarter thereof.
- Section 27 All of the East Half of Section;
- All of the East Half of the West Half of Section.
- Section 28 All of Section, **less and except** the South Half of the Northwest Quarter thereof.
- Section 29 All of Section **less and except** all that part of the NE $\frac{1}{4}$ NE $\frac{1}{4}$ lying North and East of South Spring Lake Road.
- Section 30 All of the East Half of the Northeast Quarter of Section;
- All of the Northeast Quarter of the Southeast Quarter of Section.
- Section 31 All of the South Half of the Northeast Quarter, all of the East Half of the Southwest Quarter lying East of Highway 167, and all of the Southeast Quarter of Section, **less and except** those portions conveyed by IP Timberlands Operating Company, in Special Warranty Deed dated September 27, 1996 and filed October 8, 1996 as Saline County Document No. 1996 36568 and in Correctional Special Warranty Deed dated November 13, 1996 and filed November 18, 1996 as Saline County Document No. 1996 41682 more particularly described as follows:
- Point of Beginning being the NE corner of the NE $\frac{1}{4}$ NW $\frac{1}{4}$; thence North 88 degrees 56 minutes 38 seconds West 512.67 feet to the centerline of Hwy. 167; thence South 8 degrees 0 minutes 25 seconds West 4654.0 feet along said centerline to the centerline of old highway; thence North 41 degrees 42 minutes East 442.42 feet along centerline; thence North 30 degrees 11 minutes 30 seconds East 236.72 feet along centerline, thence North 20 degrees 30

06 143381

minutes 15 seconds East 340.43 feet along centerline; thence North 38 degrees 40 minutes 33 seconds East 813.6 feet along centerline; thence North 17 degrees 25 minutes 15 seconds East 947.3 feet along centerline; thence North 1 degree 10 minutes 51 seconds West 328.18 feet along centerline; thence North 15 degrees 9 minutes 58 seconds West 359.59 feet along centerline; thence North 3 degrees 5 minutes 33 seconds East 224.24 feet along centerline; thence South 82 degrees 43 minutes West 114.06 feet; thence North 02 degrees 01 minutes 25 seconds East 1337.82 feet to the point of beginning and **less and except** Beginning at the NE corner of the NE $\frac{1}{4}$ NW $\frac{1}{4}$; thence North 88 degrees 56 minutes 38 seconds West 512.67 feet to the centerline of Hwy. 167; thence South 8 degrees 0 minutes 25 seconds West 4654.0 feet along said centerline to the centerline of old highway as the point of beginning; thence South 40 degrees 30 minutes 08 seconds West 1035.58 feet along said centerline; thence South 88 degrees 50 minutes 21 seconds East 564.88 feet to the centerline of Hwy 167; thence North 7 degrees 41 minutes 11 seconds East 806.14 feet along said centerline to the Point of Beginning **and also less and except** that part conveyed to Arkansas State Highway Commission by Circuit Court Order dated October 4, 2001, Case No. CIV-2001-485-3.

Section 32 All of Section, **less and except**, the Northeast Quarter (NE $\frac{1}{4}$) of the Northeast Quarter (NE $\frac{1}{4}$).

Section 33 All of Section.

Section 34 All of the East Half of Section;

All of the North Half of the Northwest Quarter of Section;

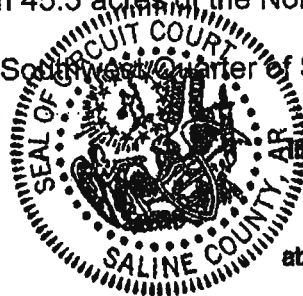
All of the West Half of the Southwest Quarter of the Northwest Quarter of Section.

Section 35 All of Section.

Section 36 All of the Northeast Quarter of Section;

The South 45.5 acres of the Northwest Quarter of Section;

All of the Southwest Quarter of Section.



FILED FOR RECORD

Dec Book 06 Page 143374

DEC 28 2006

at 1:28 p'clock
BY DONG KIDD, CIRCUIT CLERK
DC

Site Characteristics

Acreage:	2045.5 Acres
Dimensions:	Irregular, See attachment M-8 for Detail
Previous Use:	Forestry\Timber
Fire Rating:	9
Distance to Fire Station:	Approximately 3.5 miles
Distance to Nearest Interstate <i>and</i> 4-Lane Highway:	<2 miles to Interstate 530 2 miles to 4-Lane US Highway 167
Road Frontage:	15,000 feet along Hensley Mail Route Road
Distance to Nearest Rail:	Union Pacific Railroad is 3 miles to the East
Distance to Nearest Commercial Airport:	Little Rock National Airport is 15 miles to the Northeast
Distance to Nearest Port Facility:	Little Rock River Port is 15 miles to the Northeast and located on the Arkansas River
Distance from Retail or Central Business District:	<5 miles
Site Type:	Stand Alone



Cost Estimates and Timing

Cost per Acre:	\$8,000
Special Timing Considerations:	No special timing considerations exist.
Clearing Cost:	Approximately 30% of the site is cleared. Costs associated with clearing will vary depending on the development. Typical clearing and grubbing cost is less than \$3,500 per acre.
Grading Cost:	The majority of the property is relatively flat or is gently sloped. Any cost associated with grading will vary dependent on the size and type of the development as well as site-specific requirements.
Cut/Fill Cost:	There are no extraordinary costs associated with site earthwork. Generally, materials can be moved within the site for a cost less than five dollars per cubic yard. Offsite materials can be moved onto the site for less than \$10.00 per cubic yard.
Utility Extension or Upgrade Cost:	Currently there is a 6" water main located approximately 1366 feet to the west along Springlake and Porter Roads. There are also 6" and 12" water mains located to the North along Woodson Lateral. These are supplied and maintained by the East End Water Improvement District 1. There is currently no public sewer system for this area. A private sewer treatment facility could be designed and constructed to fit the specific requirements of the development. Development of the property would require the installation of all utilities.



Environmental

Wetlands Screening:	See attachment E-1 for detail. Excerpt from Environmental Assessment for Hope Engineers, Inc., dated May 2007.
Floodplain Clearance:	See attachment E-2 for detail. Excerpt from Flood Insurance Rate Map panel number 0501910295C, Dated April 2, 2003.
Historical Survey:	See Attachment E-3. Statements from the Department of Arkansas Heritage dated June 2007.
Endangered Species Survey:	See attachment E-4 for detail. Statements from United States Department of the Interior Fish and Wildlife Service dated June 2007.
Environmental Phase I (II):	See attachment E-5 for detail.
Stormwater Retention Plan:	Stormwater shall be managed by the developing entity within the limits of the site development.



WETLANDS

Wetland Characterization

An evaluation was made to determine the potential for wetlands on the proposed Interstate 530 Industrial Mega Site and, if present, how the project may impact wetlands.

An analysis was conducted of the Interstate 530 Industrial Mega Site area topography maps to locate any potential wetland areas. A site visit was made to the area to field verify findings from these maps. The determination was made that no wetlands will be disturbed within the developed area of the industrial site, provided appropriate erosion control measures for construction sites are implemented.

The Environmental Data Resources Incorporated indicates that the proposed 300 acre plant site located within the 2045.5 acre tract contains no wetlands.

Summary of Potential Effects on Wetlands

The development of the 2045.5 acre tract will not have adverse effects on any wetland areas provided that all pertinent United States Corps of Engineer Section 404 guidelines are observed.



322 North Market Street
Benton, AR 72015
Tel (501) 315 0786
Fax (501) 315 0700

www.hopeengineers.com

07-0624

March 10, 2008

Timberland Investment Resources
Saline County Economic Development Corporation
P.O. Box 2066
Benton, AR 72018

Ref.: I-530 INDUSTRIAL MEGA SITE

Greetings:

The report of "Potential Wetlands and Section 404 Reconnaissance" for the I-530 Mega Site is attached.

Although the Mega Site has potential for wetlands on its eastern side along Miller Creek, the study did not identify any potential for wetlands in the 300-acre Plant Site.

It seems inevitable, however, that the proposed railroad spur servicing the Mega Site will encounter some wetlands.

If you have any questions, please get in touch.

Yours truly,

William W. Hope, Sr.

POTENTIAL WETLANDS AND SECTION 404 RECONNAISSANCE
I-530 INDUSTRIAL MEGA SITE
SALINE COUNTY ECONOMIC DEVELOPMENT CORPORATION
SALINE COUNTY, ARKANSAS

Report
To

MR. WILLIAM W. HOPE JR.
HOPE ENGINEERS
322 N MARKET
BENTON, AR 72015

by

GARNER ENGINEERING P.A.
Little Rock, Arkansas

March 7, 2008

Garner Engineering PA

9300 Professor Drive Little Rock, Arkansas 72227

P/F: 501-225-8181

Mobile: 501-681-1491

501-681-1492

March 7, 2008

Mr. William W. Hope Jr.
Hope Engineers
322 N. Market St.
Benton, AR 72015

Re: Potential Wetlands and Section 404 Reconnaissance
I-530 Industrial Mega Site
Saline County Economic Development Corporation
Saline County, Arkansas

Dear Mr. Hope:

As requested, a site reconnaissance and document review has been performed for the approximately 2045.5 acre I-530 Industrial Mega Site in Northeast Saline County, Arkansas. The primary purpose of this initial review was to identify the presence of conditions of potential Section 404 consequence.

The scope of this initial study included the following facets:

- General review of pertinent NRCS, USFWS publications relative to the subject site.
- Review of aerial photography, topography, drainage basin characteristics and historical use information.
- An on-site reconnaissance including areas of potential Section 404 consequence.
- Preparation of this summary report of the potential presence of Section 404 issues.

SITE OBSERVATIONS AND CONDITIONS

General

The approximately 2045.5 acre tract is located in parts of Sections 23 through 27 and 34 through 36 in T 2S, R 12W in the northeast corner of Saline County, Arkansas. The tract is located west of US Highway 67-167 and is accessed from the Hensley Exit. See Attachments 1 and 2.

The tract has historically been in timber production and as such is essentially undeveloped with limited access via gravel logging roads and a few isolated structures

along the south side, i.e. off Hensley Mail Route Road. Observations indicate managed forest practices. See Attachment 3.

Geologically, the site is located near the west edge of the Mississippi Embayment Region. Characteristically, the soils are comprised of alluvial deposits of the Tertiary Period, Eocene Epoch, Claiborne Group. These primarily non-marine deposits are typically comprised of sands with silty clay and silt intervals. The primary soils within the tract are Amy, Angie, Savannah and Trak units.

Topographically, the terrain in the tract is defined by low hills cut by a well defined dendritic drainage pattern. Jay Creek and Miller Creek are the primary intermittent-perennial streams crossing the tract with numerous ephemeral unnamed tributaries. The Jay Creek basin headwaters are almost entirely within the tract. The Miller Creek basin extends south of the tract. Jay Creek joins Miller Creek east of the subject tract. The confluence of Miller Creek and larger Clear Creek is east of the site. See Attachment 4. Flow from Clear Creek ultimately discharges into the Arkansas River, approximately 7 miles east via Pennington Bayou.

POTENTIAL SECTION 404 ISSUES

Wetlands

The timberland management practices noted on the majority of the site has resulted in preservation of hardwood growth along the intermittent Jay Creek and perennial Miller Creek as well as some ephemeral tributaries. See Attachment 5.

The vast majority of the tract is and has been in pine timber production for a number of years. Vegetation, soils and hydrologic conditions supporting wetlands of potential Section 404 of the Clean Water Act were not identified in the upland areas supporting the timber forest.

The upper reaches of Jay Creek are judged to be intermittent in nature with ephemeral tributaries. Although the soils are locally conducive to wetlands, observed hydrologic conditions and vegetation were not supportive of regulated wetlands.

On the other hand, the lower and broader eastern reaches of Jay Creek and particularly perennial Miller Creek are subject to frequent although seasonal flooding. Hydric soils and hydrologic conditions supportive of wetlands exist locally in the eastern reach of Miller Creek, primarily in the northwest portion of Section 25 and south-central portion of Section 24. Hydrophytic vegetation was observed locally in these wetlands system on Miller Creek in Section 25 as identified by the NWI program. Both of these creeks, and particularly Miller Creek, exhibit defined channels and potential regulated wetlands are therefore judged to be confined to areas contiguous with the existing channels or in localized and potentially isolated, abandoned channels and/or depressions subject to frequent seasonal flooding.

Summary and Conclusions

A representative reconnaissance was performed on accessible portions of the approximately 2045.5 acre tract. The reconnaissance was impacted by seasonally wet and locally flooded terrain especially in the eastern reach of Miller Creek. To supplement onsite observations additional information relative to potential Section 404 conditions was obtained from NRCS, NWI and other aerial mapping sources. The following conclusions were developed relative to potential Section 404 issues.

- The majority of the tract is and has been in timber production, primarily softwood, and wetlands appearing to have a potential for Section 404 regulation were not found in the upland, managed forest areas.
- The vegetation along the present courses of Jay Creek and Miller Creek has largely been preserved resulting in a varied but generally broad-leaved deciduous tree growth.
- Our study did not identify wetlands appearing to have a potential for Corps regulation in the upper western reach of Jay Creek and ephemeral tributaries.
- A potentially beaver impacted wetlands condition was observed on Miller Creek. This area is considered to be potentially subject to Corps regulation. See Attachments 6 and 7.
- Conditions supportive of potentially regulated wetlands are indicated locally along the frequently flooded lower eastern reach of Miller Creek and to a lesser extent Jay Creek upstream of their confluence.
- Our reconnaissance was conducted for the purpose of evaluation of the potential for Section 404 issues on the large tract. It should be noted that the scope of study did not include a formal Section 404 delineation required by Corps guidelines. Nevertheless, site observations and other supplemental review of vegetation, soils and hydrologic conditions were performed.
- The conclusions presented here are preliminary in nature and it is incumbent upon the user that a formal delineation of area specific factors be performed, submitted and approved by the Corps.

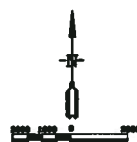
We appreciate the opportunity to be of assistance in this initial review of potential Section 404 regulation issues. Should you have questions relative to this report or if we may be of further assistance on this or future activities, please do not hesitate to call on us.




Very truly yours,
Garner Engineering PA

Carl W. Garner P.E.

VICINITY MAP

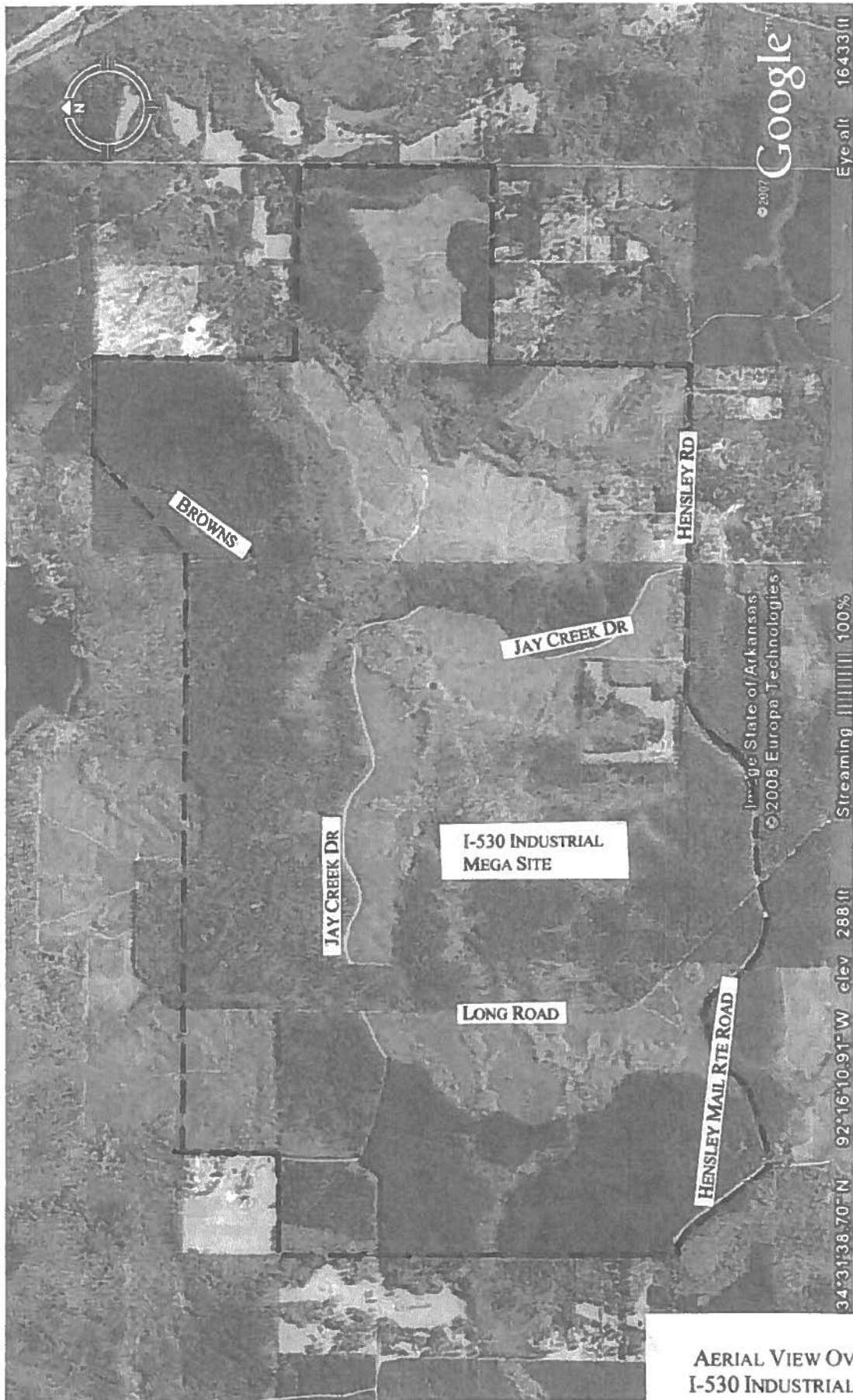


 HOPE ENGINEERS 322 North Market Street, Benton, Arkansas 72015 PH: (501) 315-0700 FAX: (501) 315-0700 www.hopeengineers.com		FOR USE AND BENEFIT OF	
		Timberland Investment Resources, LLC	
I-530 INDUSTRIAL MEGA SITE PROPOSED DEVELOPMENT LOCATION SALINE COUNTY, ARKANSAS			
DATE: 24 Sept 2007	CAD. BY: L. TYALOS	DRAWING NUMBER:	
REVIEWED:	CHECKED BY:	07-0624	
SHEET: 1 OF 1	SCALE: AS NOTED		
500	0	6500	

The legal description for the subject property is as follows:

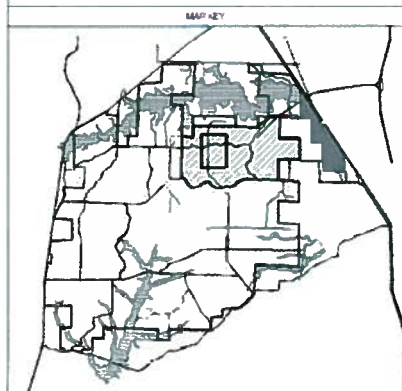
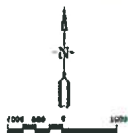
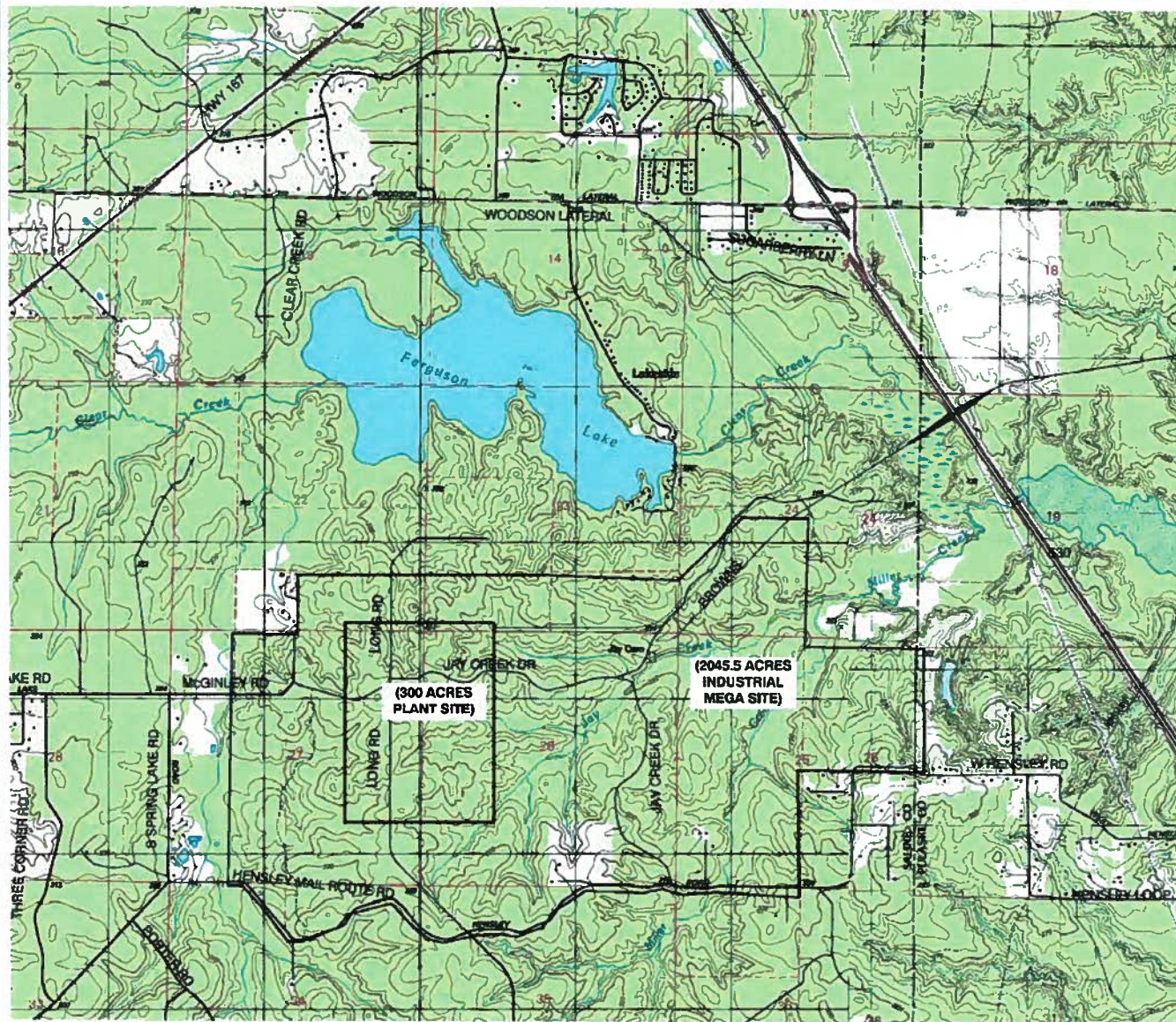
All of the South Half (S1/2) Of the Southeast Quarter (SE1/4) of Section Twenty-Two (22), the South Half (S1/2) of the Southwest Quarter (SW1/4) and the South Half (S1/2) of the Southeast Quarter (SE1/4) of Section Twenty-Three (23), all of the Southwest Quarter (SW1/4) of Section Twenty-Four (24), the Northeast (NE1/4) and all of the West Half (W1/2) LESS AND EXCEPT the Southwest Quarter (SW1/4) of the (SW1/4) of Section Twenty-Five (25), all of Section Twenty-Six (26) LESS AND EXCEPT the Southwest Quarter (SW1/4) of the Southeast Quarter (SE1/4), the East Half (E1/2) of Northwest (NW1/4), and the East Half (E1/2) of the Southwest Quarter (SW1/4) and all of the Northeast Quarter (NE1/4) and the Southeast Quarter (SE1/4) of Section Twenty-Seven (27), all that part of Section Thirty-Four (34) and Section Thirty-Five (35) lying north of Hensley Mail Route Road containing 2045.5 Acres more or less of Township Two (2) South, Range Twelve (12) West in Saline County, Arkansas.

LEGAL DESCRIPTION
I-530 INDUSTRIAL MEGA SITE
ATTACHMENT 2



AERIAL VIEW OVERALL SITE
I-530 INDUSTRIAL MEGA SITE
ATTACHMENT 3

TOPOGRAPHY MAP





HOOPING ENGINEERS

P.O. BOX 2400 DALLAS, TEXAS 75225

3522 Veterans Memorial Street,
Dallas, Texas 75225 Phone
FAX (214) 313-2600
FAX (214) 313-0500
www.hoopingengineers.com

Timberland Investment Resources

1 530 INDUSTRIAL MEGA SITE

IMPOSED BY TOLSON/MI
SALINE COUNTY, ARKANSAS

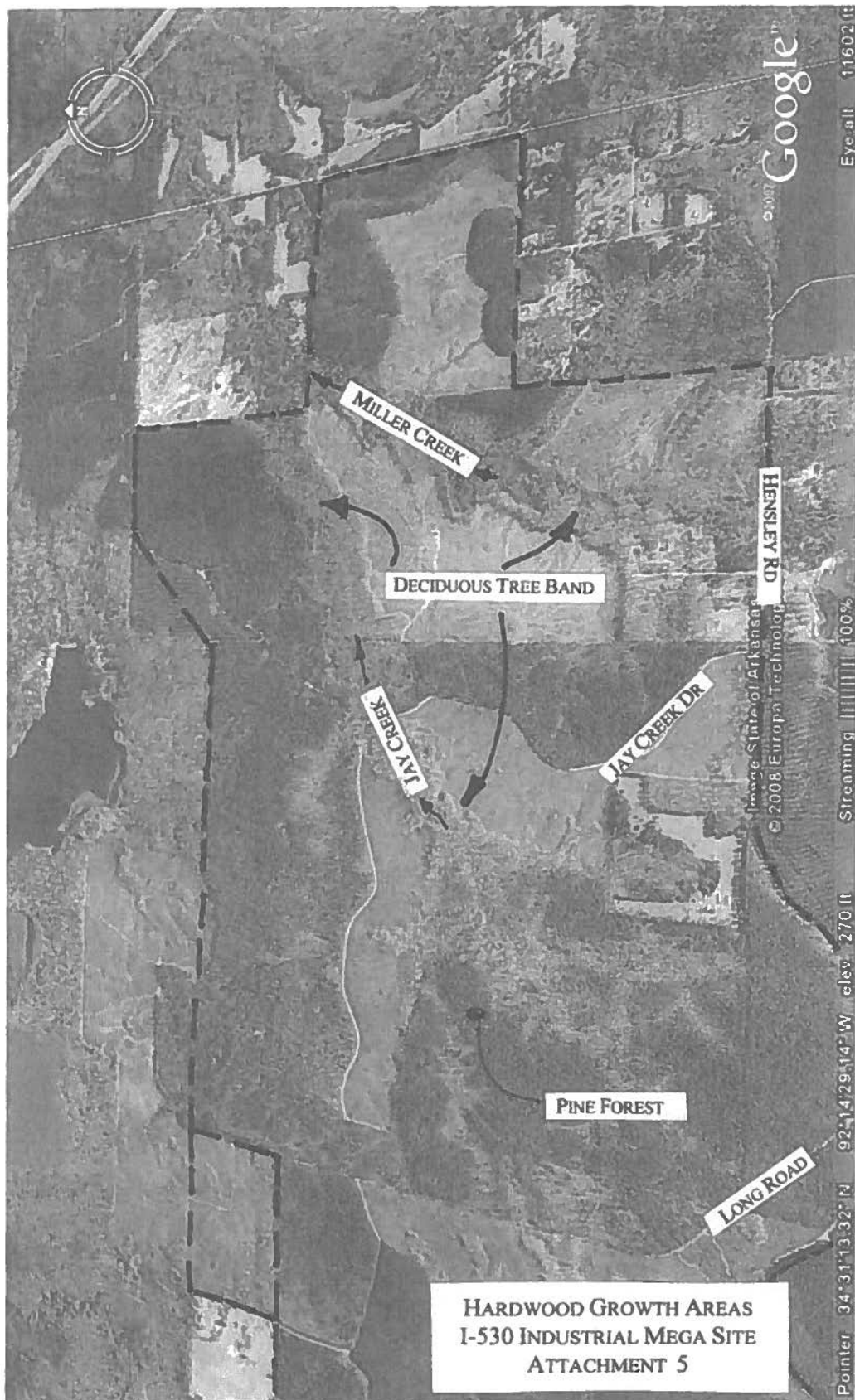
DATE: 04/26/2006 10:07:07 AM

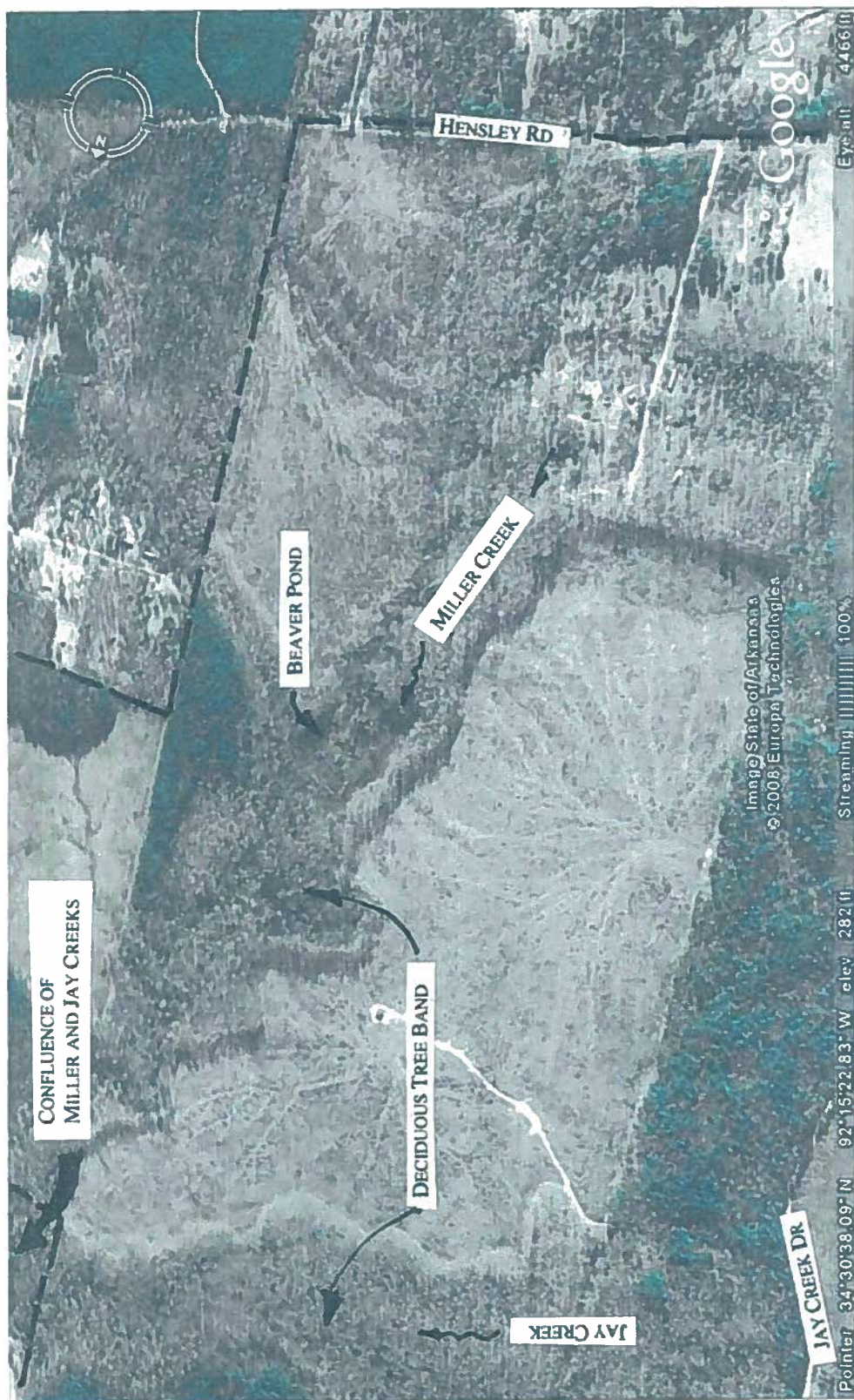
USER: 00000000

5 000'S

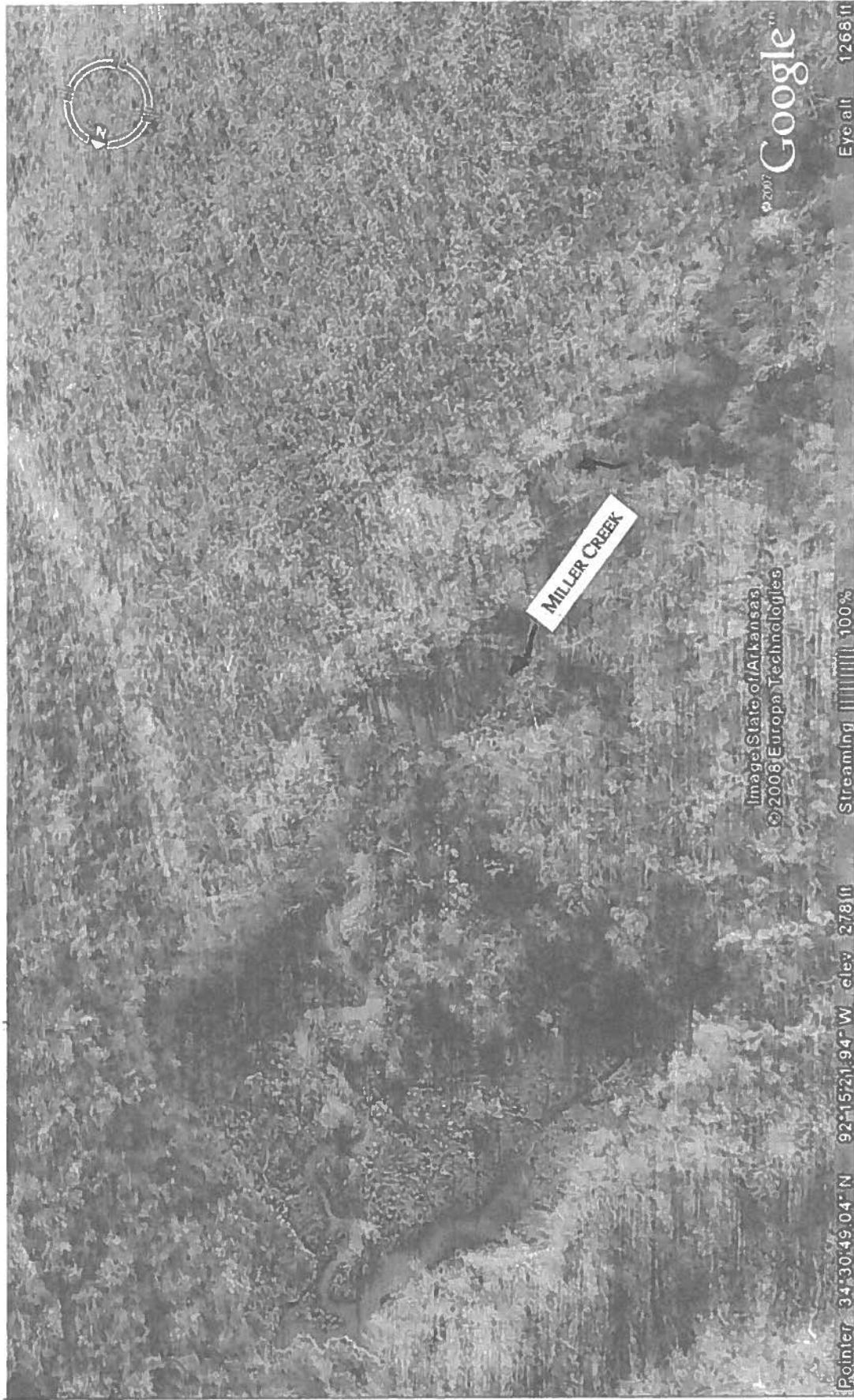
000

CAD STY: 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743,





EAST REACHES MILLER AND JAY CREEK
I-530 INDUSTRIAL MEGA SITE
ATTACHMENT 6

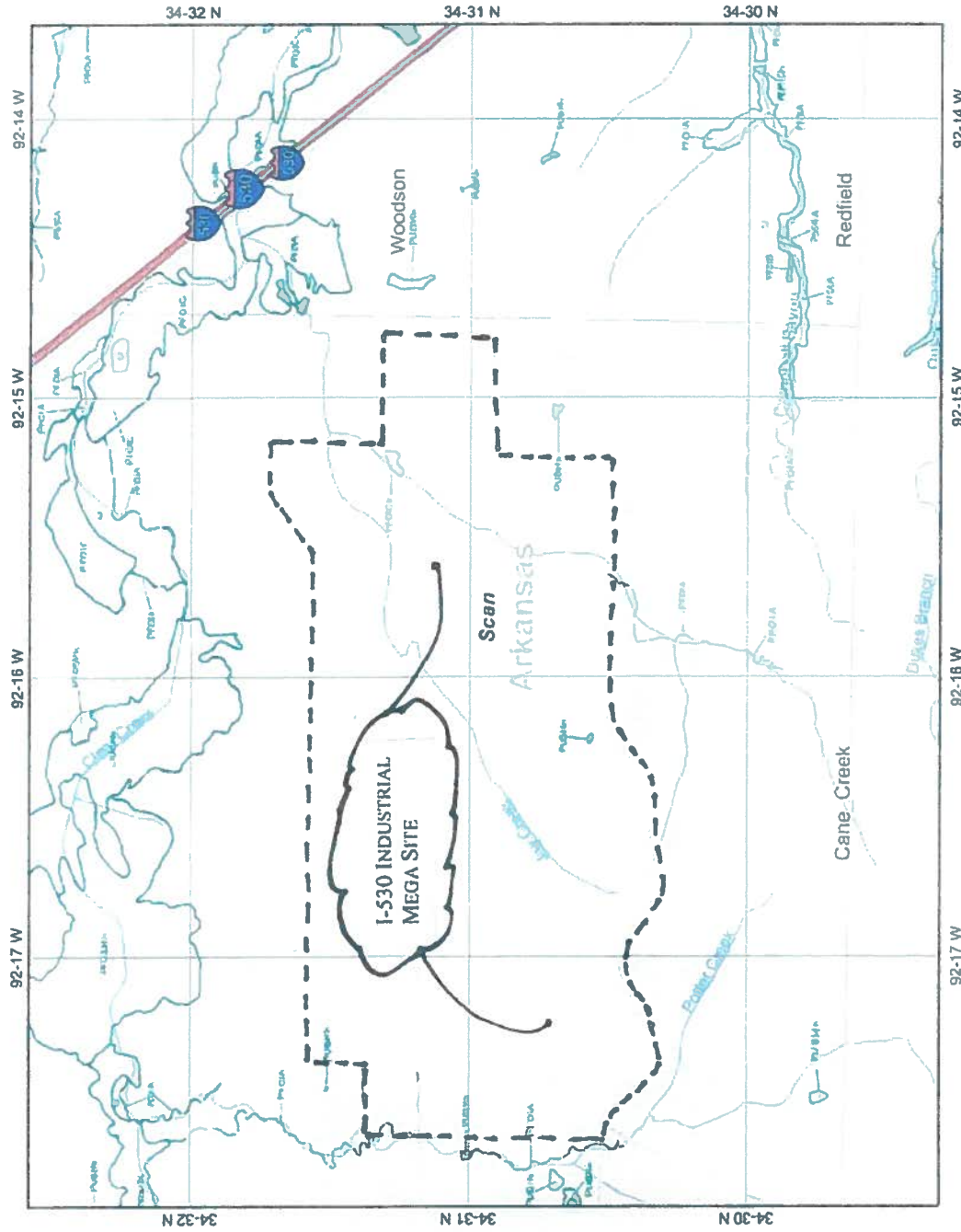


BEAVER IMPACTED WETLANDS
I-530 INDUSTRIAL MEGA SITE
ATTACHMENT 7

APPENDIX A

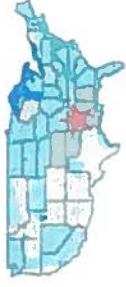
NWI AND NRCS
INFORMATION

I-530 Industrial Mega Site



Map center: 34° 30' 57" N, 92° 15' 47" W

This map is a user generated static output from an Internet mapping site and is for general reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable. THIS MAP IS NOT TO BE USED FOR NAVIGATION.



Legend

CONUS_wet_scan

0
1

Out of range

Interstate

Major Roads

Other Road

Interstate

State Highway

US Highway

Roads

Cities

USGS Quad Index 24K

Lower 48 Wetland Polygons

Estuarine and Marine Deepwater

Estuarine and Marine Wetland

Freshwater Emergent Wetland

Freshwater Forested/Shrub Wetland

Freshwater Pond

Lake

Other

Riverine

Lower 48 Available Wetland Data

Non-Digital

Digital

No Data

Scan

NHD Streams

Counties 100K

States 100K

South America

North America



Scale: 1:42,311

I-530 Industrial Mega Site
Soil Map



Pulaski County, Arkansas (AR119)

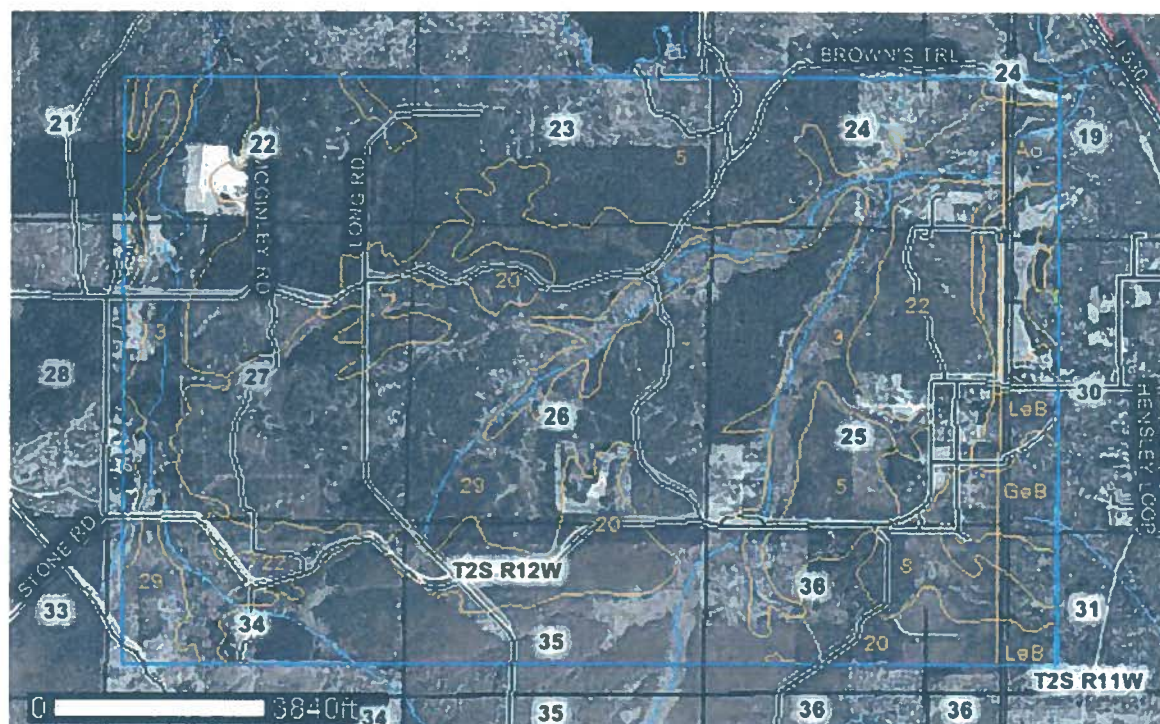
Map Unit Symbol	Map Unit Name	Acres in AOI	Percent of AOI
Ao	Amy silt loam, frequently flooded	40.0	1.0%
GeB	Guthrie-Leadvale complex, undulating	68.3	1.7%
LeB	Leadvale silt loam, 1 to 3 percent slopes	73.2	1.8%
LeC	Leadvale silt loam, 3 to 8 percent slopes	4.6	0.1%
StC	Smithdale fine sandy loam, 3 to 8 percent slopes	62.5	1.6%
TaB	Tiak fine sandy loam, 1 to 3 percent slopes	0.4	0.0%
W	Water	3.3	0.1%

Saline County, Arkansas (AR125)

Map Unit Symbol	Map Unit Name	Acres in AOI	Percent of AOI
3	Amy silt loam, frequently flooded	600.7	15.0%
4	Amy soils	20.8	0.5%
5	Angie fine sandy loam, 3 to 8 percent slopes	901.9	22.6%
8	Caddo-Messer variants complex	93.7	2.3%
20	Savannah fine sandy loam, 1 to 3 percent slopes	377.6	9.5%
22	Savannah fine sandy loam, 3 to 8 percent slopes	324.7	8.1%
25	Smithdale loamy sand, 3 to 8 percent slopes	22.6	0.6%
29	Tiak silt loam, 3 to 8 percent slopes	1,399.7	35.0%
Totals for Area of Interest (AOI)			3,994.0

I-530 Industrial Mega Site

Hydric Soils Map



Report — Hydric Soils

Pulaski County, Arkansas

Map symbol and map unit name	Component	Percent of map unit	Landform	Hydric criteria
Ao—Amy silt loam, frequently flooded				
	Amy	95	Flood plains	2B3, 4
	Aquults	5	Depressions	2B3, 3, 4
GeB—Guthrie-Leadvale complex, undulating				
	Guthrie	70	Stream terraces	2B3
	Aquults	5	Depressions	2B3, 3
LeB—Leadvale silt loam, 1 to 3 percent slopes				
	Amy	5	Depressions	2B3
	Guthrie	5	Depressions	2B3, 3

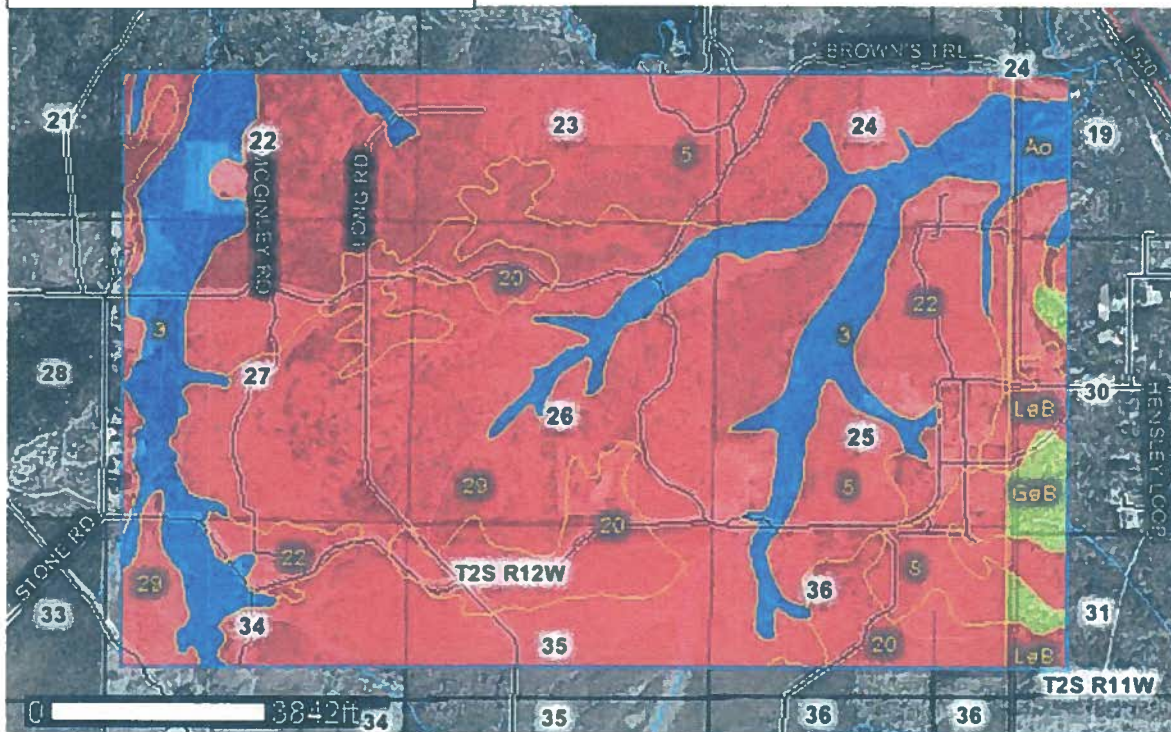
Pulaski County, Arkansas

	Wrightsville	5 Stream terraces	2B3
LeC—Leadvale silt loam, 3 to 8 percent slopes			
	Guthrie	5 Depressions	2B3, 3
TaB—Tiak fine sandy loam, 1 to 3 percent slopes			
	Aquults	5 Depressions	2B3, 3

Saline County, Arkansas

Map symbol and map unit name	Component	Percent of map unit	Landform	Hydric criteria
3—Amy silt loam, frequently flooded				
	Amy	90	Flood plains	2B3, 4
	Aquults	5	Depressions	2B3, 3, 4
4—Amy soils				
	Amy	90	Stream terraces	2B3
	Aquults	5	Depressions	2B3, 3
8—Caddo-Messer variants complex				
	Caddo	50	Stream terraces	2B3
	Aqualfs	10	Depressions	2B3, 3
20—Savannah fine sandy loam, 1 to 3 percent slopes				
	Amy	5	Flood plains	2B3, 4
	Aquults	5	Depressions	2B3, 3
	Wrightsville	5	Stream terraces	2B3

I-530 Industrial Mega Site
Flooding Frequency



Tables — Flooding Frequency Class — Summary By Map Unit

Summary by Map Unit — Pulaski County, Arkansas

Map unit symbol	Map unit name	Rating	Acres in AOI	Percent of AOI
Ao	Amy silt loam, frequently flooded	Frequent	40.0	1.0%
GeB	Guthrie-Leadvale complex, undulating	Rare	68.3	1.7%
LeB	Leadvale silt loam, 1 to 3 percent slopes	None	73.2	1.8%
LeC	Leadvale silt loam, 3 to 8 percent slopes	None	4.6	0.1%
StC	Smithdale fine sandy loam, 3 to 8 percent slopes	None	62.5	1.6%
TaB	Tiak fine sandy loam, 1 to 3 percent slopes	None	0.4	0.0%
W	Water	None	3.3	0.1%

Summary by Map Unit — Saline County, Arkansas

Map unit symbol	Map unit name	Rating	Acres in AOI	Percent of AOI
3	Amy silt loam, frequently flooded	Frequent	600.7	15.0%
4	Amy soils	None	20.8	0.5%
5	Angie fine sandy loam, 3 to 8 percent slopes	None	901.9	22.6%

Summary by Map Unit — Saline County, Arkansas

8	Caddo-Messer variants complex	None	93.7	2.3%
20	Savannah fine sandy loam, 1 to 3 percent slopes	None	377.6	9.5%
22	Savannah fine sandy loam, 3 to 8 percent slopes	None	324.7	8.1%
25	Smithdale loamy sand, 3 to 8 percent slopes	None	22.6	0.6%
29	Tiak silt loam, 3 to 8 percent slopes	None	1,399.7	35.0%
Totals for Area of Interest (AOI)			3,994.0	100.0%

Description — Flooding Frequency Class

Flooding is the temporary inundation of an area caused by overflowing streams, by runoff from adjacent slopes, or by tides. Water standing for short periods after rainfall or snowmelt is not considered flooding, and water standing in swamps and marshes is considered ponding rather than flooding.

Frequency is expressed as none, very rare, rare, occasional, frequent, and very frequent.

"None" means that flooding is not probable. The chance of flooding is nearly 0 percent in any year. Flooding occurs less than once in 500 years.

"Very rare" means that flooding is very unlikely but possible under extremely unusual weather conditions. The chance of flooding is less than 1 percent in any year.

"Rare" means that flooding is unlikely but possible under unusual weather conditions. The chance of flooding is 1 to 5 percent in any year.

"Occasional" means that flooding occurs infrequently under normal weather conditions. The chance of flooding is 5 to 50 percent in any year.

"Frequent" means that flooding is likely to occur often under normal weather conditions. The chance of flooding is more than 50 percent in any year but is less than 50 percent in all months in any year.

"Very frequent" means that flooding is likely to occur very often under normal weather conditions. The chance of flooding is more than 50 percent in all months of any year.

Rating Options — Flooding Frequency Class

Aggregation Method: Dominant Condition

Component Percent Cutoff: *None Specified*

Tie-break Rule: More Frequent

Beginning Month: January

Ending Month: December



REPLY TO
ATTENTION OF

DEPARTMENT OF THE ARMY
LITTLE ROCK DISTRICT, CORPS OF ENGINEERS
POST OFFICE BOX 867
LITTLE ROCK, ARKANSAS 72203-0867

NOV 27 2007

Regulatory Office

FILE No. 2007-00507

Mr. Kevin Foshee
Hope Engineers
322 North Market Street
Benton, Arkansas 72015

Dear Mr. Foshee:

Please refer to your request of October 2, 2007, for the placement of dredged and fill material in waters of the United States associated with a feasibility study for a proposed industrial development. The subject property is located in Sections 22-27, 34, & 35 15, T. 2 S., R. 12 W., Little Rock, Saline County, Arkansas.

A review of the aerial photographs, the topographic quadrangle map, and the Saline County Soil Survey reveals that there is a high likelihood that this property contains wetlands. In addition, Jay Creek and Miller Creek flow through the property. Wetlands and streams are considered waters of the United States and are regulated under Section 404 of the Clean Water Act.

Any project that would result in the placement of fill material in wetlands requires a Section 404 Department of the Army Permit prior to commencing work. Typical Section 404 activities include mechanical landclearing, filling, ditching, or leveling. If you are planning a project on this tract, a wetland determination should be conducted in the project area to delineate the exact boundaries of any wetlands on site.

Due to increasing Regulatory workloads and other pressing priorities, we have been postponing large-scale wetland determinations on properties for which no specific projects are planned. If you need a wetland determination for other purposes, there are consultants who can possibly conduct the determination more quickly. Wetland determinations done by consultants are not official until approved by the Corps of Engineers.

If you decide to develop this property, please complete an application (forms and informational pamphlet enclosed) along with plan view and cross section drawings of the proposed project. If you choose to hire a consultant to do a wetland determination on the project area, please include the consultant's report with the application.

-2-

Your cooperation in the Regulatory Program is appreciated. If you have any questions, please contact me at (501) 324-5295 and refer to Action No. 2007-00507.

Sincerely,

A handwritten signature in black ink that reads "Jason V. Gramlich". The signature is written in a cursive style with a large, stylized 'J' and 'G'.

Jason Gramlich
Project Manager

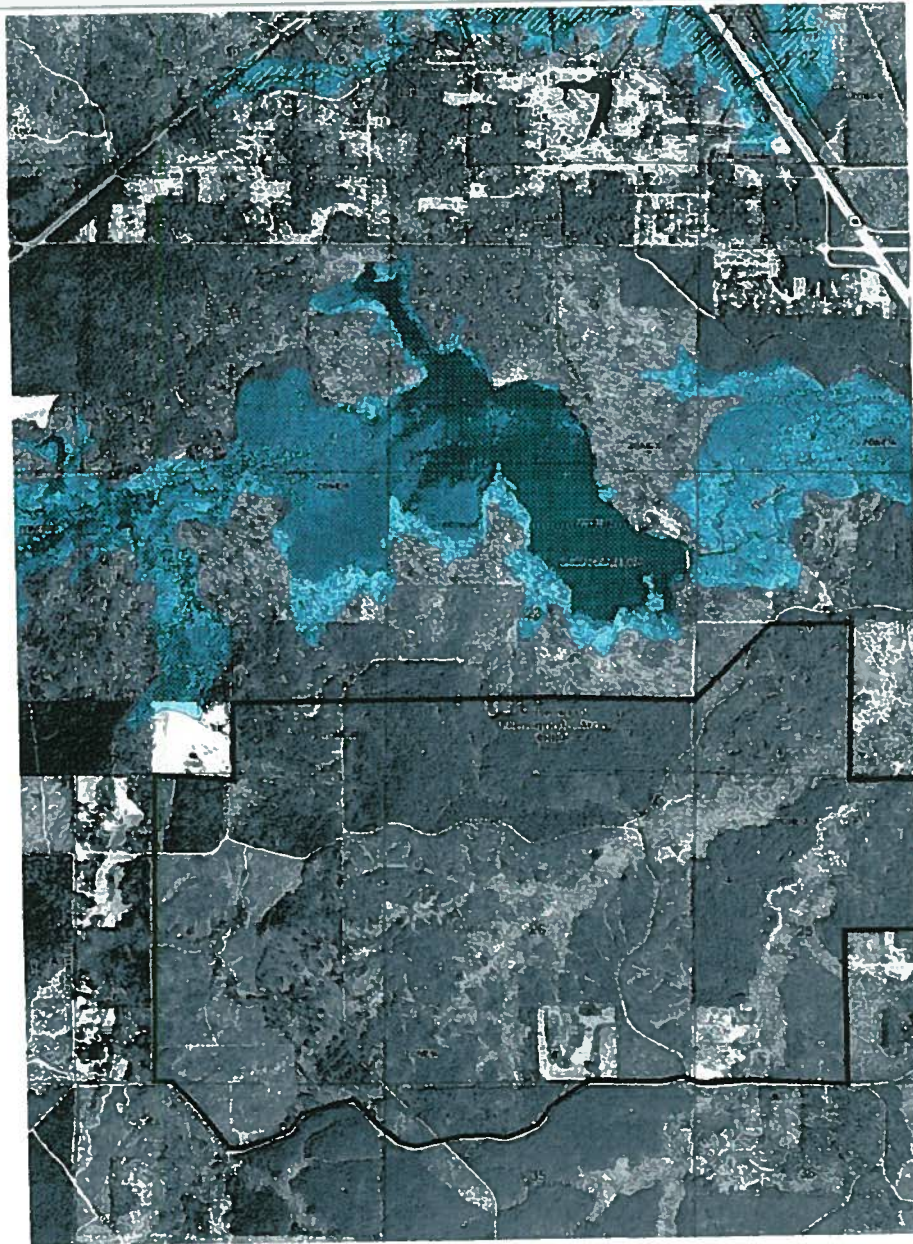
Enclosure

FLOODPLAINS

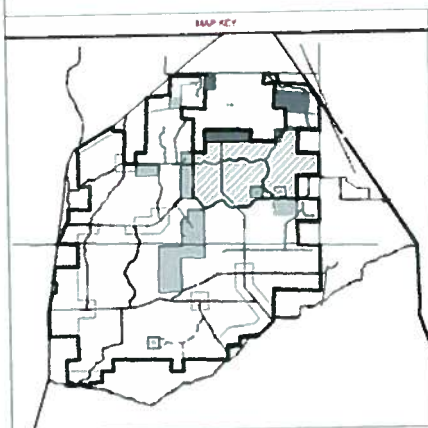
Executive Order 11988 defines floodplains as lowland and relatively flat areas adjoining inland and coastal waters including flood prone areas of offshore islands that are subject to a one percent or greater chance of flooding in any given year (Le. one hundred year flood).


The proposed area of development is not within the limits of a base floodplain and would not indirectly support secondary development within a base floodplain nor otherwise significantly impact a base floodplain. This attached exhibit was generated using the National Flood Insurance Program's Flood Insurance Rate Maps (FIRM) for the affected area as generated by the Federal Emergency Management Agency (FEMA).

FLOOD MAP



NO PORTION OF THE PROPERTY DESCRIBED HEREON LIES WITHIN THE 100 YEAR FLOOD PLANE, ACCORDING TO THE FLOOD INSURANCE RATE MAP PANEL # 0501910295C, DATED APRIL 2, 2003.



 HOPE ENGINEERS 322 North Market Street, Benton, Arkansas 72015 PH: (501) 315-0788 FAX: (501) 315-0789 www.hopeengineering.com		
FOR USE AND BENEFIT OF Timberland Investment Resources CLEAR CREEK PROPOSED PHASE 3 DEVELOPMENT SALINE & GRANT COUNTIES, ARKANSAS		
DATE: 24 AUG 2007	CREATED BY: L. TAYLOR	DRAWING NUMBER: 07-0353
REVIEWED BY:	SCALE: AS NOTED	
SHEET: 9 OF 9		
NO:		

HISTORIC, ARCHITECTURAL, ARCHEOLOGICAL AND CULTURAL RESOURCES

Potential impacts were reviewed in accordance with the following laws:

- The National Historic Preservation Act of 1966, which establishes the National Historic Preservation Program, includes directives for identifying and protecting historic properties. This Act also established the Advisory Council on Historic Preservation to advise the President and Congress on historic preservation matters, to recommend measures to coordinate federal historic preservation activities, and to comment on federal actions affecting properties included in or eligible for inclusion in the National Register of Historic Places.
- The Archaeological and Historic Preservation Act of 1974 requires implementation of an archaeological survey and, if necessary, recovery and preservation of any significant and/or prehistoric data that may be destroyed or irreparably lost as a result of federally funded projects.

On consultation with the Department of Arkansas Heritage, Arkansas Historic Preservation Program, State Historic Preservation Officer (SHPO), no known historic properties have been or will be affected by this undertaking. See attached agency correspondence.



322 North Market Street
Benton, AR 72015
Tel (501) 315 0786
Fax (501) 315 0700

www.hopeengineers.com

January 16, 2008

Arkansas Historic Preservation Program
1500 Tower Building
323 Center Street
Little Rock, AR 72201

65547
EDA
AHPP

IAN 8 2008

Subject: Interstate 530 Industrial Mega Site
Woodson Lateral @ I-530, Saline County, Arkansas

To Whom It May Concern:

Our company is working with Timberland Investment Resources, The Saline County Economic Development Corporation, Entergy Arkansas, Senator Shane Broadway and the Governor's office to certify 2000 acres as a potential industrial mega site. As part of this process, we are requesting your review of the subject property to determine if the development will have any adverse affects on any historic sites in the area.

The subject property is located within a larger tract of approximately 16,000 acres of undeveloped woodlands and grasslands in Saline County.

I have provided for your review the following information: A topographic map indicating the site boundaries, and an aerial photograph of the site.

Your time and assistance in this matter is greatly appreciated. If you have any questions or require further information, please contact me immediately.

Thank you,

Lisa R. Taylor
Project Manager

Date 1-24-08
No known historic properties will be
affected by this undertaking. This
effect determination could change
should new information come to light.

Frances McSwain, Deputy State
Historic Preservation Officer



The Department of
**Arkansas
Heritage**

Mike Beebe
Governor

cathie Matthews
Director

Arkansas Arts Council

Arkansas Historic
Preservation Program

Delta Cultural center

Historic Arkansas Museum

Mosaic Templars
Cultural Center

Old State House Museum



Arkansas Natural Heritage
Commission

1500 Tower Building
323 Center Street
Little Rock, AR 72201
(501) 324-9619
fax: (501) 324-9618
tdd: (501) 324-9811

e-mail:

arkansas@natu@lheritage..org

website:

www.naty@lheritage.com

An Equal Opportunity Employer

Date: June 13, 2007

Subject: Elements of Special Concern

Clear Creek Proposed Commercial Residential Development

Saline County, AR

ANHC No.: P-CF..-07-081

Mr. Kevin Foshee
Hope Engineers
322 N. Market St
Benton, AR 72015

Dear Mr. Foshee:

Staff members of the Arkansas Natural Heritage Commission have reviewed our files for records indicating the occurrence of rare plants and animals, outstanding natural communities, natural or scenic rivers, or other elements of special concern within or near the 16,000 acres of undeveloped woodlands and grasslands in Saline and Grant Counties along Highway 167 and Interstate 530. The project consists of commercial development along the highways and residential development in the remaining areas.

A single occurrence of Devil's bit (*Chamaelirium luteum*), a species of state concern, is mapped. immediately adjacent to the review tract. Detailed information on this occurrence is provided on the attached data print-out. Devil's bit is an uncommon plant in Arkansas where it is on the western periphery of its range. An occurrence has been reported near Highway 167 south of its intersection with Spring Lake Road. This plant occurs in wet sandy woods and may be found **throughout** the study area in appropriate habitat. Although no other rare species have been mapped on or immediately adjacent to the property, this likely indicates a lack of inventory rather than an absence of species. Numerous rare plant occurrences have been reported from the adjoining Lakeside Country Club property. The following habitats on the review tract have the potential to support state concern species:

- Wetland habitat along Clear Creek and its tributaries on the north end of the property - Twenty species of state concern have been mapped on nearby property including within the wetlands associated with Spring Lake and Ferguson Lake. Several of these species are globally rare. The attached element list has been annotated to indicate those species recorded from this wetland complex. It is likely that some of these species are present on the review property.

Streamside zones - many of the rare species recorded in this general vicinity are associated with streamside and seepage habitat. To reduce the potential to impact rare species, appropriate buffer zones should be maintained along streams for future development of the property.

- Utility corridors - Inventory work conducted by this agency in southeastern Saline County indicates that utility corridors frequently harbor rare species. These corridors serve as refugia for species that once occurred in more open prairie/savanna habitat. Rare species would only be present in these corridors where bedding or other major alterations had not occurred. Maintenance of native vegetation, avoidance of herbicide use and periodic mowing would maintain habitat for rare species along these corridors.

A list of elements known to occur within a five mile radius of the review property is enclosed for your reference. The list has been annotated to indicate those occurrences falling within the Clear Creek wetland complex. A legend is provided to help you interpret the codes used on this list.

Please keep in mind that the project area may contain important natural features of which we are unaware. Staff members of the Arkansas Natural Heritage Commission have not conducted a field survey of the study property. Our review is based on data available to the program at the time of the request. It should not be regarded as a final statement on the elements or areas under consideration, nor should it be considered an official clearance for species listed as endangered or threatened under the U.S. Endangered Species Act. The U.S. Fish and Wildlife Service is the only agency in Arkansas that can issue formal letters of clearance for federally endangered and threatened species that may be required for some permits and federal actions. Because our files are updated constantly, you may want to check with us again at a later time.

Thank you for consulting us. It has been a pleasure to work with you on this study.

Sincerely,



Cindy Osborne
Data Manager/Environmental Review Coordinator

Enclosures: Legend

Data Print-out for *Chamae/irium luteum*

Annotated list of elements within five miles of review property

Invoice

LEGEND

STATUS CODES

FEDERAL STATUS CODES

C	=	Candidate species . The U.S. Fish and Wildlife Service has enough scientific information to warrant proposing this species for listing as endangered or threatened under the Endangered Species Act .
LE	"	Listed Endangered ; the U.S. Fish and Wildlife Service has listed this species as endangered under the Endangered Species Act.
LT	=	Listed Threatened; the U.S. Fish and Wildlife Service has listed this species as threatened under the Endangered Species Act .
-PD	=	Proposed for Delisting; the U.S. Fish and Wildlife Service has proposed that this species be removed from the list of Endangered or Threatened Species.
PE	"	Proposed Endangered; the U.S. Fish and Wildlife Service has proposed this species for listing as endangered .
PT	"	Proposed Threatened; the U.S. Fish and Wildlife Service has proposed this species for listing as threatened.
T/SA EISA	=	Threatened (or Endangered) because of similarity of appearance.

STATE STATUS CODES

INV	"	Inventory Element; The Arkansas Natural Heritage Commission is currently conducting active inventory work on these elements. Available data suggests these elements are of conservation concern. These elements may include outstanding examples of Natural Communities, colonial bird nesting sites , outstanding scenic and geologic features as well as plants and animals, which, according to current information, may be rare, peripheral, or of an undetermined status in the state. The ANHC is gathering detailed location information on these elements.
WAT	=	Watch Species ; The Arkansas Natural Heritage Commission is not conducting active inventory work on these species, however , available information suggests they may be of conservation concern. The ANHC is gathering general information on status and trends of these elements. An Indicates the status of the species will be changed to "INV" If the species is verified as occurring in the state (this typically means the agency has received a verified breeding record for the species).
MON	=	Monitored Species; The Arkansas Natural Heritage Commission is currently monitoring information on these species . These species do not have conservation concerns at present. They may be new species to the state, or species on which additional information is needed . The ANHC is gathering detailed location information on these elements.
se	=	State Endangered; the Arkansas Natural Heritage Commission applies this term to native plant taxa which are in danger of being extirpated from the state.
ST	=	State Threatened ; The Arkansas Natural Heritage Commission applies this term to native plant taxa which are believed likely to become endangered in Arkansas in the foreseeable future, based on current inventory information.

DEFINITION OF RANKS

Global Ranks

G1	=	Critically Imperiled globally. At a very high risk of extinction due to extreme rarity (often 5 or fewer populations), very steep declines, or other factors.
G2	=	Imperiled globally. At high risk of extinction due to very restricted range, very few populations (often 20 or fewer), steep declines, or other factors.
G3	=	Vulnerable globally. At moderate risk of extinction due to a restricted range, relatively few populations (often 80 or fewer), recent and widespread declines, or other factors.
G4	=	Apparently secure globally. Uncommon but not rare; some cause for long-term concern due to declines or other factors.
G5	=	Secure globally. Common, widespread and abundant.
GH	"	Of historical occurrence, possibly extinct globally. Missing; known from only historical occurrences, but still some hope of rediscovery.
GU	=	Unrankable. Currently unrankable due to lack of information or due to substantially conflicting information about status or trends.

GX = Presumed extinct **globally**. Not located **despite intensive** searches and virtually no likelihood at **rediscovery**.

GNR = Unranked. The global rank not **yet assessed**.

GNA = Not Applicable. A conservation status **rank is** not applicable.

T-RANKS= T subranks **are** given to global ranks when a subspecies, variety, or race is considered at the state level. The subrank is made up of a **"T"** plus a number or letter (1, 2, 3, 4, 5, H, U, X) with **the** same ranking rules as a full **species**.

State Ranks

51 = Critically Imperiled In the state due to extreme rarity (often 5 or **fewer** populations), **very** steep declines, or other factors making it **vulnerable** to extirpation.

52 = Imperiled In the state due to very restricted range, **very** few populations (often 20 or **fewer**), steep declines, or other factors making it vulnerable to extirpation.

53 = Vulnerable In the **state** due to a restricted range, relatively few populations (often 80 or fewer), recent and **widespread** declines, or **other factors** making it vulnerable to extirpation.

54 = Apparently secure In **the state**. Uncommon but not rare; some **cause** for **long-term** concern due to **declines** or other factors.

55 = **Secure** In the state. Common, widespread and abundant.

SH = Of **historical occurrence**, with some **possibility** of rediscovery. **Its presence** may not have **been** verified in the past **20-40 years**. A species may **be** assigned **this** rank without the **20-40 year delay** if the only known **occurrences were destroyed** or if it had **been** extensively and unsuccessfully sought.

SU = Unrankable. Currently unrankable due to lack of **information** or due to substantially conflicting information about status or **trends**.

SX = Presumed **extirpated** from the state. Not located despite intensive **searches** and **virtually** no likelihood of **rediscovery**.

5NR = Unranked. **The** state rank not **yet assessed**.

SNA = Not Applicable. A conservation status rank is not applicable.

General Ranking Notes

Q = A "Q" in the global rank indicates the elements **taxonomic** classification as a species is a matter of conjecture among scientists.

RANGES= **Ranges** are used to indicate a **range** of uncertainty about the status of the element.

? = A question mark is used to denote an inexact **numeric rank**.

B = **Refers** to the breeding population of a **species** in the state.

N = Refers to the **non-breeding** population of a species in the state.

Element Occurrence Record
Chamaelirium luteum

ANHC Identifying Number: 003

Scientific name: CHAMAEIRIUM LUTEUM

Common Name: DEVIL'S BIT

Global Rank: G5

State Rank: S3

Federal Status: None

State Status: Inventory (Rare/Uncommon)

County Name: Saline

Quadname: Spring Lake 7.5'

Townrange: Section:

Meridian:

Trsnote:

T02S/R12W

19

5P

Directions: Calculated 200 yards west of a point 0.7 miles south of 167 and Spring Lake Road.

Last Observed Date: 1972-04-28

Element Data: None available.

General Description: None available.

SOURCE OF INFORMATION

Best Source of Information: Spencer, S. 1972. Specimen at the University of Arkansas at Little Rock. (30) 4208 UALR.

6/1312007

Arkansas Natural Heritage Commission
 Department of Arkansas Heritage
 Elements of Special Concern
 Within Five Miles of Clear Creek Proposed Development
 Saline County, Arkansas

Scientific Name	Common Name	Federal status	State Status	Global Rank	State Rank
Animals-Vertebrates					
<i>Cnemidophorus coccineus</i> cope;	Northern 5carlet 5snake		INY	G5T5	53
* <i>Hyla avivoca</i>	Bird-voiced Treefrog		INY	G5	53
Plants-Vascular					
<i>Anthracanthus texensis</i>	Kral's silkyscale		INY	GNR	53
• <i>Calopogon tuberosus</i> var. <i>tuberosus</i>	tuberous grass-pink		INV	G5T5	51
• <i>Carex atlantica</i> ssp. <i>capillacea</i>	acaricsedge		INY	G5T5?	53
<i>Carex bullata</i>	a caricsedge		INV	G5	51
<i>Carex davisii</i>	Davis' caric sedge		INV	G4	53
* <i>Carex decomposita</i>	epiphytic carie sedge		INV	G3	52
• <i>Carex fissa</i> var. <i>fissa</i>	a caricsedge		INV	G3G4QT3?	51
<i>Carex stricta</i>	tussock sedge		INV	G5	53
* <i>Chamaelirium luteum</i>	devil's bit		INV	G5	53
• <i>Dulichium arundinaceum</i>	three-way sedge		INV	G5	52S3
• <i>Eleocharis equisetoides</i>	horsetail spike rush		INV	G4	5H
<i>Eleocharis microcarpa</i>	a spike rush		INV	G5	52
<i>Eupatorium hyssopifolium</i> var. <i>hyssopifolium</i>	hyssop-leaved boneset		INV	G5TS	53
<i>Gentiana saponaria</i>	soapwort gentian		INY	G5	53
<i>Gymnopogon brevifolius</i>	shortleaf skeletongrass		INY	G5	52
• <i>Habenaria repens</i>	water-spider orchid		INV	GS	52
<i>Hex verticillata</i>	winterberry holly		5T	GS	52
• <i>Juncus arcticus</i> var. <i>balticus</i>	Baltic rush		INV	GS	5NR
<i>Lycopodium complanatum</i>	appressed bog club-moss		INV	GS	53
<i>Muhlenbergia glaberrima</i>	Inland muhly		INV	G4?	51
• <i>Nyssa biflora</i>	swamp black gum		INV	GS	5153
<i>Photinia melanocarpa</i>	black chokeberry		INV	G5	51
• <i>Platantheris cristata</i>	yellow crested-orchid		INV	G5	5152
• <i>Pogonia ophioglossoides</i>	rose pogonia		5T	G5	52
* <i>Potamogeton pulcher</i>	spotted pondweed		INV	G5	53
• <i>Prenanthes barbata</i>	barbed rattlesnake root		INV	G3	51
* <i>Ptilimnium costatum</i>	mock bishop weed		INY	G3G4	51
• <i>Rhynchospora scirpoides</i>	long-beaked beakrush		INV	G4	51
* <i>Sacciolepis striata</i>	American cupscale		INV	G5	5253
* <i>Sanicula marylandica</i>	black snakeroot		INV	G5	53
<i>Scleria pauciflora</i>	fewflower nutsedge		INV	G5	53
* <i>Spiraea tomentosa</i>	hardhack		INV	G5	52
<i>Spiranthes laevis</i> var. <i>laevis</i>	northern slender ladies'-tresses		INV	G5T5	51
<i>Tridacna virginiana</i>	confederate spiderwort		INV	G4?Q	5152

- These elements of special concern have been recorded from the Clear Creek Wetland Complex.



IN REPLY REFER TO:

United States Department of the Interior

FISH AND WILDLIFE SERVICE

110 South Amity Road, Suite 300
Conway, Arkansas 72032
Tel.: 501/513-4470 Fax: 501/513-4480

May 12, 2008

Lisa R. Taylor
Hope Engineers, Inc.
322 North Market Street
Benton, AR 72105

Dear Ms. Taylor:

The U. S. Fish and Wildlife Service (Service) reviewed information supplied by Hope Engineers, Inc. in January, 2008, regarding the scheduled construction of 2,000 acres as an industrial mega site located in southeastern Saline County, Arkansas. The Service addressed our concerns in a letter dated January 30, 2008. We were contacted on May 12, 2008, by State Senator Shane Broadway regarding concerns over the possible occurrence of the federally endangered red-cockaded woodpecker near the project area. Upon closer review of the project location, habitat present, and occurrence records for the red-cockaded woodpecker, the Service has determined that the proposed development of the 2,000 acre industrial site will not affect any federally listed species. Our comments are submitted in accordance with the Endangered Species Act (87 stat. 884, as amended: 16 U.S.C. 1531 et seq.).

We still recommend that you contact the U.S. Army Corps of Engineers Little Rock District for additional information regarding permit requirements required as part of the Clean Water Act Section 404. If you have any questions or project plan changes, please notify Chris Davidson at 501-513-4481. Thank you for your continued cooperation with our agency.

Sincerely,

R. Mark Sattelberg
Field Supervisor

cc: Shane Broadway – Arkansas Senate, District 22

GEO-SOURCE, Inc.
Environmental Consultants

RECEIVED DEC 18 2006

Memo

To: Mark T. Seaman / Timberland Investment Resources, LLC

From: Brad Dethero

CC:

Date: December 15, 2006

Re: Phase I Environmental Site Assessment

Dear Mr. Seaman,

Please find enclosed two (2) hard copies and one electronic (pdf) of our final Phase I Environmental Site Assessment for the "Triangle Core" property being offered by Blue Sky Timber Properties, LLC in Grant & Saline Counties, Arkansas. This information is being sent to you at the request of Mr. Gary Allred.

If you have any questions regarding this matter, please contact me at your convenience.

Sincerely,

Brad Dethero
Geo-Source, Inc.

GEO-SOURCE, Inc.

Environmental Services & Project Management

December 14, 2006

Gary Allred
Timberland Investment Resources, LLC
207 Salem Town Court
Apex, North Carolina 27502

Re: Phase I Environmental Site Assessment
"Triangle Core Tract"
16,046.66 Acres of Timberlands
Grant & Saline Counties, Arkansas

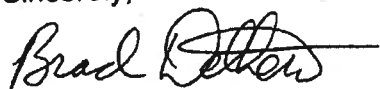
Dear Mr. Allred,

Thank you for the opportunity to assist you by providing environmental due diligence services for an impending real estate transaction. Geo-Source, Inc. has performed a Phase I Environmental Site Assessment (Phase I ESA) on the referenced property in conformance with ASTM E 2247-02. The Phase I ESA was performed for Clear Creek Woodlands, LLC and their Manager, Timberland Investment Resources, LLC. Enclosed please find three (3) bound copies of our final project report along with an electronic (.pdf) copy.

During the course of the Phase I ESA, Geo-Source, Inc. identified no *recognized environmental conditions* in association with the property. The findings of the assessment are described in Section 7.0, Findings and Opinion, and the Conclusion is in Section 8.0.

If you have any questions regarding our report, its findings or conclusions, please contact me at 256/767-2000.

Sincerely,



GEO-SOURCE, INC.

Brad Dethero

Copy for Mark T. Seaman



Enclosures//

GEO-SOURCE, Inc.

Environmental Consultants

115A Helton Court, Florence, AL
(256) 767-2000

**Phase 1 Environmental Site Assessment
Triangle Core Tract
16,046.66+/- Acres
Grant & Saline Counties, Arkansas
December 2006**



Prepared For:

**Clear Creek Woodlands, LLC
C/O Timberland Investment Resources, LLC**

TABLE OF CONTENTS

1.0	SUMMARY
2.0	INTRODUCTION
2.1	Purpose
2.2	Scope of Work
2.3	Special Terms or Conditions
2.4	Limitations & Exceptions of Assessment
2.5	User Reliance
2.6	Environmental Liens or Activity and Use Limitations
3.0	SITE DESCRIPTION
3.1	Location
3.2	Site and Vicinity Information
3.3	Current and Past Uses of Property
3.4	Structures, Roads, and Other Improvements
3.4.1	Structures
3.4.2	Roads
3.4.3	Utilities
3.5	Current and Past Uses of Adjoining Properties
4.0	RECORDS REVIEW
4.1	Federal and State Environmental Record Sources
4.2	Additional Environmental Record Sources
4.3	Topographic Resources
4.4	Aerial Photographs
5.0	SITE RECONNAISSANCE
5.1	Methodology and Limiting Conditions
5.2	General Site Setting
5.3	Hazardous Materials and Petroleum Products
5.4	Industrial Activities
5.5	Storage Tanks
5.6	Solid Waste and Household Trash
5.7	Stressed or Dead Vegetation
5.8	Surface Impoundments
5.9	Adjoining Properties
6.0	INTERVIEWS
7.0	FINDINGS AND OPINION
8.0	CONCLUSION
9.0	SIGNATURE OF ENVIRONMENTAL PROFESSIONAL

TABLE OF CONTENTS

APPENDICES

Appendix 1 Location Map 1 Map Book Index and Sectional Maps / General
Topography Map 1 Arkansas Physiography Map / Arkansas
Geology Map and Explanation

Appendix 2 Photographic Documentation

Appendix 3 Findings Maps 1 Dump Site Records

Appendix 4 Environmental Regulatory Documentation

1.0 SUMMARY

Geo-Source, Inc. performed a Phase I Environmental Site Assessment (Phase I ESA) on a timberland property containing 16.046.66+/- acres located in Grant and Saline Counties, Arkansas (subject property). The Phase I ESA was conducted in conformance with the scope and limitations of ASTM Practice E 2247-02 of the subject property. The subject property occurs as a single, contiguous parcel of land situated just south of the intersection of U.S Hwy 167 and Interstate 530. The subject property is currently owned by Blue Sky Timber Properties ILC and is known as the Triangle Core Tract. The Phase I ESA was conducted during December 2006. This assessment has revealed no evidence of recognized environmental conditions in connection with the subject property.

The following information is a summary of the information identified during the course of the Phase I ESA.

- The subject property is used for production of timber through plantations and mixed hardwood/pine stands. Throughout the previous approximately 40 years, the subject property has been in ownership by International Paper Company or one of its wholly owned subsidiaries including the current owner, Blue Sky Timber Properties, LLC.
- The subject property is crossed by a number of paved and non-paved county and forestry roads, many of which are gated and locked throughout much of the year. A high-pressure natural gas pipeline crosses the subject property and low-tension power lines occur on the property in several places. No electrical transformers were identified on the subject property.
- No permanent structures occur on site however multiple portable and temporary structures have been brought onto the subject property by the four clubs which lease the hunting rights of the tract.
- A leaking underground storage tank site was identified approximately 0.4 mile from the subject property and is described in Section 4.0. In the opinion of Geo-Source, Inc. this site does not represent a material threat of impact to the subject property. No other sites were identified on, adjoining or within minimum search distances from the subject property which are listed in the federal and state environmental and emergency databases searched by Geo-Source, Inc.
- No evidence of the storage or release of significant quantities of hazardous substances or petroleum products was identified through reconnaissance of the subject property. Nine instances of discarding of rubbish, unwanted household items, residential construction/demolition debris and tires were identified and inspected on the subject property. No

evidence of significant quantities of hazardous substances or petroleum products was identified in any of these instances.

- An abandoned automobile fuel tank and several tires were reported along a pipeline right of way on the subject property. No evidence of a significant release of fuel from the fuel tank was reported by the persons who observed the site.

2.0 INTRODUCTION

2.1 Purpose

The purpose of this Phase I Environmental Site Assessment (Phase I ESA) is to identify, to the extent feasible pursuant to ASTM E 2247-02, recognized environmental conditions in connection with 16.046.66+/- acres of timberland located just south of the intersection of U.S. Hwy 167 and Interstate 530 in Grant and Saline Counties, Arkansas. Specifically, this Phase I ESA serves as an evaluation of the property with respect to the range of contaminants within the scope of the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) and petroleum products. This practice is intended to permit the user to satisfy one of the requirements to qualify for the innocent landowner defense to CERCLA liability: that is, the practices that constitute all appropriate inquiry into the previous ownership and uses of the property consistent with good commercial or customary practice. In defining a standard of good commercial and customary practice, the goal of the processes established by this practice is to identify the presence or likely presence of any hazardous substances or petroleum products on a property under conditions that indicate an existing release, past release, or a material threat of a release of hazardous substances or petroleum products.

This Phase I ESA was conducted at the request of, and under contract with, Clear Creek Woodlands, LLC through their Manager, Timberland Investment Resources, LLC.

2.2 Scope of Work

The scope of work performed in accomplishing the Phase I ESA consists of four basic components as described below:

-RECORDS REVIEW-

Obtain and review records that assist in identifying recognized environmental conditions in connection with the subject property. The records review is based on reasonable ascertainable sources that are publicly available at a reasonable time and cost. The records review shall include NPL, CORRACTS, SeI, CERCUS, NFRAP, RCRA TSD, IUST, SWLF, UST, AST, ERNS, RCRA LG, RCRA SG, USGS topographic maps, USDA Soil Surveys and aerial photographs.

-RECONNAISSANCE-

Through a site Visit, obtain information indicating the likelihood of identifying recognized environmental conditions in connection with the subject property.

Property uses and conditions are identified only to the extent that they may be visually and physically observed during the site visit.

-INTERVIEWS-

Perform interviews with State and local government officials, property owners, and others with historical information regarding the subject property to obtain information indicating recognized environmental conditions.

-REPORT-

Summarize and document findings, analyses, and conclusions obtained through the records review, site reconnaissance and interviews, as well as information supplied by the User regarding any relevant specialized knowledge or environmental liens encumbering the property.

2.3 Special Terms or Conditions

In connection with this Phase I ESA on the Subject property, Geo-Source, Inc. certifies that its principles and employees have no present or prospective ownership interests in this property or any other conflicts of interest, which might affect the findings and conclusions of this report. Neither our employment for this Phase I ESA nor the compensation for employment is contingent upon the information gathered and reported. All statements are made to the best of our knowledge to be **true** and accurate, Subject to limiting conditions. Much of the information prOvided in this report has been obtained and consolidated from a variety of third party sources and is believed to be reliable. Geo-Source, Inc. has not made independent investigations of accuracy or completeness of this third party information and cannot guarantee such data.

Geo-Source, Inc. assumes no responsibility of a legal nature concerning the property rights associated with the subject property. The Phase I ESA of the subject property was conducted without regard to legal matters, which may affect ownership.

All maps included in this report show approximate locations and are for the purpose of assisting the reader in visualizing the location of specific **findings** relative to known geographic features. Geo-Source, Inc. has made no survey of the subject property.

Geo-Source, Inc. is not required to give testimony or appear in court or in other hearings or formal discussions regarding the subject property or this assessment, unless arrangements have been made previously.

Geo-Source, Inc. has performed no on-site or off-site testing of materials or substances including soil, ground water, or surface water dUring this Phase I

ESA for the purpose of assessing the presence of environmental conditions not readily apparent during visual inspection.

Geo-Source, Inc. assumes there are no hidden or unapparent environmental conditions on the site, subsoil, structures, or surroundings, which would have an adverse effect on the value of the subject property. Geo-Source, Inc. assumes no responsibility for such conditions or for engineering which might be required to discover or correct such factors.

2.4 Limitations and Exceptions of the Assessment

This Phase I ESA recognizes the limitations and exceptions inherent in the methodology of the Standard as identified and described in Section 4, Significance and Use, of E 2247-02. No considerations beyond the scope of work identified in Section 2.2 of this report have been requested by the User for evaluation in this Phase I ESA. Such Non-Scope Considerations, as identified in Section 12 of E 2247-02, include but are not limited to:

- Asbestos-containing materials
- Best management practices for silviculture
- Cultural and historical resources
- Ecological resources
- Health and safety
- High voltage power lines
- Indoor air quality
- Industrial hygiene
- Lead-based paint
- Lead in drinking water
- Non-point sources
- Radon
- Regulatory compliance
- Threatened & endangered species
- Wetlands

2.5 User Reliance

This Phase I ESA was prepared specifically for the Clear Creek Woodlands, LLC for its use in consideration of the subject property. Clear Creek Woodlands, LLC and its Manager, Timberland Investment Resources, LLC, may rely on the information contained in this report as an assessment of recognized environmental conditions pursuant to the ASTM standard. No other party shall rely on the information in this report without express written permission from Geo-Source, Inc. This report should be considered accurate only for the time frame in which the Phase I ESA was conducted.

2.6 Environmental Liens or Activity and Use Limitations

No environmental liens or other pending activity which would limit the use of the subject property was discovered or reported by the subject property owner during the course of conducting **this** assessment.

3.0 SITE DESCRIPTION

3.1 Location

The sUbject property consists of 16,046.66+/- acres of timberland situated just south of the intersection of U.S. Hwy 167 and Interstate 530 (I-530) in Grant and Saline Counties, Arkansas (Appendix 1: Location Map). The single, contiguous tract of the subject property adjoins portions of the two federal highways as well as Woodson Lateral Road to the north and Grant County Route 58 (C.R. 58) to the south. This tract is currently owned by Blue Sky Timber Properties LLC and is known internally as the Triangle Core tract. The layout of the subject property occupies portions of Townships 2 and 3 South (T2S and T3S) of the Baseline and Range 12 West (R12W) of the Fifth Principal Meridian (Appendix 1: Map Book Index Map and Sectional Maps).

3.2 Site and Vicinity Information

The Triangle Core tract occurs as a single, contiguous parcel of timberland totaling approximately 16,046.66+/- acres of pine plantations and natural hardwood/pine mixed stands in the area between, and just south of the intersection of, U.S. Hwy 167 and I-530 in Grant and Saline Counties. The tract is situated in an area predominated by rolling, upland terrain however low areas exist on the sUbject property along creeks and streams, which drain the tract in a dendritic pattern. The north portion of the subject property is drained by Clear Creek, which flows to the east toward Pennington Bayou and eventually into the Arkansas River approximately seven stream miles to the east. The east **central** portion of the tract is drained by Miller Creek, which flows into wetlands associated with Clear Creek near the I-530 corridor. The southwest portion of the subject property, mostly lying west of Stagecoach Road, drains to the southwest through Cane Creek and its tributaries. Elevation on site varies from less than 210 feet above mean sea level on a marshy site in the NE ¼ of Section 24, T2S, R12W to greater than 380 feet in multiple places of the sUbject property interior (Appendix 3: General Topography Map).

The vicinity area is located in the South Central Plains physiographic region of the State of Arkansas (Appendix 1: Arkansas Physiography Map). The South Central Plains region is described as rolling plains that are broken by nearly flat fluvial terraces, bottomlands, sandy low hills and cuestas. The vicinity area of the subject property lies in the Tertiary Uplands subunit of the South Central Plains physiographic region. This subunit is dominated by commercial pine plantations that have replaced the native oak-hickory-pine forest. The region supports extensive forests composed largely of loblolly and shortleaf pines which occur on loamy sites Intermixed with scattered, stunted sand hill woodlands. The subject property is underlain by mostly Tertiary-aged deposits however

Quaternary-aged deposits are present in the northeastern portion of the tract along the Clear Creek drainage corridor (Appendix 3: Arkansas Geology Map). The bulk of the site is indicated as overlying geologic sediments associated with the Claiborne Group from the Eocene (map symbol Tc). The Claiborne Group is composed of multiple shallow marine, deltaic and fresh water formations including the following, starting from the base: the Carrizo Formation consisting of sand and mud; the Cane River Formation of mostly clay with basal glauconitic and fossiliferous silt; the Sparta Formation containing massive sand layers interbedded with some thin layers of lignite or lignitic sand and shale; the Cook Mountain Formation consisting of clay and fossiliferous marl in the lower part and sideritic, glauconitic clay in the upper part; and the Cockfield Formation **containing** lignitic clay, silt and sand with some sideritic glauconite. A portion of the subject property, located in Saline County east of Ferguson Lake, is situated on alluvial deposits from the Pleistocene (map symbol at). This **sedimentary** unit is derived of alluvium deposited by ancient water courses on one or more terrace levels. The lowest elevation of the subject property occurs along the drainage corridor of Clear Creek near its crossing by 1-530 and this portion of the tract occurs on alluvium deposited by present rivers and watercourses (map symbol Oal).

Information pertaining to the soils which occur on the subject property was obtained from the *USDA Soil Survey for Saline **County**, Arkansas*. A survey for Grant County is not currently available, according to Ms. Marcie Hodges of the **Grant** County Conservation District office in Sheridan. The General Soil Map for Saline County indicates that the north portion of the subject property, that is the portion along the Clear Creek drainage corridor and northward, is occupied by soils of the Savannah-Wrightsville association and the portion of the subject property south of the Clear Creek drainage corridor is occupied by soils of the Tiak-Savannah association.

The Savannah-Wrightsville soils are described as poorly drained and moderately well drained, level to gently rolling loamy soils on uplands and stream terraces. The Savannah fine sandy loam, 3 to 8 percent slopes, is a moderately well drained fine sandy loam to about 14 inches with subsoil consisting of mottled loam becoming sandy clay loam. Wrightsville silt loam soils consist of poorly drained, level and depressional soils on old stream terraces which formed in loamy and clayey alluvium. The surface and subsurface layers are grayish brown loam to a depth of 28 inches with a subsoil of mottled silty clay becoming silty clay loam. Savannah soils appear to be the dominant of these two series on the subject property.

The Tiak-Savannah soils are described as moderately well drained, nearly level to moderately sloping loamy soils on uplands and stream terraces. The Tiak silt loam, 3 to 8 percent is co-dominant with the Savannah series soils on the upland portions of the Subject property. The Tiak silt loam has surface layers of brown

and yellowish-brown silt loam to a depth of 12 inches. The subsoil is red clay becoming mottled and gray with depth.

The dominant soils of the drainage corridors on the subject property is the Amy silt loam, frequently flooded, described as a poorly drained, level soil on flood plains of local drainage ways. The surface layers are grayish-brown silt loam to a depth of 12 inches and the subsoil is mottled silt loam becoming mottled silty clay loam at depth.

Wrightsville and Amy series soils are listed by the U.S. Army Corps of Engineers as hydric soils in their technical publication Y-87-1, Corps of Engineers Wetlands Delineation Manual.

3.3 Current and Past Uses of Property

The subject property is currently under management for timber production and game hunting. The sites on the Subject property support both pine plantations as well as mixed stands of natural pine and hardwood species. The pine plantations on the Subject property range in age from recently planted to economically mature (Appendix 2: Figure 1). According to Mr. Ken Bragg of International Paper Company, the subject property was likely acquired as part of a much larger package of timberlands in the 1950s or 1960s. The subject property has never been developed for residential, commercial or industrial use. No evidence of former homesteads or agricultural operations were identified or reported on the subject property.

According to representatives of International Paper Company, which manages and administers the subject property, hunting rights are leased to four separate hunting clubs: Duck Creek Hunting Club, Keon Hunting Club, Orion Hunting Club and Potters Creek Hunting Club. The divisions of the leases are difficult to ascertain by signage posted by the clubs however according to club members, the lease boundaries typically involve primary forest roads in places where they correspond to section or county lines. All four clubs utilize designated areas for primitive camping or camp sites with mobile campers and temporary structures of light construction. No permanent structures are allowed at the camp sites per restrictions in the hunting lease agreements. Improvised septic systems are utilized by some of the camps however.

One cemetery was observed on the subject property. The Jay Creek Cemetery is located along a primary forest road known as 'Brown's Trail' in the NE ¼ of Section 26, T2S, R12W in Saline County (Appendix 2: Figure 2). The location of the cemetery is noted on the Spring Lake Quadrangle topographic map and is presented on Findings Map 1 in Appendix 3. No other cemeteries were identified on the subject property.

3.4 Structures, Roads, and Other Improvements

3.4.1 Structures

No permanent structures were observed or reported on the subject property. Portable and temporary structures were observed at some of the camp sites used by the clubs which lease the hunting rights of the subject property. A camp with structures used by Potters Creek Hunting Club is located at an intersection of forest roads in the NE $\frac{1}{4}$ of Section 26, T2S, R12W and is referenced on Findings Map 1 of Appendix 3. This site contains a portable metal building as a camp house, a covered skinning rack, wood outhouse and dog kennels (Appendix 2: Figures 3 and 4). Duck Creek Hunting Club maintains a camp site with structures in the NE $\frac{1}{4}$ of Section 29, T2S, R12W as indicated on Findings Map 5 in Appendix 3. This camp site has a covered skinning rack, portable toilet and several hookups for camper trailers (Appendix 2: Figures 5 and 6). Temporary and portable structures were also observed at two camp sites used by Keon Hunting Club in the SE $\frac{1}{4}$ of Section 8, T3S, R12W and the NE $\frac{1}{4}$ of Section 16, T3S, R12W as indicated on Findings Map 3 in Appendix 3. Temporary camp houses, a covered check station, portable toilets and an old bus used as a domiciliary were observed on these sites (Appendix 2: Figures 7 through 10). A third camp site used by Keon Hunting Club was also identified on the subject property in the NE $\frac{1}{4}$ of Section 9, T3S, R12W however only portable toilets were observed and it is referenced as a primitive camp site on Findings Map 3 in Appendix 3 (Appendix 2: Figures 11 and 12).

Other structures used by the hunting clubs are temporary shooting houses positioned along roads and trails or in association with cleared green fields and shooting lanes (Appendix 2: Figures 13 and 14). These structures consist of wood or metal frame construction with wood panel siding and are usually topped with sheet metal roofs.

No other structure were observed or reported on the subject property.

3.4.2 Roads

The subject property is situated just south of the split of 1-530 and U.S. 167. Portions of the site adjoin both highways though neither of these federal routes crosses the subject property. Multiple county roads cross the site however few are paved roads. Hensley Mail Route Road, which crosses the subject property in Sections 34 and 35, T2S, R12W, is a two lane paved or black-top road (Appendix 2: Figure 15). Spring Lake Road, which crosses the subject property in Section 28, T2S, R12 W, is also a black-top road (Appendix 2: Figure 16). An addition to the east end of Spring Lake Road has been paved in recent years and is currently known as McGinley Road.

Multiple non-paved county and forestry roads cross and provide interior access to the subject property (Appendix 2: Figures 17 and 18). These roads have historically been maintained by the county or by International Paper Company. In some cases, the non-paved county roads were observed to have gates indicating that they have been closed or vacated by the county or that lease agreements with the subject property owner have been terminated. Most of the company-owned forestry roads have gates to prevent access by the general public (Appendix 2: Figure 19). Numerous secondary forest roads and forest trails exist on the SUBject property which are not maintained but are used by hunting club members for access to hunting areas (Appendix 2: Figures 20 through 22).

No railroads or rail spurs were identified on or adjoining the subject property. It is possible however that some of the forestry roads occupy former grades for short line railroads used historically for the transport of harvested timber.

3.4.3 Utilities

A high pressure natural gas pipeline right-of-way, operated by Enmark Energy, Inc., crosses the subject property (Appendix 2: Figure 23). The **right-of-way** is oriented in more or less northwest-southeast **fashion** and mostly within the portion of the SUBject property located in Grant County. According to 2003 data prepared by Enmark Energy, Inc., headquartered in Ridgeland, Mississippi, the pipelines are between 10" and 20" diameter and were installed during the **1980s**.

No high-tension electrical transmission power lines cross the subject property in a dedicated right-of-way however distribution lines were observed crossing the subject property in Section 24, T2S, R12W (Appendix 2: Figure 24). This low-tension power line is presumed to be owned and operated by a local or cooperative utility. Signage observed beneath the power line indicates that buried telephone cable also occupies the easement. Other electrical distribution power lines cross the SUBject property on wood poles providing service to some of the vicinity residents along some of the county roads. Buried electrical service is provided from the Spring Lake Road utility easement to the Duck Creek Hunting Club camp site in the NE ¼ of Section 29, T2S, R12W (Appendix 2: Figure 25). Electrical lines are further buried throughout the camp site for hookups used by camper trailers and to a main power switch mounted on a wood post (Appendix 2: Figure 26). The transformer for this service is mounted on a wood power pole near the gate off Spring Lake Road. This camp utilized by Duck Creek Hunting Club also has cooperative potable water service, buried from the Spring Lake Road utility easement to two hose bibs observed in the camp (Appendix 2: Figure 27). No other evidence of served utilities was observed on the SUBject property. No water wells were **identified** at the camp sites located on site. All of the camp sites observed to have temporary structures were found to either have portable toilets or outhouses positioned over

latrines or PVC piping indicative of improvised septic systems (Appendix 2: Figure 28).

3.5 Current and Past Uses of Adjoining Properties

The adjoining properties are largely made up of neighboring timberland properties, including some either currently or formerly in common ownership with the subject property. Very little use of the adjoining properties is made for agricultural purposes however several hay fields and pastures do exist (Appendix 2: Figure 29). Several small fields planted in food crops were identified on an adjoining property in the SW $\frac{1}{4}$ of Section 22, T2S, R12W. No other adjoining properties were identified in row crop fields and none were identified with concentrated animal feeding operations.

A number of residential properties adjoin the subject site both in rural setting with sizable lawns and forested buffers or in neighborhood settings and planned developments (Appendix 2: Figures 30 through 33). Clusters of residential properties adjoin in out parcels of 20 to 120 acres within the subject property however all of these appear to be in that portion of the site located in Saline County. Residential developments along the U.S. Hwy 167 corridor, Woodson Lateral Road and C.R. 58 in Grant County appear to be the areas of most recent activity. A new residential development is currently being graded on an adjoining site in Section 6, T3S, R12W (Appendix 2: Figure 34). The north central portion of the subject property adjoins a private retreat known as Lakeside Country Club. This rural development located along the east shore of Ferguson lake has restrictive covenants on access, number of residential sites and lot acres.

One commercially developed property adjoins the subject property across U.S. Hwy 167. The Shell Food Mart is a relatively new (2003) gasoline station and convenience store along the west right-of-way of the highway in Section 6, T3S, R12W (Appendix 2: Figure 35). The Bethel United Methodist Church and cemetery also adjoins the subject property in the NE $\frac{1}{4}$ of Section 19, T3S, R12W (Appendix 2: Figure 36). No other commercial or industrial sites adjoin the subject property.

4.0 RECORDS REVIEW

4.1 Federal and State Environmental Record Sources

Environmental information pertaining to the subject, adjoining and vicinity properties was obtained electronically from sources at the Arkansas Department of Environmental Quality (ADEQ) and the Region 6 offices of the U.S. Environmental Protection Agency (EPA). Using this information, an evaluation of properties located within the minimum search distances identified by the ASTM Standard was conducted **with** respect to the databases listed below. In some cases, county-wide data was obtained and filtered to display only those communities in the vicinity of the subject property. It should be noted that some of the data searched is for vicinity areas in Pulaski County since portions of the subject property adjoin the Pulaski County line. Lists of facilities or incidents including the identification number, name, address and city reported for each federal and state database, as described in the paragraphs below, are provided by county in Appendix 4.

Range (1.0-mile)

NPL

No National Priority List sites were identified within 1.0-mile of the subject property, based on a review of EPA's NPL sites list current through September 27, 2006. NPL sites are uncontrolled or abandoned hazardous waste sites identified for priority remedial actions under the Superfund program.

RCRA CORRACTS

No Resource Conservation and Recovery Information System Corrective Action facilities were identified within 1.0-mile of the subject property, based on a review of EPA's RCRAInfo sites list current through June 6, 2006. CORRACTS sites are RCRA facilities which have incurred a release of hazardous waste or constituents into the environment.

SHWS

No State Hazardous Waste Sites were reported within 1.0-mile of the subject property. The ADEQ compiles a list of hazardous waste sites through the Remedial Action Trust Fund Act (RATFA). A State Priority List (SPL) is published through RATFA and available on the ADEQ website including sites identified for investigation and those identified for remediation. No SPL sites were identified within 1.0 mile of the subject property. The Record of Arkansas Brownfields Projects, current through December 01, 2005, was reviewed and no sites were identified within 1.0 mile of the Subject property.

SPL sites may or may not already be listed on the EPA CERCUS list. Priority sites planned for cleanup using state funds (state equivalent of Superfund) are identified along with sites where cleanup will be paid for by potentially responsible parties.

Range (0.5 mile)

CERCUS

No Comprehensive Environmental Response, Compensation, and Liability Information System sites were reported within 0.5-mile of the subject property, based on a review of EPA's CERCUS sites list current through November 8, 2006. CERCUS identifies sites which the EPA has investigated or is currently investigating for release or threatened release of hazardous substances.

RCRA non-CORRACTS TSD

No Resource Conservation and Recovery Information System Treatment, Storage, and Disposal Facilities were identified within 0.5-mile of the subject property, based on a review of EPA's RCRAInfo sites list current through June 6, 2006. RCRA TSD sites are facilities which treat, store, or dispose of hazardous waste. A list of RCRA non-CORRACTS TSD sites is presented in Appendix 4.

SWIF

No state permitted solid waste landfills, incinerators, or transfer stations were reported within 0.5-mile of the subject property. Geo-Source, Inc. performed a review of the ADEQ Solid Waste Facility Permit Data Files current through December 11, 2006. This search also includes recycling/recovered materials processors. In addition, a review of ADEQ Illegal Dumps Database was also conducted with no sites identified within 0.5-mile of the subject property.

LUST

The state registered Leaking Underground Storage Tank database identified one LUST site within 0.5-mile of the subject property. The LUST database, reviewed as current through December 11, 2006, contains information regarding sites which have reported releases from underground storage tanks. A list of the LUST sites reported for several communities in the surrounding area is presented in Appendix 4.

Pat's Leo Pit Stop, Inc. reported a release incident on September 2, 1997 during removal of USTs and upgrade of the system (ADEQ LUST Notice No. 27-0005). The product released was determined to be gasoline which leaked from three 2,000-gallon tanks, reportedly due to holes identified during removal. This site is located near the NW $\frac{1}{4}$ of Section 19, T3S, R12W and is situated approximately 0.4 mile from the nearest boundary of the subject property (Appendix 3: Findings Map 4).

According to information obtained from the ADEQ Registered Storage Tank (RST) database, three 2,000-gallon steel USTs were installed to store gasoline at the site of Pat's Ico Pit Stop, Inc. in 1973. Geo-Source, Inc. personnel observed this site during reconnaissance to be closed and its signage indicates Texaco Food Mart (Appendix 2: Figure 37). The three 2,000-gallon USTs were removed on August 15, 1997. A 6,000-gallon UST and a 4,000-gallon UST were installed in 1990 to store gasoline and diesel fuel, respectively. An additional 10,000-gallon UST was installed in October of 1997 for storage of gasoline following removal of the leaking tanks. No information was provided in the LUST database indicating the extent or end of cleanup at this site however the apparent flow of groundwater, as derived from topographic features, is to the south toward Hurricane Creek and away from the subject property.

Range (subject property and adjoining property)

NFRAP

No "No Further Remedial Action Planned" sites were reported on the subject or adjoining properties, based on a review of EPA's CERCUS Archived sites list current through November 8, 2006. The NFRAP contains information regarding sites which have been removed from the CERCUS database. A list of the CERCUS Archived sites reported for the subject property vicinity in Grant and Saline is presented in Appendix 4.

RCRAGEN

No Resource Conservation and Recovery Information System Generator sites were identified on the **subject** or adjoining properties, based on a review of EPA's CERCUS Archived sites list current through June 6, 2006. This database contains information regarding facilities which generate hazardous waste and classifies them based on quantities generated per month. Lists of generators in categories of Large Quantity Generator and Small Quantity Generator are presented in Appendix 4.

UST

The ADEQ Registered Storage Tank (RST) database contains information regarding sites which utilize underground storage tanks (USTs) as well as above-ground storage tanks (ASTs). A list of the UST sites reported for several communities in the surrounding area is presented in Appendix 4. One adjoining property was identified from review of the RST database list.

Forrest Tower Food Mart, Inc., a Shell brand convenience store and truck stop, is situated across U.S. Hwy 167 from the subject property in Section 6. T3S, R12W (Appendix 3: Findings Map 4). Gene Graves Enterprises, LLC registered three USTs in 2003 with capacity to store 32,000 gallons of gasoline and diesel fuel. All three USTs are registered as double-walled tanks of composite construction with automatic tank gauges and pressurized product lines. The

installation date of the USTs is reported as August 26, 2003. According to the RST database record no release incidents have been reported for this site.

Though not reported by the RST database, the H&H Sales and Pawn store is a former gas/service station according to Mr. Charles Croy, a long time vicinity resident (Appendix 2: Figure 38). This site is situated approximately one half mile from the sUbject property (Appendix 3: Findings Map 5). Mr. Croy indicated that he recalls the site operating as a gas/service station and also recalls the removal of the UST but said that was perhaps 30 years ago. Runoff from this site enters Clear Creek which flows across the subject property.

ERNS

No emergency response or incident sites were identified on the subject or adjoining properties, based on a review of the U.S. Coast Guard National Response Center (NRC) incident database current through November 19, 2006. The NRC has replaced ERNS as the national database used to store information on reported releases of hazardous substances and petroleum products into the environment. A list of incident sites reported for several communities in the surrounding area is presented in Appendix 4.

4.2 Additional Environmental Record Sources

No additional environmental record sources beyond those prescribed by the Standard were reviewed during the course of this Phase I ESA.

4.3 Topographic Resources

7.5 Minute topographic quadrangle maps issued by the U.S. Department of the Interior Geological Survey (USGS) were procured and analyzed with respect to the subject property. Specifically, the maps provide insight on surface geomorphology and hydrology throughout the specific tracts. Because of the age of the information on these maps, they are a historical reference for land use, structures, cleared land versus forested lands, location of surface mines and cemeteries, etc. The maps are also useful resources in determining access options to the SUBject property. The topographic maps used for the subject property are listed below.

- Cane Creek Quadrangle
- Redfield Quadrangle
- Spring Lake Quadrangle
- Woodson Quadrangle

The topographic maps reviewed for this Phase I ESA illustrate the subject property and the majority of the surrounding properties in timberland use. The public and primary forest roads are indicated on the maps as they were found to

exist currently. Many of the adjoining residential properties are illustrated on the topographic maps however those of later construction, particularly adjoining the northeast and southwest peripheries, are not illustrated on the maps. The **vicinity** commercial properties are also not shown on the topographic maps. These sites are indicated on the Findings Maps in Appendix 3 and include Arkansas Steel Company along Woodson Lateral Road, Duncan Concrete along U.S. Hwy 167, H&H Sales and Pawn at the intersection of U.S. Hwy 167 and Spring Lake Road as well as the adjoining Shell Food Mart along U.S. Hwy 167 (Appendix 2: Figures 39 and 40).

The maps do not illustrate the natural gas pipeline right-of-way in the south portion of the subject property or the low-tension power line right-of-way in the northeast portion of the subject property. Because of their light construction or temporary nature, the hunting camp sites are also not represented on the topographic maps. No symbols indicative of structures, wells, bore holes or surface mining or structures are illustrated on the maps. No other features are represented on or in proximity to the subject property indicative of the potential presence of hazardous substances or petroleum products.

4.4 Aerial Photographs

Historical aerial photographs were provided to Geo-Source, Inc. by Mr. Charles Hendrix of International Paper Company at the area office located in Sheridan, Arkansas. Mr. Hendrix provided print outs of digital color infrared aerial photographs taken in 2002 and hard copies of color infrared photographs taken in 1991. In addition the soil mapping sheets provided in the *Soil Survey of Saline County, Arkansas* are based on black and white aerial photography taken in 1976. The color infrared aerial photographs more clearly show vegetation changes at stand boundaries, surface hydrology and other features.

The aerial photographs appear to illustrate much of the subject and surrounding properties in more or less similar conditions throughout the range of dates represented. No significant evidence of change in land use is observable on the aerial photographs as the current increase in land use conversion from timberland to residential does not appear to have begun. Both the 1991 and 2002 series illustrate the residential area adjoining the northeast portion of the subject property off Woodson Lateral Road however neither series shows the new construction adjoining south of C.R. 58 of the southwest portion of the subject property. The county and forestry roads which cross the Subject property appear to be more or less consistent with current conditions. The Jay Creek Cemetery is not easily discernible due to mature trees which grow in the plot. The structures associated with some of the hunting club camps are also "invisible" in the aerial photography due to the presence of obscuring mature timber. The natural gas pipeline is illustrated in both series corroborating records information that it was installed during the 1980s. The former borrow pit

observed in the NW $\frac{1}{4}$ of Section 2, T2S, R12W appears cleared, open and perhaps active during the 1991 aerial photograph however a sparse amount of vegetation is present in the 2002 aerial photograph indicating that it may have been abandoned by that time. The pond observed along a primary forestry road in the SE $\frac{1}{4}$ of Section 10, T3S, R12 W is present in both series aerial photography as is a smaller pond in the SE $\frac{1}{4}$ of Section 3, T3S, R12W. No evidence of the presence or releases of hazardous substances was identified through the review of aerial photographs.

5.0 SITE RECONNAISSANCE

A site visit was conducted on December 10, 2006, in order to obtain information indicating any potential recognized environmental conditions in connection with the subject property. An initial site visit was conducted during April 10 and 11, 2006 in the scope of a previous Phase I ESA on the subject property performed by Geo-Source, Inc. The site reconnaissance consisted of visual inspection of the property and adjoining properties surrounding the SUBject site. The following paragraphs provide details of the observations made during the reconnaissance.

5.1 Methodology

Geo-Source, Inc. conducted general reconnaissance of the subject property, which consisted primarily of visually observing the property, to the extent feasible, to identify indicators of recognized **environmental** conditions. Such indicators include but are not limited to chemical and petroleum containers, piping and other structures protruding from the ground, stained soils, stressed vegetation, chemical odors, large surface land disturbances, and trash dumping. Global positioning system (GPS) units were used in conjunction with USGS topographic maps and aerial photography provided by the user. These references were used to identify observations and potential environmental conditions relative to the location of the subject property. A vicinity reconnaissance extending around the SUBject property was conducted in order to field verify the presence or absence of land-uses that could potentially pose an environmental threat to the subject property. The reconnaissance was performed using four-wheel drive and all terrain vehicles. Weather conditions were clear and sunny **during** the reconnaissance. Field notes and digital photographs were used to document observations made during the reconnaissance.

The ability of the environmental professional to adequately observe and catalogue all features and characteristics pertaining to a property may be limited by forested areas and other areas of dense vegetation. Obstructions to access, such as downed trees, impassable forest road conditions or the absence of interior forest roads also limit the effectiveness of the reconnaissance.

5.2 General Site Setting

The SUBject property occurs within a rural area along the common boundary between Grant and Saline Counties and situated south of the intersection of I-530 and of U.S. Hwy 167. Most of the subject property is characterized as an upland site however some bottomland sites exist which are associated with the damage corridors of streams and creeks which occur on the site. Topographic relief ranges from approximately 215' to 260' above mean sea level. The subject

property was found in timberland use throughout the majority of its surface area. The Jay Creek Cemetery, which appears to have been in use for well over 100 years is located on the subject property but is not regularly maintained. Evidence of game hunting on the property exists through *hunting* camps and fixed wooden shooting houses as discussed in Section 3.4.1. These temporary structures were observed along forest roads, trails and shooting lanes through the subject property. Several non-paved county roads and gated **forestry** roads provide general access to the interior portions of the tract. Occasional crossings of drainages are handled through the use of steel culvert piping. The hunting rights of the subject property are leased in portions to Duck Creek Hunting Club, Keon Hunting Club, Orion Hunting Club and Potters Creek Hunting Club. The hunting clubs utilize what appears to be a former borrow pit in the SE ¼ of Section 3, T3S. R12W as a target range for sighting rifles (Appendix 2: Figure 41).

The following sections summarize the observations made during reconnaissance of the subject property. Locations of specific items and features described in this section may be presented on Findings Maps 1 through 6 presented in Appendix 3.

5.3 Hazardous Materials and Petroleum Products

No evidence of hazardous materials was **observed** on the Subject property. Though small containers of petroleum products are often identified at sites used as camps by the hunting clubs, none were observed at those located on the Subject property. When trailer campers are used for overnight accommodations by hunting club members, portable bottles of propane or butane are often used for cooking and heating. No such bottles were observed at the camp sites on the subject property. No other evidence of significant quantities of hazardous substances or petroleum products was identified on the subject property.

5.4 Industrial Practices

Industrial forest management practices involving site preparation and timber stand improvement through use of chemical herbicides and fertilizers have occurred on the subject property in accordance with applicable state best management practices for the protection of water resources. Pre-merchantable harvesting, thinning, and end-of-rotation harvesting operations have occurred on the Subject property throughout the land use history involving timber production. No evidence of storage or accidental release of forestry chemicals was observed on the subject property.

5.5 Storage Tanks

No above-ground storage tanks or evidence of underground storage tanks were observed or reported on the subject property.

5.6 Solid Waste and Household Trash

Nine instances of accumulated trash and tire dumping were observed on the subject property at locations indicated on the Findings Maps in Appendix 3. These instances were at terminus and intersection points on the interior county and forestry roads as well as along secondary forest roads and trails through the tract. The trash dump sites contain construction and demolition debris from household projects including wood and metal debris, sheet rock, carpet and padding, insulation, ceramic tile and shingles as well as discarded appliances, furniture and other unwanted household items (Appendix 2: Figures 42 through 44). In some cases bags or containers of household garbage were dumped at the sites and one instance, located along a secondary forest road in Section 7. T3S, R12W, was observed to contain approximately 60 tires (Appendix 2: Figure 45). No evidence of the presence of significant quantities of hazardous substances or petroleum products was identified in connection with the instances of trash and tire dumping on the subject property. Further details of these instances of trash dumping are provided on Dump Site Records, presented in Appendix 3.

During a site visit on December 6, 2006 Mr. Chad Fields of Timberland Investment Resources LLC encountered an automobile abandoned along a natural gas pipeline in the NW ¼ of Section 5, T3S, R12W. Mr. Fields reported the vehicle to International Paper Company representatives and returned to the site with Mr. Ronnie Ritter of International Paper Company. When Mr. Ritter and Mr. Fields arrived at the location the vehicle had been removed except for the fuel tank and several tires (Appendix 3: Findings Map 6). Mr. Fields and Mr. Ritter indicated that the fuel tank appeared empty and no petroleum sheen was on the water surface of the "mud hole" in which the tank was abandoned.

5.7 Stressed or Dead Vegetation

No stressed or dead vegetation indicative of a potential recognized environmental condition was observed on the subject property.

5.8 Surface Impoundments

No surface impoundments indicative of a potential recognized environmental condition were observed on the subject property. Two ponds were identified on the subject property. Both appear to be manmade for the purpose of fishing (Appendix 2: Figure 46).

5.9 Adjoining Properties

The adjoining properties primarily consist of neighboring timberlands and rural residences as described in Section 3.5. The residential sites were observed adjoining along the periphery of the tract on county roads and in clusters within out parcels adjoining the interior portion of the tract. The adjoining properties were observed and, in some cases, accessed from the subject property boundaries with evaluation assistance provided by aerial photographs. Visual inspection of many of the areas occupied by adjoining timberland properties was restricted by such factors as gated roadways and dense vegetation. In general, the adjoining residential sites appear well kept and free of disabled or abandoned vehicles, heavy equipment or accumulations of household items and other materials. The exceptions were observed in the south $\frac{1}{2}$ of Section 25, T2S, R12W however in these cases no encroachment of such items was observed onto the sUbject property.

The Shell Food Mart is a relatively new gasoline station and convenience store adjoining across U.S. Hwy 167 in Section 6, T3S, R12W. This site appears to be a well-maintained operation with no visible evidence of releases of petroleum products on site or other potential impacts to the sUbject property. The U.S. Hwy 167 right-of-way appears to serve as a substantial buffer between this site and the subject property. The Bethel United Methodist Church and its cemetery also adjoin the subject property. The church and cemetery occur on a parcel situated between the subject property and C.R. 58 in the NE $\frac{1}{4}$ of Section 19, T3S, **R12W**. No lawn maintenance equipment, sheds, petroleum containers or other items were observed on the church or cemetery sites which could impact the subject property. No other commercial or industrial sites adjoin the subject property.

6.0 INTERVIEWS

The following persons were interviewed during the course of the Phase I ESA. The first group of individuals was interviewed during April 2006 and the second group during December 2006. Information obtained from the interviews specific to historical land use, industrial practices, waste handling or other information relevant to this Phase I ESA are discussed in the appropriate section of this report.

Persons interviewed during April 2006

Mr. Ken Bragg
International Paper Company
Hwy270West
Sheridan, Arkansas 72150
870/942-5125

Mr. Bragg is the Unit Manager for the International Paper Company operations at its Sheridan, Arkansas office. Mr. Bragg provided access information and a gate key for the subject property.

Mr. Charles Hendrix
International Paper Company
Hwy270West
Sheridan, Arkansas 72150
870/942-5125

Mr. Hendrix is a forester with International Paper Company at the Sheridan, Arkansas office and has responsibilities which include GIS data management. Mr. Hendrix provided the aerial photographs of the Subject property used in this Phase I ESA.

Ms. Kymberly Bailey
International Paper Company
6775 Lennox Court
Memphis, Tennessee 38115
901/419-1949

Ms. Bailey provided contact information for the clubs which lease the hunting rights of the subject property.

Ms. Marcie Hodges
Grant County Conservation District
125 South Oak
Sheridan. Arkansas 72150
870/942-2826

Ms. Hodges indicated that there is not a soil survey published for Grant County, Arkansas but provided information pertaining to adjoining landownership for the sUbject property.

Ms. Gina Prasifka
AR Dept. of Environmental Quality
Hazardous Waste Division
8001 National Drive
Little Rock. Arkansas 72209
501/682-0744

Ms. Prasifka is an inspector for the Hazardous Waste Division and was contacted to verify locations of "Active Sites" in Grant and Saline Counties.

Sheriff Robert Sheppard
Grant County Courthouse
Sheridan. Arkansas 72150
870/942-2101

Sheriff Sheppard was contacted regarding the subject property and its historical land use as well as any information pertaining to emergency response calls to the site.

Mr. Charles I. Croy
824 Sheridan Road
Redfield. Arkansas 72132
501/397-2304

Mr. Croy is currently president of the 47-member Orion Hunting Club that leases a portion of the SUbject property. He indicated that he is 67 years old and has lived near the subject property (in Redfield) his entire life and hunted on the site for most of his life.

Mr. Billy Winsbury
East End, Arkansas
501/888-2641

Mr. Winsbury is currently president of the 125-member Potters Creek Hunting Club. He said his club leases approximately 6,700 acres of the subject property. Mr. Winsbury indicated that he is also a member of the Orion Hunting Club.

Mr. Buzz Dyson
East End, Arkansas

Mr. Dyson was encountered on the subject property on April 11, 2006. He indicated that he is a member of the Potters Creek Hunting Club and lives on an adjoining property near Ferguson Lake.

Persons interviewed during December 2006

Mr. Rick Hickok
East End, Arkansas

Mr. Hickok was encountered on the subject property on December 10, 2006. He indicated that he is a member of the Duck Creek Hunting Club and lives in the vicinity of the subject property. Mr. Hickok indicated that he has been hunting on the subject property since he was a young boy but has been a member of the hunting club for seven years.

Mr. David Parrish
East End, Arkansas

Mr. Parrish was encountered on the subject property on December 10, 2006. Like Mr. Hickok, Mr. Parrish has been familiar with the subject property his entire life and has been a member of Duck Creek Hunting Club for seven years.

Mr. Bob Tobermann
International Paper Company
6775 Lennox Center Court
Memphis, Tennessee 38115-4273
901/419-1854

Ms. Tobermann provided information regarding the disposition of the subject property on behalf of Blue Sky Timber Properties LLC. He also indicated no knowledge of environmental liens or environmental issues pertaining to the site which have occurred since the original Phase I ESA in April 2006.

Mr. Ronnie Ritter
International Paper Company
Arkansas
501/282-0006

Mr. Ritter is a forest technician with International Paper Company who is familiar with the subject property and has served as the company representative responsible for leading site tours with prospective purchasers.

Ms. Connie Schenk
AR Department of Environmental Quality
8001 National Drive
Little Rock, Arkansas 72219
501/682-0995

Ms. Schenk is an administrative assistant with the Regulated Storage Tank Division of ADEQ and provided information regarding adjoining and vicinity sites with registered underground storage tanks.

Mr. Chad Fields
Timberland Investment Resources, LLC
Mana, Arkansas
479/394-3700

Mr. Fields is a management forester for Timberland Investment Resources, LLC who has toured and inspected the subject property. Mr. Fields provided information pertaining to an abandoned vehicle he discovered on the subject property.

7.0 FINDINGS AND OPINION

The purpose of this section to the ESA is to fulfill the Findings and Opinion functions of the ASTM Standard E 2247-02 (the Standard), as described in Sections 11.5 and 11.6 of the Standard.

Records Review

A review of federal and state environmental and emergency databases was conducted for the subject property and vicinity area within an appropriate radius of up to 1.0-mile as indicated by ASTM E 1527-02 and described in Section 4.0. The review of regulatory records has resulted in the identification of one leaking underground storage tank (LUST) site reported 0.4 mile from the subject property and a UST site adjoining the subject property.

Pat's leo Pit Stop, Inc. (signage observed indicates Texaco Food Mart) reported a release incident in September 1997 identified during removal of three 2,000-gallon tanks used to store gasoline since 1973. An additional UST was installed at the site following the incident however the facility was observed closed during the Phase I ESA. This site is located 0.4 mile from the subject property. No information was provided in the LUST database indicating the extent or end of cleanup at this site however the apparent flow of groundwater, as derived from topographic features, is to the south toward Hurricane Creek and away from the SUBject property. In the opinion of Geo-Source, Inc., based on the distance of this site from the subject property, this site does not represent an imminent threat of impact or a recognized environmental condition to the subject property.

A Shell Food Mart, operated by Forrest Tower Food Mart, Inc., is located adjacent to the subject property, though across the U.S. Hwy 167 corridor. The UST systems at this site were registered with ADEQ in 2003 with 32,000 gallons of capacity. The systems are in compliance with ADEQ RST rules and no release incidents have been reported. Based on this information, it is the opinion of Geo-Source, Inc. that this site does not represent a recognized environmental condition to the subject property.

Based upon historical record sources including but not limited to aerial photography, deed records, historical maps and other information (Section 4.3), the subject property has been in timberland use throughout its history. The subject property was reportedly acquired along with *many* other tracts by International Paper Company during the 1950s or 1960s. Game hunting on the subject property has also occurred throughout the history of the tract. Four separate clubs lease the hunting rights of the subject property. Members of these clubs camp on site **with** the use of temporary or portable structures. One cemetery was identified on the SUBject property. The *Jay Creek Cemetery* has

existed on site for well over 100 years but is currently non-maintained with mature trees present on the plot.

Site Reconnaissance

A site inspection of the subject property was performed by Geo-Source, Inc. personnel on December 10, 2006. A previous reconnaissance was performed on the subject property on April 10 and 11, 2006. The methodology and limiting conditions encountered during the site reconnaissance are described in Section 5.1. The subject property encompasses approximately 16,046.66 acres, the majority of which is forested and the tract contains no permanent structural improvements. Geo-Source, Inc. personnel visually inspected, to the extent practicable, the periphery and interiors of the Subject property. A network of interior county and forestry roads was traversed using a four-wheel drive vehicle and found to be in good condition with drainages and tributaries crossed with steel culverts. The secondary forest roads and trails appear to be maintained by the hunting clubs with no significant base material or improvements. Small shooting houses of wood or metal construction used by the hunting clubs were observed along forest roads and at small green fields. The clubs also maintain camp sites on the Subject property involving use of temporary camp structures, outhouses and camper trailers. Several primitive camp sites were also observed. Cooperative electrical and potable water utilities are served to one camp on the subject property maintained by Duck Creek Hunting Club in the northwest portion of the tract. The transformer however is on the utility easement of a nearby public road and the electrical lines were observed buried to the camp site. Some of the camp sites were observed to have improvised septic systems. These systems appeared to be functioning as intended with no accumulations of sanitary effluent, septic odors or visible impact to nearby surface water resources. An area which appears to be a former borrow pit is apparently used as a shooting range by the hunting clubs. While it is presumed that an accumulation of lead projectiles has occurred in the backstop at this site, it is the opinion of Geo-Source, Inc. that the quantity of lead material involved does not represent a recognized environmental condition. Rather the quantity of lead is a *de minimis* amount which would not be the subject of an enforcement action if brought to the attention of regulatory authorities.

Nine accumulations of household renovation project debris, appliances, furniture and other unwanted household items, garbage and tires were observed along the primary and secondary forest roads on the Subject property. These instances were originally identified during the April 2006 reconnaissance and were re-inspected during December 2006. In each case, the instances were found to be comprised of essentially the same contents in December as they were observed contain in April. No evidence of the presence or release of significant quantities of hazardous substances or petroleum products was observed in or around these instances. No additional instances of discarding of

rubbish or unwanted items were identified during December 2006. In the opinion of Geo-Source, Inc. none of the observed instances of discarded items represents a recognized environmental condition to the subject property.

An automobile fuel tank and several tires were observed discarded along a pipeline right of way on the subject property by Mr. Chad Fields of Timberland Investment Resources LLC. According to interviews Mr. Fields and Mr. Ronnie Ritter of International Paper Company, the items were left after removal of an abandoned vehicle sometime around December 10, 2006. No evidence of a significant release of gasoline from the fuel tank was reported; the tank was apparently found in a "mud hole" but no petroleum sheen was observed on the water surface. In the opinion of Geo-Source, Inc. the presence of the tank and tires at this location does not represent a recognized environmental condition.

Adjoining Properties

The adjoining properties are largely in timber and have a land-use history consistent with that of the subject property. Several residential subdivisions adjoin the Subject property including a new subdivision observed in the early development phase along U.S. Hwy 167 and the west boundary of the tract. Rural single family residential and small farm properties also adjoin the tract. Relatively few of the adjoining residences were observed to have accumulations of automobiles, equipment and other materials in their premises and in each case no encroachment of these items was observed onto the Subject property. One church and cemetery property adjoins the south boundary of the subject property along C.R. 58. A Shell Food Mart. which sells automobile and semi-truck fuel, adjoins the western boundary of the subject property across U.S. Hwy 167.

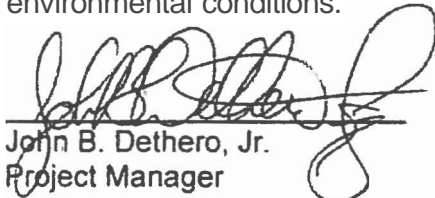
In the opinion of Geo-Source, Inc. assessment of the adjoining properties has resulted in the identification of no recognized environmental conditions.

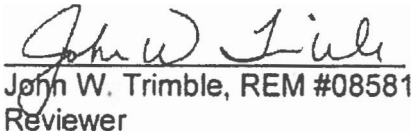
8.0 CONCLUSIONS

We have performed a Phase I Environmental Site Assessment in conformance with the scope and limitations of ASTM Practice E 2247-02 of the sUbject property. Any exceptions to, or deletions from, this practice are described in Section 2.0 of this report. This assessment has revealed no evidence of recognized environmental conditions in connection with the SUbject property.

9.0 SIGNATURE OF ENVIRONMENTAL PROFESSIONAL

It is the certification of Geo-Source, Inc. that the activities described in this assessment were conducted in accordance with the standard cited in Section 2.1, and that these activities were performed by environmental professionals with sufficient training and experience for the identification of recognized environmental conditions.


John B. Dethero, Jr.
Project Manager


John W. Trimble, REM #08581
Reviewer

This Phase I Environmental Site Assessment has been prepared with the intent of satisfying all **criteria** specified in ASTM E 2247-02, Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process, with information developed from readily available public records, personal interviews, and visual site inspections. No analytical testing of soil, surface water, or groundwater was conducted on the Subject property or adjoining properties.

In development of this report, the majority of the data presented is related to the subject property. Only a **limited** amount of data was made available and examined for the study of the adjacent properties in order to determine if there are any apparent environmental liabilities associated with these properties that may impact the subject property.

APPENDICES TO THE REPORT

APPENDICES

**Appendix 1 Location Map / Map Book Index and Sectional Maps / General
Topography Map / Arkansas Physiography Map / Arkansas
Geology Map and Explanation**

Appendix 2 Photographic Documentation

Appendix 3 Findings Maps / Dump Site Records

Appendix 4 Environmental Regulatory Documentation

APPENDIX 1

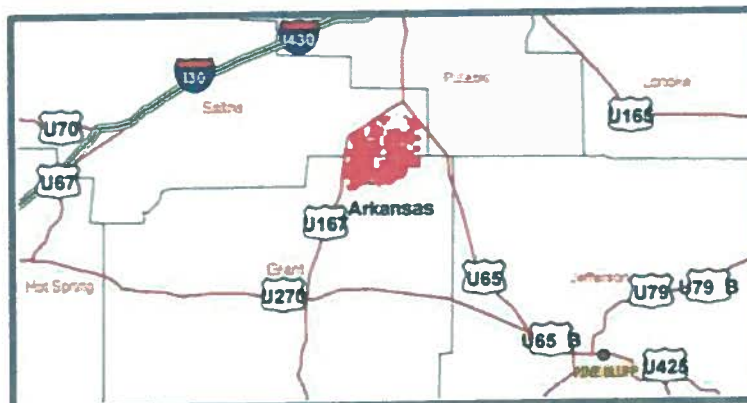
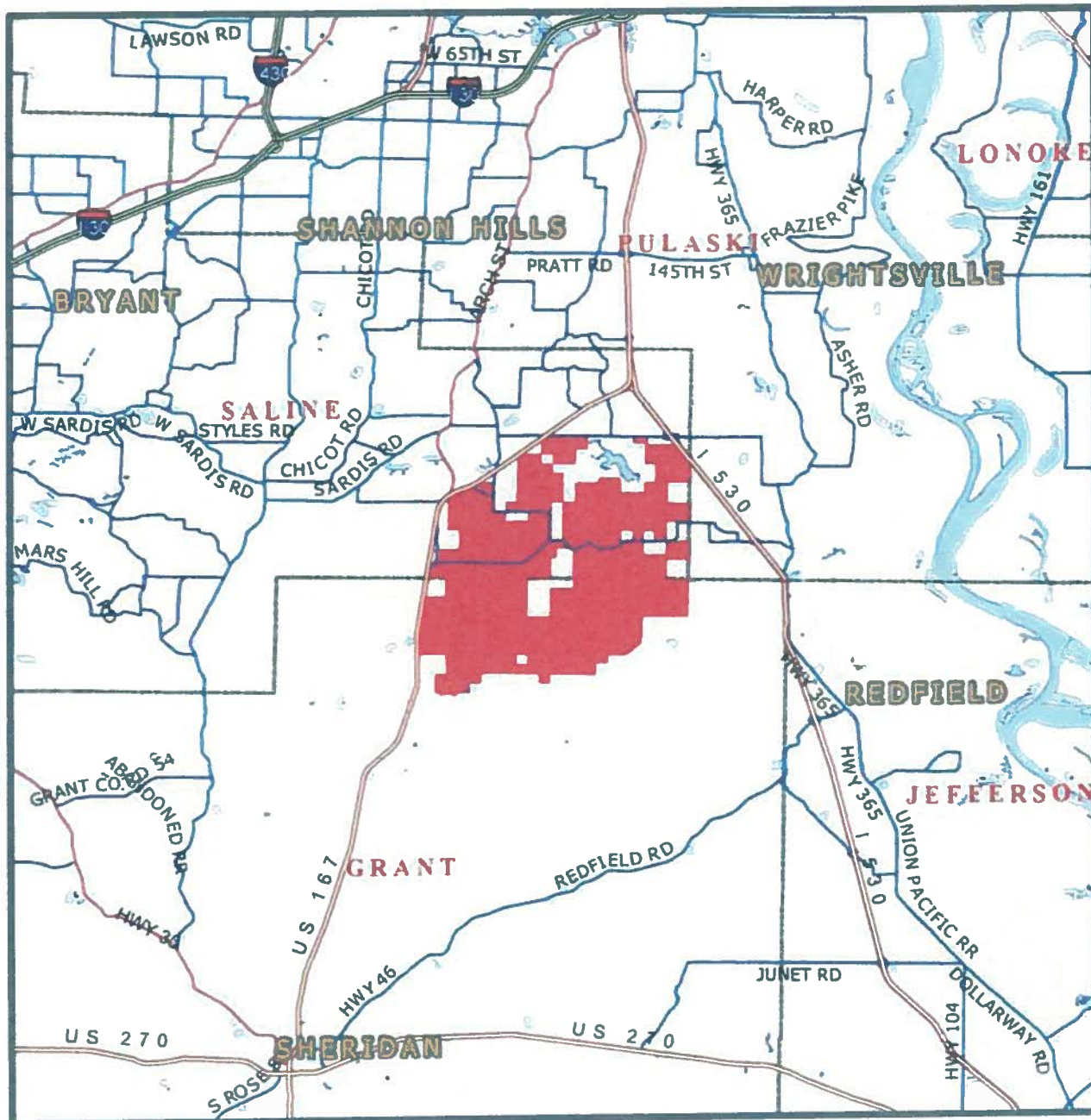
LOCATION MAP

MAP BOOK INDEX AND SECTIONAL MAPS

GENERAL TOPOGRAPHY MAP

ARKANSAS PHYSIOGRAPHY MAP

ARKANSAS GEOLOGY MAP



AR 318 Triangle Core

Blue Sky Timber Properties LLC
Grant & Saline Counties, AR
16,046.66 +/- acres

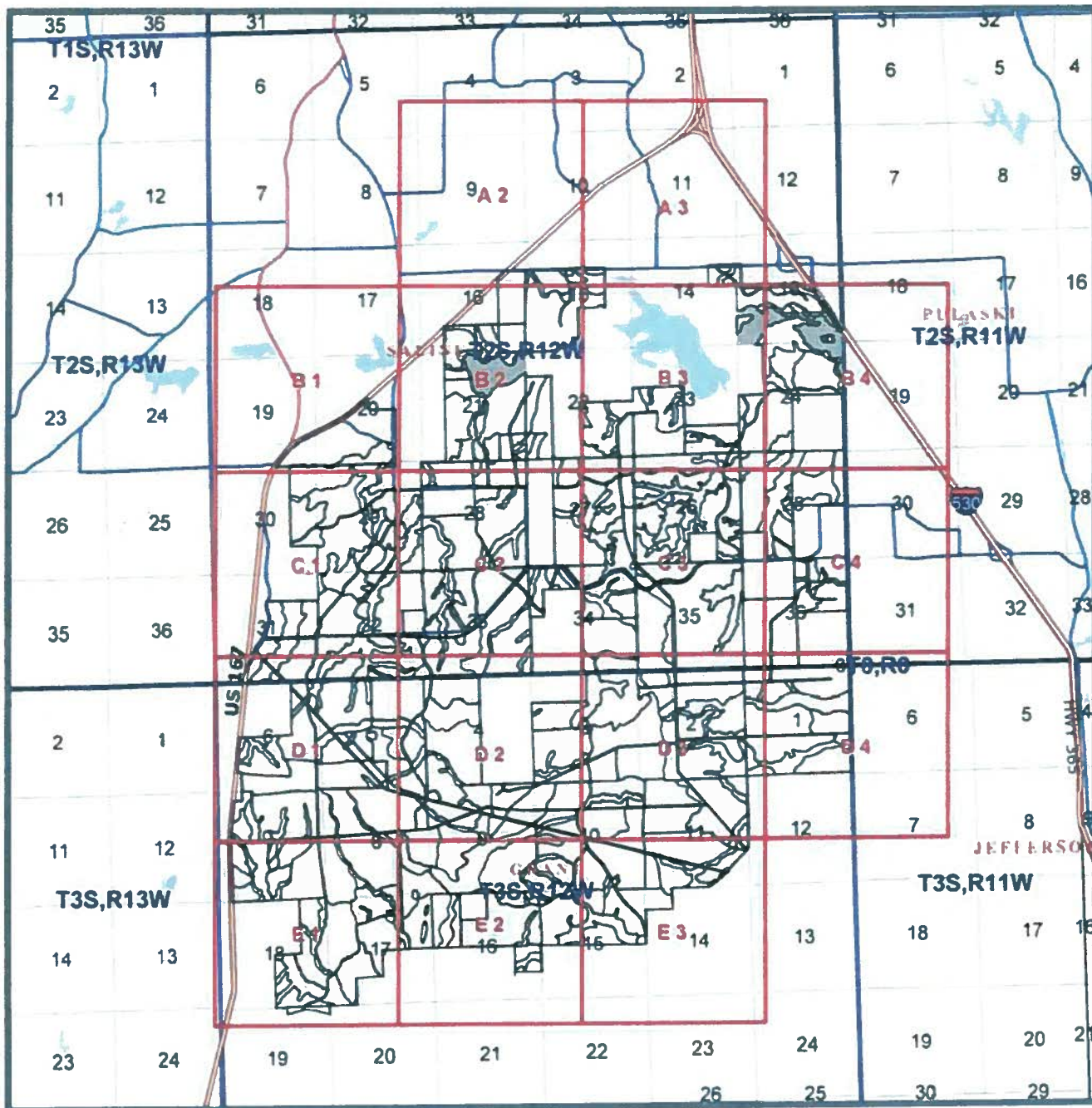
0 1 2 3 4 5 Miles

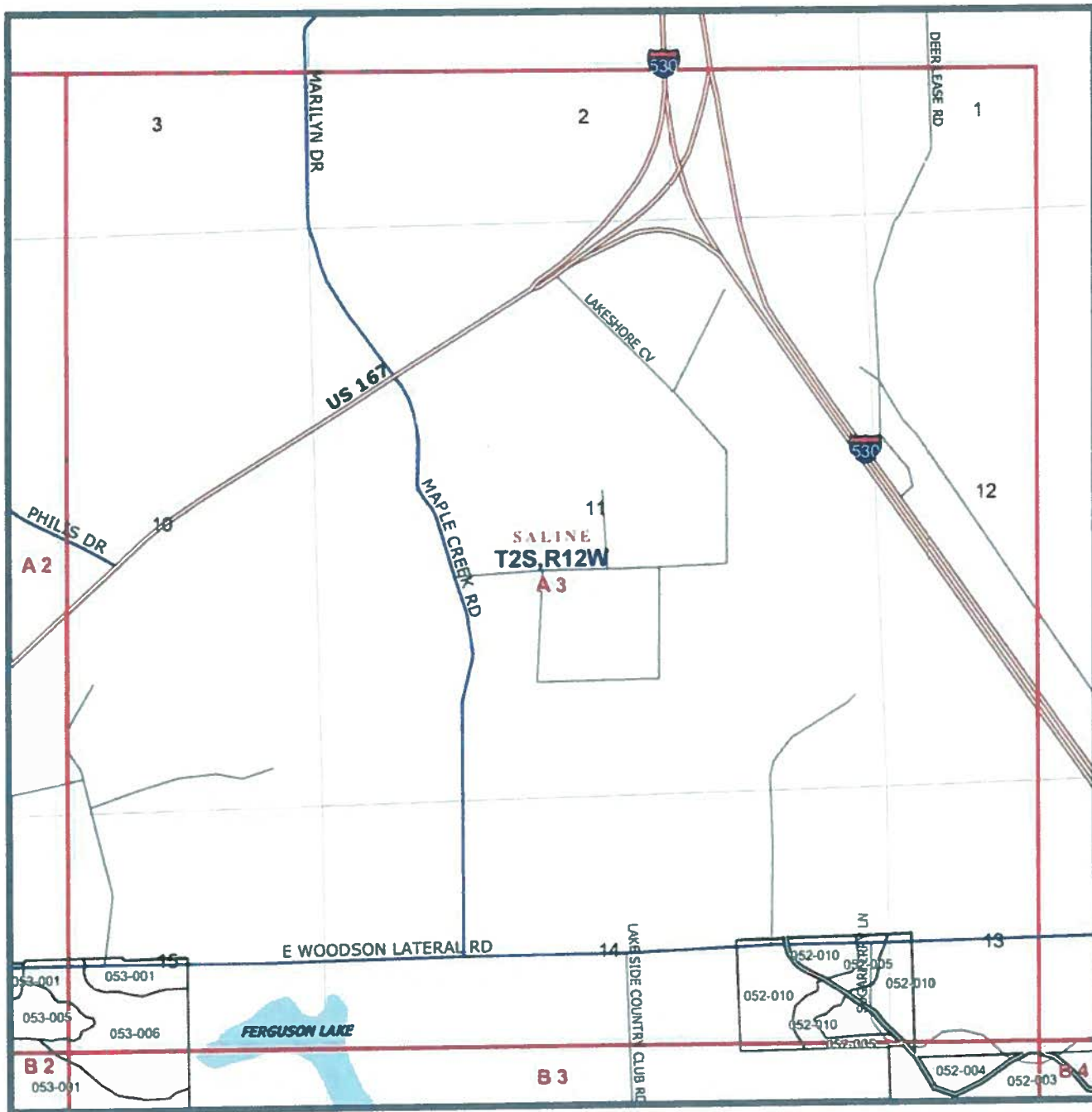
The information provided on this map is believed to be accurate and is based on the best information available at this time, however, this information is in no way guaranteed.



©1991-2002 by Tele Atlas North America, Inc.

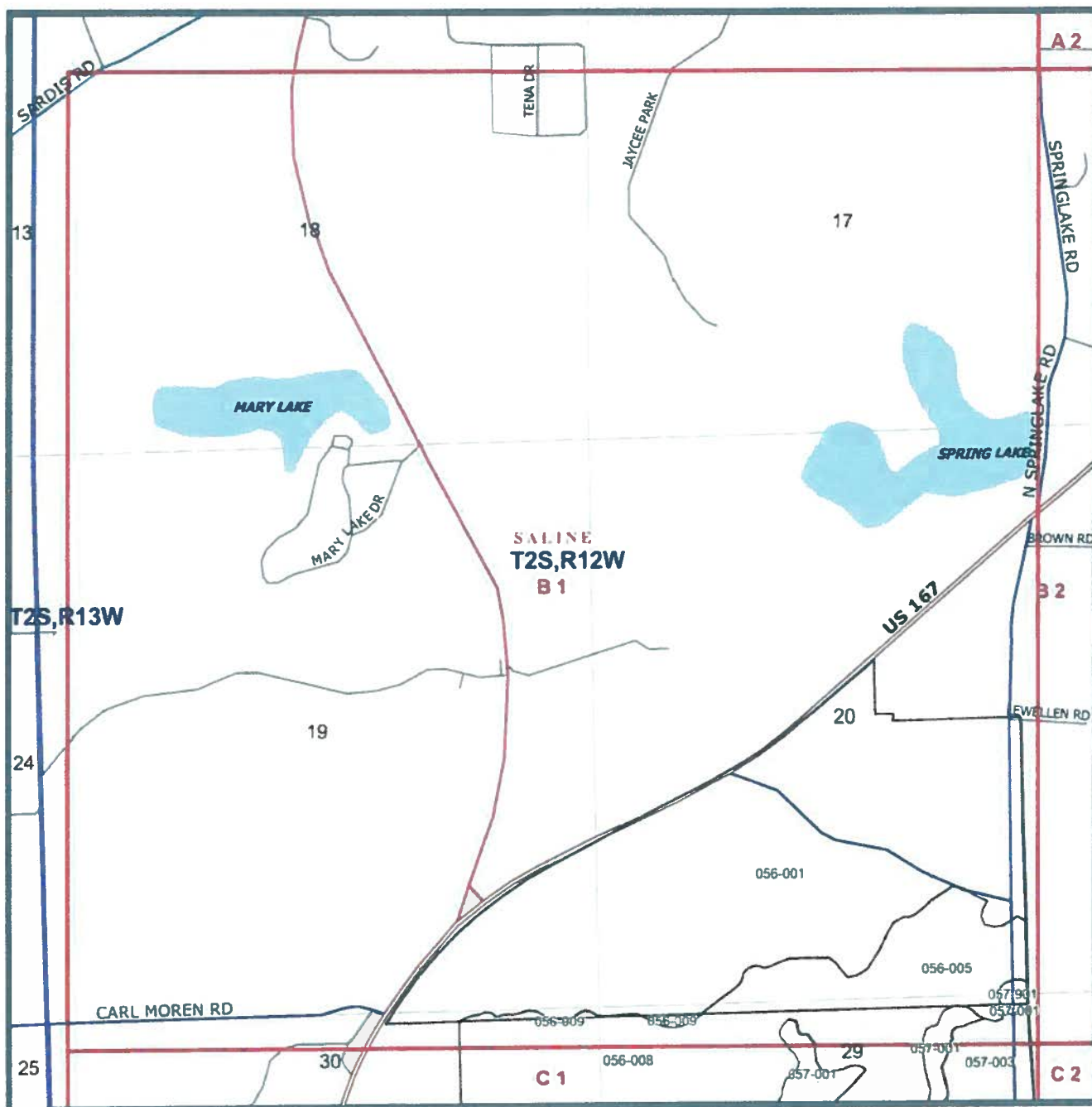
N





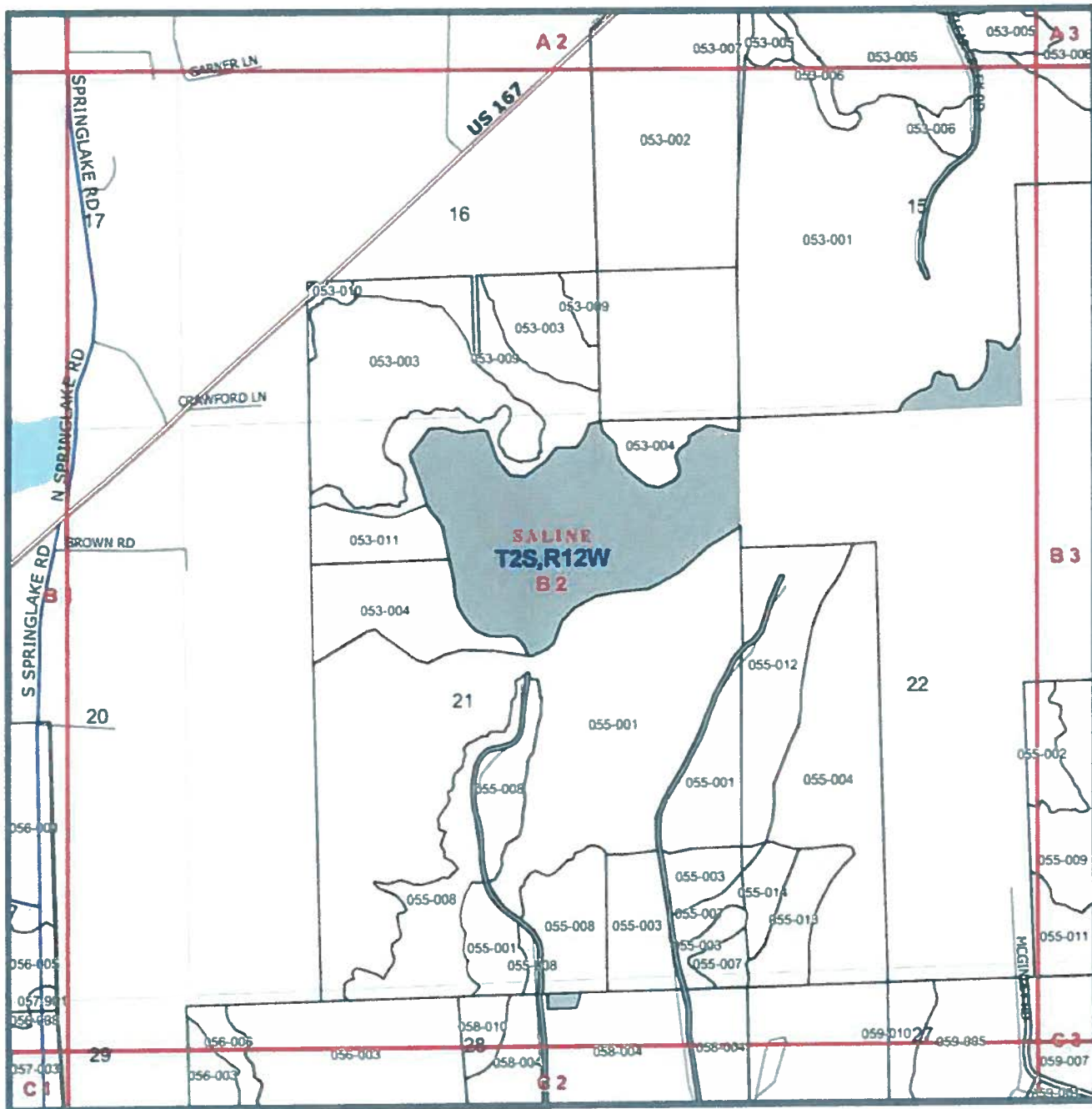






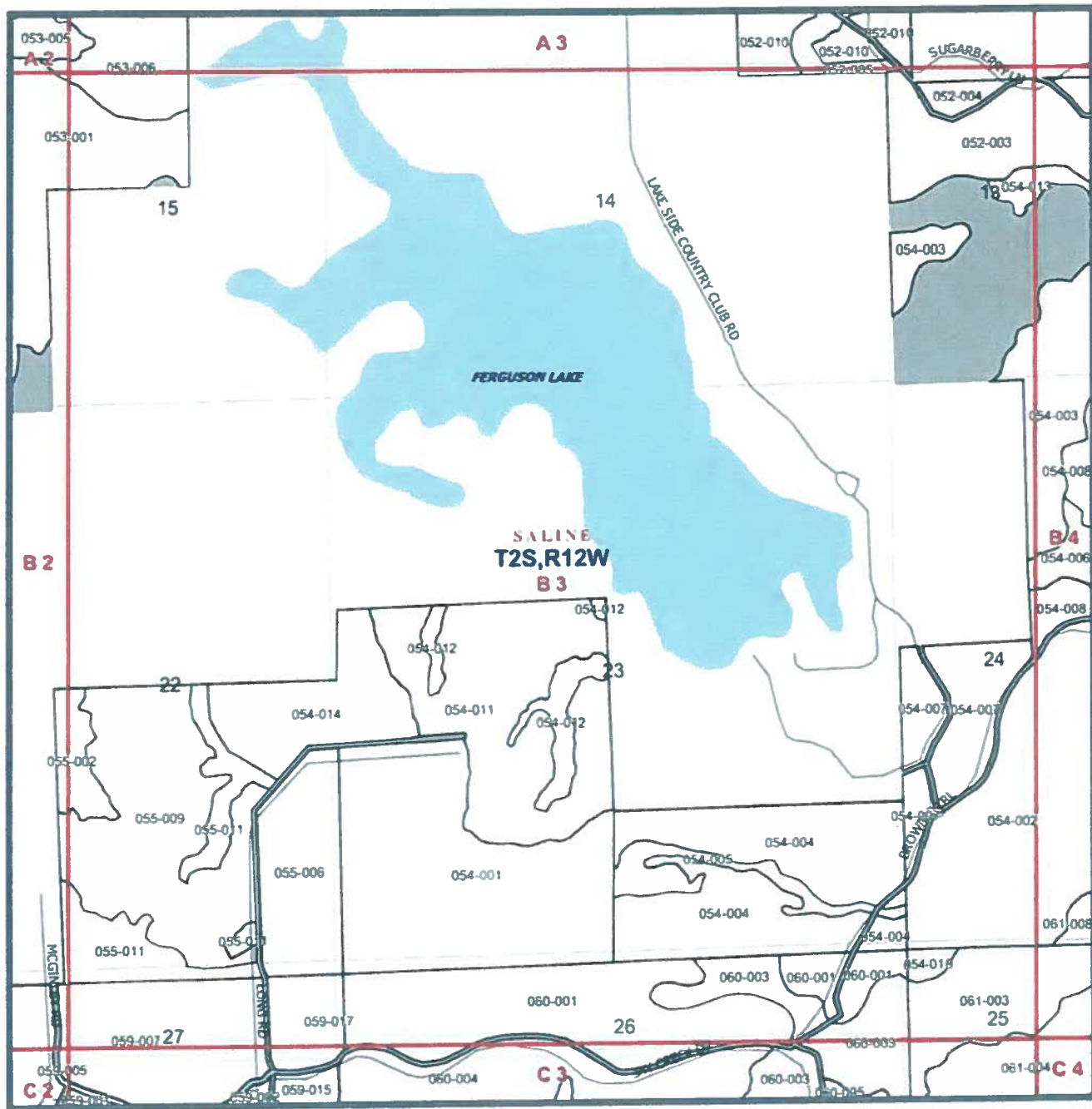
<p>Attached: Data Sheets (6) Maps (17)</p> <p> Non Forest</p>	<p>AR 318 Triangle Core</p> <p>Blue Sky Timber Properties LLC Grant & Saline Counties, AR 16,046.66 +/- acres</p> <p>1:15,840 0 0.1 0.2 0.3 0.4 0.5 Miles</p> <p>The information provided on this map is believed to be accurate and is based on the best information available at this time, however, this information is in no way guaranteed</p> <p>©1984-2002 by Tele Atlas North America, Inc.</p>	<p>N</p> 
---	---	---





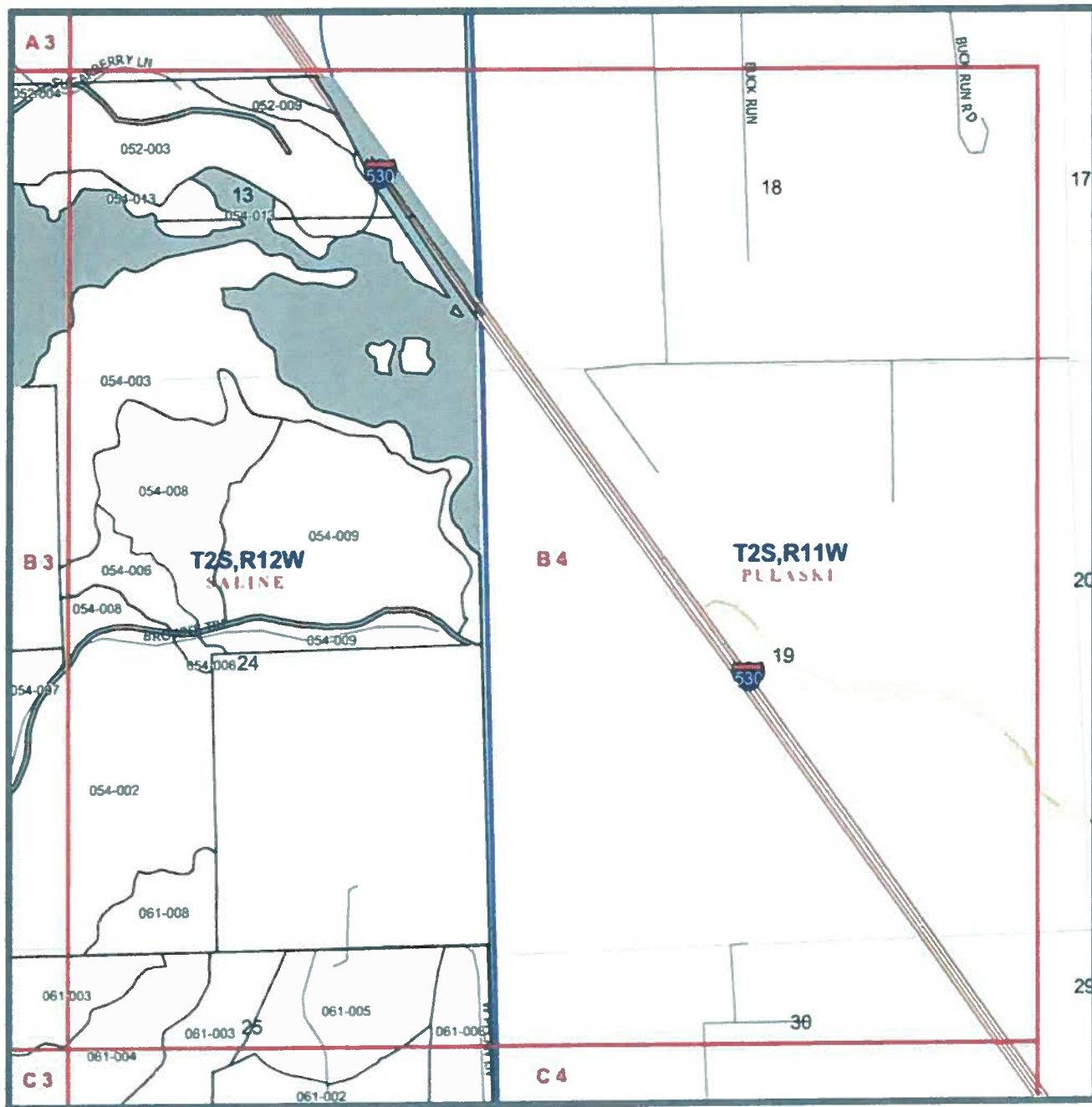
<p>Attached: Data Sheets (6) Maps (17)</p> <p> Non Forest</p>	<p>AR 318 Triangle Core</p> <p>Blue Sky Timber Properties LLC Grant & Saline Counties, AR 16,046.66 +/- acres</p> <p>1:15,840 0 0.1 0.2 0.3 0.4 0.5 Miles</p>	<p>N</p> 
	<p>The information provided on this map is believed to be accurate and is based on the best information available at this time, however, this information is in no way guaranteed</p> <p>©1984-2002 by Tele Atlas North America, Inc.</p>	





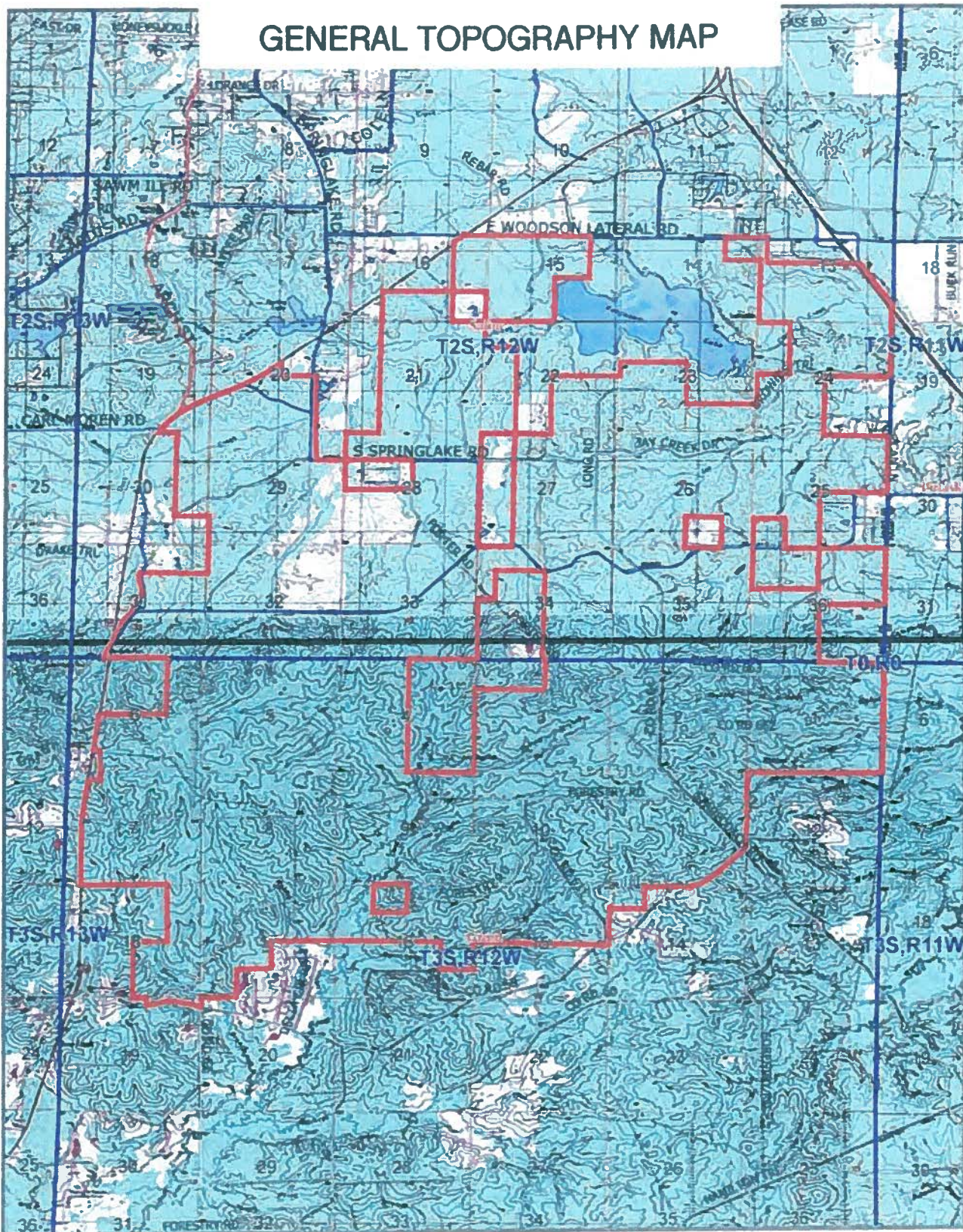
<p>Attached: Data Sheets (6) Maps (17)</p> <p> Non Forest</p>	<p align="center">AR 318 Triangle Core</p> <p align="center">Blue Sky Timber Properties LLC Grant & Saline Counties, AR 16,046.66 +/- acres</p> <p>1:15,840 0 0.1 0.2 0.3 0.4 0.5 Miles</p> <p align="center"><small>The information provided on this map is believed to be accurate and is based on the best information available at this time, however, this information is in no way guaranteed</small></p> <p align="center"><small>1984-2002 by Tele Atlas North America, Inc.</small></p>	<p align="center">N</p> 
---	--	--



<p>Attached: Data Sheets (6) Maps (17)</p> <p> Non Forest</p>	<p>AR 318 Triangle Core</p> <p>Blue Sky Timber Properties LLC Grant & Saline Counties, AR 16,046.66 +/- acres</p> <p>1:15,840 0 0.1 0.2 0.3 0.4 0.5 Miles</p> <p>The information provided on this map is believed to be accurate and is based on the best information available at this time, however, this information is in no way guaranteed</p> <p>©1984-2002 by Tele Atlas North America, Inc.</p>	<p>N</p> 
---	---	---



<p>Attached: Data Sheets (6) Maps (17)</p> <p> Non Forest</p>	<p>AR 318 Triangle Core</p> <p>Blue Sky Timber Properties LLC Grant & Saline Counties, AR 16.046.66 +/- acres</p> <p>1:15,840 0 0.1 0.2 0.3 0.4 0.5 Miles</p> <p>The information provided on this map is believed to be accurate and is based on the best information available at this time, however, this information is in no way guaranteed</p> <p>©1984-2002 by Tele Atlas North America, Inc.</p>	<p>N</p> 
---	---	---

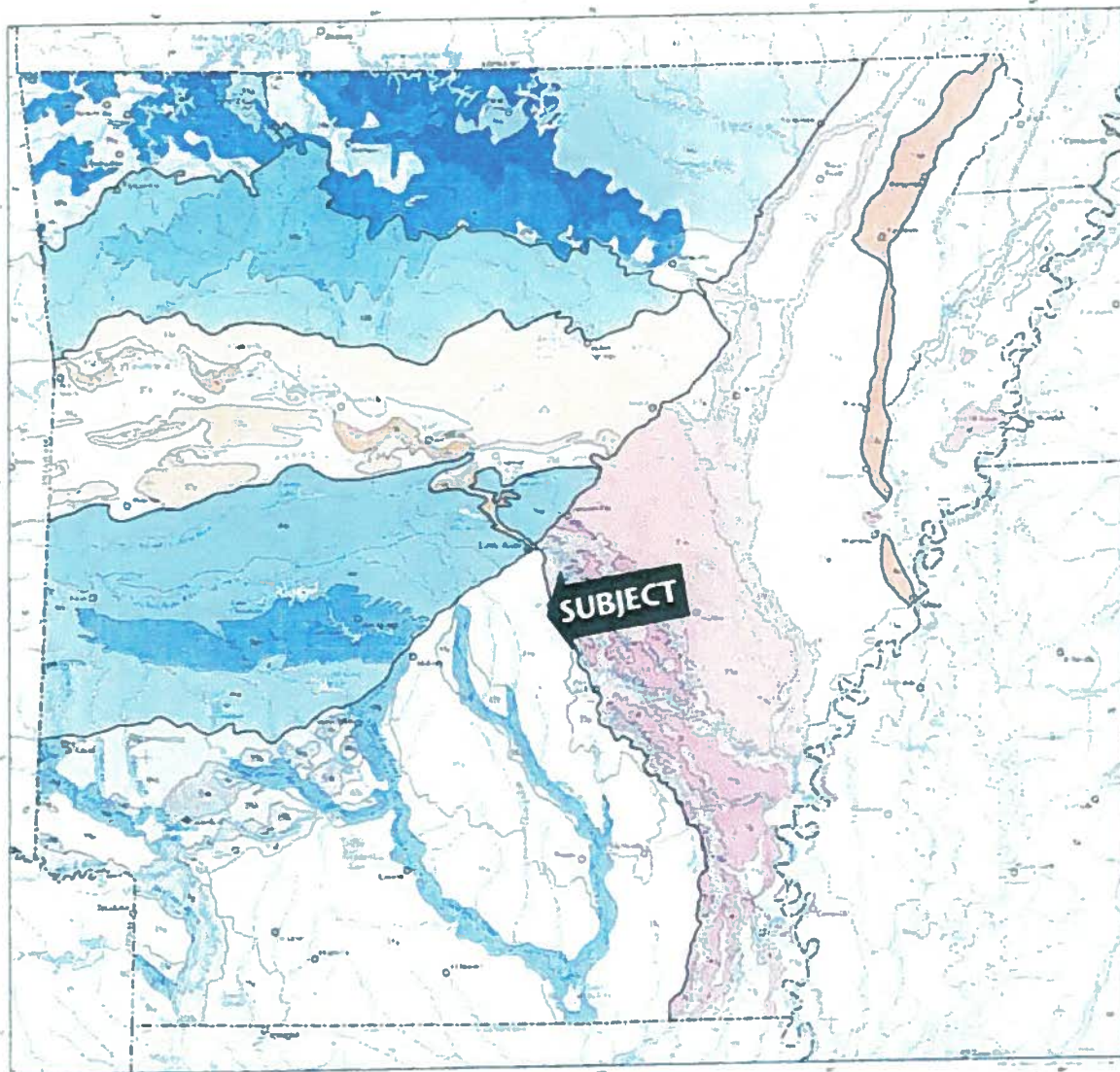


AR 318 Triangle Core

Blue Sky Timber Properties LLC
Grant & Saline Counties, AR
16,046.66 +/- acres

0 0.75 1.5 2.25 3 Miles





- 30 South-Central Plains
- 31a Tertiary Uplands
- 31b Pleistocene and Late Tertiary
- 31c Pleistocene Tertiary Plateaus
- 31d Central and Western Plateaus
- 31e Red River Valley Plateaus
- 31f Blackland Plains
- 31g Mississippi Alluvial Plain
- 31h Alluvial Plains
- 31i Central Mississippi Valley
- 31j Eastern Mississippi Valley
- 31k Western Mississippi Valley
- 31l Arkansas Valley
- 31m Arkansas Valley Plateaus
- 31n Arkansas Valley Plateaus
- 31o Arkansas Valley Plateaus
- 31p Arkansas Valley Plateaus

- 32a Mountain Plateaus
- 32b Lower Plateau Plateaus
- 32c Lower Plateau Plateaus
- 32d Great Plains
- 32e Great Plains
- 32f Great Plains
- 32g Great Plains
- 32h Great Plains
- 32i Great Plains
- 32j Great Plains
- 32k Great Plains
- 32l Great Plains
- 32m Great Plains
- 32n Great Plains
- 32o Great Plains
- 32p Great Plains

- 33a Mississippi Valley Plateaus
- 33b Mississippi Valley Plateaus
- 33c Mississippi Valley Plateaus
- 33d Mississippi Valley Plateaus
- 33e Mississippi Valley Plateaus
- 33f Mississippi Valley Plateaus
- 33g Mississippi Valley Plateaus
- 33h Mississippi Valley Plateaus
- 33i Mississippi Valley Plateaus
- 33j Mississippi Valley Plateaus
- 33k Mississippi Valley Plateaus
- 33l Mississippi Valley Plateaus
- 33m Mississippi Valley Plateaus
- 33n Mississippi Valley Plateaus
- 33o Mississippi Valley Plateaus
- 33p Mississippi Valley Plateaus

GEO-SOURCE, Inc.
Environmental Consultants

115 Helton Court
Florence, Alabama 35630
Phone (256)767-2000

ARKANSAS PHYSIOGRAPHY MAP

Triangle Core Tract
16,046.66±/- Acres
Grant & Saline Counties, Arkansas
Clear Creek Woodlands, LLC

Drawn by:

N/A

Scale:

1:1,000,000

Reviewed by:

N/A

Date:

December 2006



April 18, 2008

Hope Engineers, Inc.
322 North Market Street
Benton, Arkansas 72105

Attention: Ms. Lisa R. Taylor

Subject: **REPORT OF PRELIMINARY GEOTECHNICAL EXPLORATION**
Industrial Mega Site
Saline County, Arkansas
GEOS Project No. 21-08177

Dear Ms. Taylor:

GEOServices, LLC has completed the requested preliminary exploration and submits the results of the preliminary geotechnical exploration performed for the subject site. The preliminary geotechnical exploration was performed in general accordance with our Proposal No. 11-08131, dated April 15, 2008.

Should you have any questions regarding this report, or if we can be of any further assistance, please contact us at (865) 862-6475.

Respectfully Submitted,
GEOServices, LLC

Byron L. Barton
Senior Geologist



Dennis A. Huckaba, P.E.
Principal
Arkansas No. 12763

**REPORT OF
PRELIMINARY GEOTECHNICAL EXPLORATION
INDUSTRIAL MEGA SITE
SALINE COUNTY, ARKANSAS
GEOS PROJECT NO.: 21-08172**

Prepared for:

Hope Engineers, Inc.
322 North Market Street
Benton, Arkansas 72105

Prepared by:



9040 Executive Park Drive
Suite 109
Knoxville, Tennessee 37923

April 18, 2008

TABLE OF CONTENTS

1.0 INTRODUCTION	1
1.1 PURPOSE	1
1.2 PROJECT AND SITE DESCRIPTION	1
1.3 SCOPE OF STUDY AND REPORT FORMAT	2
2.0 EXPLORATION AND TESTING PROGRAMS	3
2.1 FIELD EXPLORATION	3
2.2 LABORATORY TEST PROGRAM	3
3.0 SUBSURFACE CONDITIONS	4
3.1 GEOLOGIC CONDITIONS	4
3.2 SUBSURFACE SOIL	4
3.3 SUBSURFACE WATER	6
4.0 CONCLUSIONS	7
4.1 SITE ASSESSMENT	7
5.0 LIMITATIONS	9

APPENDICES

APPENDIX A - Figures

APPENDIX B - Test Boring Records

APPENDIX C - Soil Laboratory Data

1.0 INTRODUCTION

1.1 Purpose

The purpose of this preliminary geotechnical report is to provide preliminary geotechnical and geologic information of the industrial mega site in Saline County, Arkansas. GEOServices understands this report is to be used for general information only. More specific geotechnical evaluations will be performed to confirm the information contained herein, as well as provide more accurate and representative information during both design and construction phases. This report provides a summary of the activities conducted, and our preliminary assessment of the site.

1.2 Project and Site Description

The project will consist of the development of a 2,045.5-acre industrial mega site that is located in eastern Saline County, Arkansas. Figure 1 represents the approximate site boundary as provided to GEOServices. At the time of this exploration, GEOServices was not provided conceptual plans of the proposed development, but understand the development will consist of new roadways and utilities, and future industrial buildings.

Access to the site will require the construction of multi-lane highways, rail systems, and potential airstrips. Anticipated structures that may be developed will range from one-story metal construction utilizing shallow foundation, to multi-story structures founded on deep or intermediate foundations, depending on proposed loads and soil conditions.

Based on the 7.5-minute Spring Lake Quadrangle topographic map, the site ranges in elevations of approximately 240 feet above mean sea level (MSL) in the northeastern corner of the property, to approximately 315 feet above MSL in the mid-western section of the site with an over all difference on the order of 75 feet. A grading plan was not reviewed as part of this geotechnical exploration, but based on the elevations across the site; cuts and fills could exceed 30 feet in some areas.

A majority of the site drains to two creeks that intersect the site, Miller Creek and Jay Creek. In addition to these two creeks, several unnamed tributaries of the creeks drain the site to the northeast. The western section of the site appears to drain to an unnamed tributary of Clear Creek, which continues on to Ferguson Lake.

1.3 Scope of Study and Report Format

This preliminary geotechnical exploration involved geologic research, field drilling, laboratory testing, and preliminary assessment of the conditions observed and encountered. The following sections of this report present discussions of the field exploration, laboratory testing program, site conditions, and our findings. Figures, test boring logs, and laboratory test results are provided in the attached appendices.

The scope of services did not include an environmental assessment for determining the presence or absence of wetlands, or hazardous or toxic materials in the soil, bedrock, surface water, groundwater, or air, on, below, or around this site. Any statements in this report or the attached boring logs regarding odors, colors, and unusual or suspicious items or conditions are strictly for informational purposes.

2.0 EXPLORATION AND TESTING PROGRAMS

2.1 Field Exploration

A total of six (6) soil test borings were drilled and sampled at the approximate locations presented on Figure 2, Appendix A. The boring locations were staked in the field by a representative of Hope Engineers based on potential site development and accessibility of the locations. The purpose was to spatially locate a minimal amount of borings across the site so a general understanding of the subsurface conditions may be encountered.

The borings were advanced using hollow stem augers (HSA) with an ATV mounted drill rig. The drill crew worked in general accordance with ASTM D6151 (HSA Drilling). Sampling of overburden soils was accomplished using the standard penetration test procedure (ASTM D1586).

Upon completion, the borings were checked for the presence of groundwater and were subsequently backfilled with loose auger cuttings. Samples of the soil borings were obtained and delivered to GEOServices' Knoxville laboratory. Boring logs are provided in Appendix B.

2.2 Laboratory Test Program

After completion of the field drilling and sampling phase of this project, the soil samples were returned to the laboratory where they were visually classified by a staff professional. Samples were selected and tested for natural moisture determinations (ASTM D2216), and Atterberg limits determinations (ASTM 04318). The results of the laboratory testing are discussed in the following sections. A summary of these results is presented in Appendix C.

3.0 SUBSURFACE CONDITIONS

3.1 Geologic Conditions

Published geologic information indicates the site is located within the physiographic province of the West Gulf Coastal Plains and is underlain by the Claiborne Unit. The Claiborne unit is a non-marine alluvial deposition of Eocene age. The unit generally consists of sands ranging from very fine grained to medium grained, silts, and clays. The silts and clays were reported to be light to dark gray and sometimes variegated, which reflects some of the subsurface conditions observed. The silts are usually clayey, and the clays are normally silty or sandy. Lignite beds are also potentially present and primarily controlled by the geologic environment. The thickness of the Claiborne is reported to range from a thin edge to a thickness of 1,500 feet. Figure 3 shows the approximate site boundary on the Geologic Map of Arkansas obtained from the Arkansas Geological Survey.

3.2 Subsurface Soil

A layer of topsoil was initially observed in each of the 6 borings that ranged in thickness from 2 to 6 inches. The subsurface conditions below the topsoil generally consisted of fine grained soil (i.e. silt and clay) with thinner, alternating layers of fine grained sand. The alternating layers were observed in each of the borings with the exception of boring B-5, which consisted entirely of clay.

The fine grained soil consisted of lean to fat clay that ranged from low to high plasticity and was visually classified as CL and CH (lean and fat clay) according to the Unified Soil Classification System. The lean clays observed contained varying amounts of silt and of fine grained sand in the observed samples. The N-values of the standard penetration resistance tests (SPT) are used to evaluate the relative consistency or density of subsurface soil. The N-values for the lean to fat clays ranged from 2 which were typically observed near the surface to 44 indicating a consistency of very soft to hard. The soil consistencies were typically in the stiff to very stiff range.

The layers of fine grained sand were encountered in borings B-1, B-2, B-3, B-4 and B-6 ranged from 1.5 to 10 feet in thickness and were visually classified as SC and SP according to the Unified Soil Classification System. The boring logs provided in Appendix B provide the location and thickness of the sand layers. The N-values for this soil ranged from 2 to 32 indicating a soil density of consistency of very loose to dense. As observed with the clay, the near surface samples generated the lower N-values. In addition, the relative density of the sand typically increases with depth.

Select soil samples were collected from each of the 6 borings for laboratory analysis. The selection of the soil was based on observations of the samples in an attempt to properly classify the varying soil types across the site. As previously stated, cut and fill areas, borrow areas, or the proposed locations and elevation of road or foundation location were not provided prior to this report. Therefore the laboratory analysis consisted of Atterberg limits and natural moistures of the selected samples. The natural moisture content of the samples tested ranged from 21.5 to 31.7 percent. Atterberg limits testing on six soil samples indicated liquid limits (LL) of 38 to 69 percent and plasticity indices (PI) of 18 to 42 percent. The tested soil is classified as CH (highly plastic clay) and CL (lean clay) in accordance with the Unified Soil Classification System (USCS). A summary of these laboratory test results and additional individual test results are presented in Appendix C.

The above subsurface description is of a generalized nature to highlight the major subsurface stratification features and material characteristics. The boring logs included in Appendix B should be reviewed for specific information at individual boring locations. The depth and thickness of the subsurface strata indicated on the test boring records were generalized from and interpolated between test locations. The transition between materials will be more or less gradual than indicated and may be abrupt. Information on actual subsurface conditions exists only at the specific boring locations and is relevant to the time the exploration was performed. Variations may occur and should be expected between boring locations. The stratification lines were used for our analytical purposes and, unless specifically stated otherwise, should not be used as the basis for design or construction cost estimates.

3.3 Subsurface Water

Subsurface water was observed in the six borings at the time of completion. The following table provides the water level information for these six borings:

Water Level Readings	
Boring Location	At completion of drilling (ft)
B-1	33
B-2	24
B-3	15
B-4	17
B-5	17
B-6	14

Subsurface water levels may fluctuate due to seasonal changes in precipitation amounts or due to construction activities in the area. In addition, the groundwater will fluctuate depending on local influence of surface water such as streams and standing surface waters that were observed on site. The subsurface water information presented in this report is the information that was collected at the time of our field activities and at the locations sampled.

4.0 CONCLUSIONS

4.1 Site Assessment

The results of the field exploration indicate the site is generally adaptable for construction that may occur within an industrial development. As with any site, geotechnical challenges are present and should be further evaluated during subsequent phases of work. The present geotechnical considerations are as follows:

- Soft soil (N-values less than 5) is present at various locations across the site. The soft soil was generally encountered in isolated areas in the upper 5 feet. Areas of soft soil may be encountered prior to placement of soil fill in fill areas and/or at the subgrade elevation in the cut areas. These soft soil areas, if encountered, will likely require stabilization measures. Typical stabilization methods include, undercut and replacement, the use of geotextiles, and/or rock fill. A combination of these methods may also be required.
- The low to highly plastic fine-grained soil encountered at this site will be sensitive to disturbances caused by construction traffic and changes in moisture content. During wet weather periods, increases in the moisture content of the soil can cause significant reduction in the soil strength and support capabilities. Construction traffic patterns should be varied to prevent the degradation of previously stable subgrade. In addition, soil that becomes wet may be slow to dry and thus significantly retard the progress of grading and compaction activities. We caution if site grading is performed during the wet weather season, methods such as discing and allowing the material to dry will be required to meet the required compaction recommendations. It will, therefore, be advantageous to perform earthwork and foundation construction activities during dry weather.
- The soil encountered has been deposited by alluvial activity. Seismic concerns are compounded when structures are constructed on alluvial soil with relatively shallow groundwater, similar to what was observed during the field activities.
- Dependent on the location and elevation of the proposed structure, groundwater may be a

concern in some areas. This would be expected to be an issue for excavations in areas near bodies of water or if cuts are expected to intercept the noted groundwater elevation observed during the field exploration.

- Due to the grade differences across the site, soil slopes and retaining walls may be utilized depending on the site grading plan.
- Caving and sloughing of granular soils into the foundation excavations is anticipated where present. All foundation excavations must be properly sloped or shored in accordance with local, state, and federal trench safety requirements.
- Typically, shallow foundations are likely to be feasible for most lightly loaded structures (a structure with maximum column loads on the magnitude of 150 kips). Typical bearing pressures for lightly loaded structures will be on the order of 2,000 to 2,500 psf. Structures with column loads in excess of 150 kips may require intermediate or deep foundations. Due to potential deep cuts and fills, care should be taken with regard to structure placement so that differential settlement concerns can be minimized.
- Bedrock was not encountered during this exploration. Based on a review of the geology, bedrock is not expected to be encountered during construction particularly in the areas explored.

These preliminary findings and recommendations should only be used by the owner and engineer to assist in the preliminary design and costing phases of this project. As the type and locations of roadways and structures are developed, we expect that additional geotechnical explorations will be required to provide final design recommendations.

5.0 LIMITATIONS

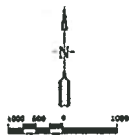
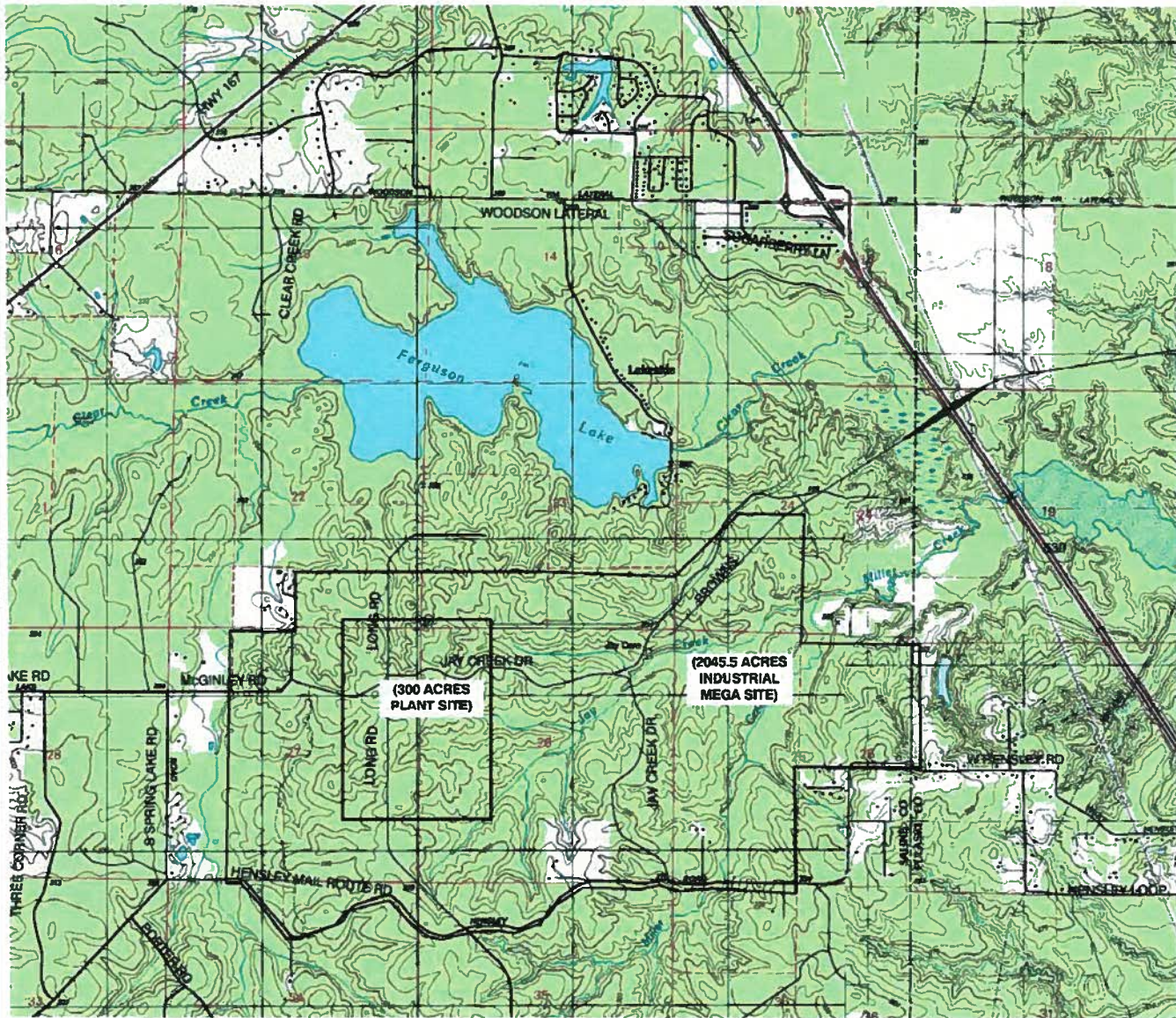
This preliminary report has been prepared in accordance with generally accepted geotechnical engineering practice for specific application to this project. This report is for our geotechnical work only, and no environmental assessment efforts have been performed. The conclusions and recommendations contained in this report are based upon applicable standards of our practice in this geographic area at the time this report was prepared. No other warranty, express or implied, is made.

The analyses and recommendations submitted herein are based, in part, upon the data obtained from the exploration. The nature and extent of variations between the borings will not become evident until construction. This subsurface exploration and report constitute the initial phase of the geotechnical services that will be required prior to construction for this project. Once a grading plan has been developed and proposed infrastructure has been defined, additional exploration and laboratory will be necessary prior to foundation and site preparation recommendations.

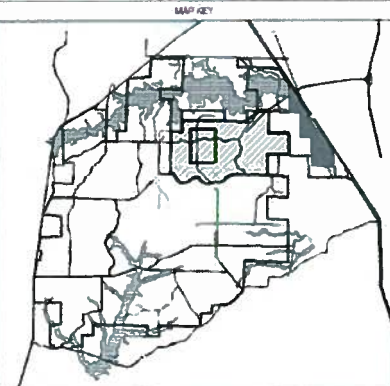
APPENDIX A

Figures

TOPOGRAPHY MAP



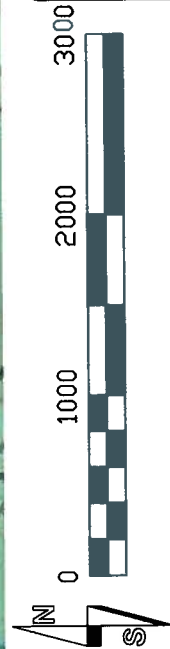
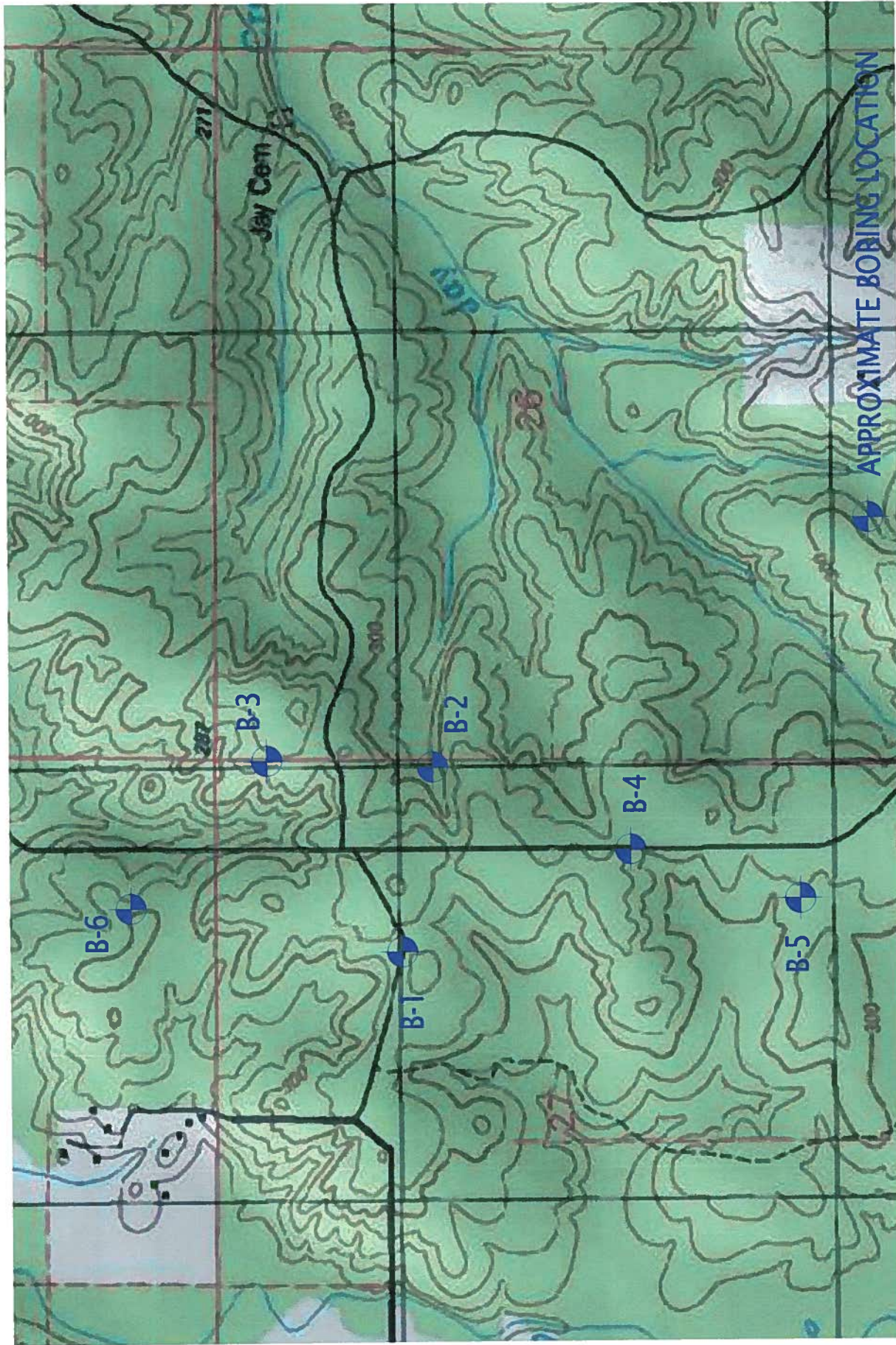
MAP KEY



HOPE ENGINEERS
 322 North Market Street
 Bartlesville, Arkansas 72018
 PH: (479) 335-0000
 FAX: (479) 335-0000
 www.hopeengineers.com

FOR USE AND REVIEW
Timberland Investment Resources
1530 INDUSTRIAL MEGA SITE
 PROPOSED DEVELOPMENT
 SALINE COUNTY, ARKANSAS

DATE: 04/08/2007 C.A.D. BY: L. LAYTON
 REVISION: 01/08/2007
 SHEET: 0 OF 0
 SCALE: AS SHOWN
 07-0624



SCALE	AS SHOWN
CHECKED BY:	DAH
DRAWN BY:	BB
DATE:	3/18/08



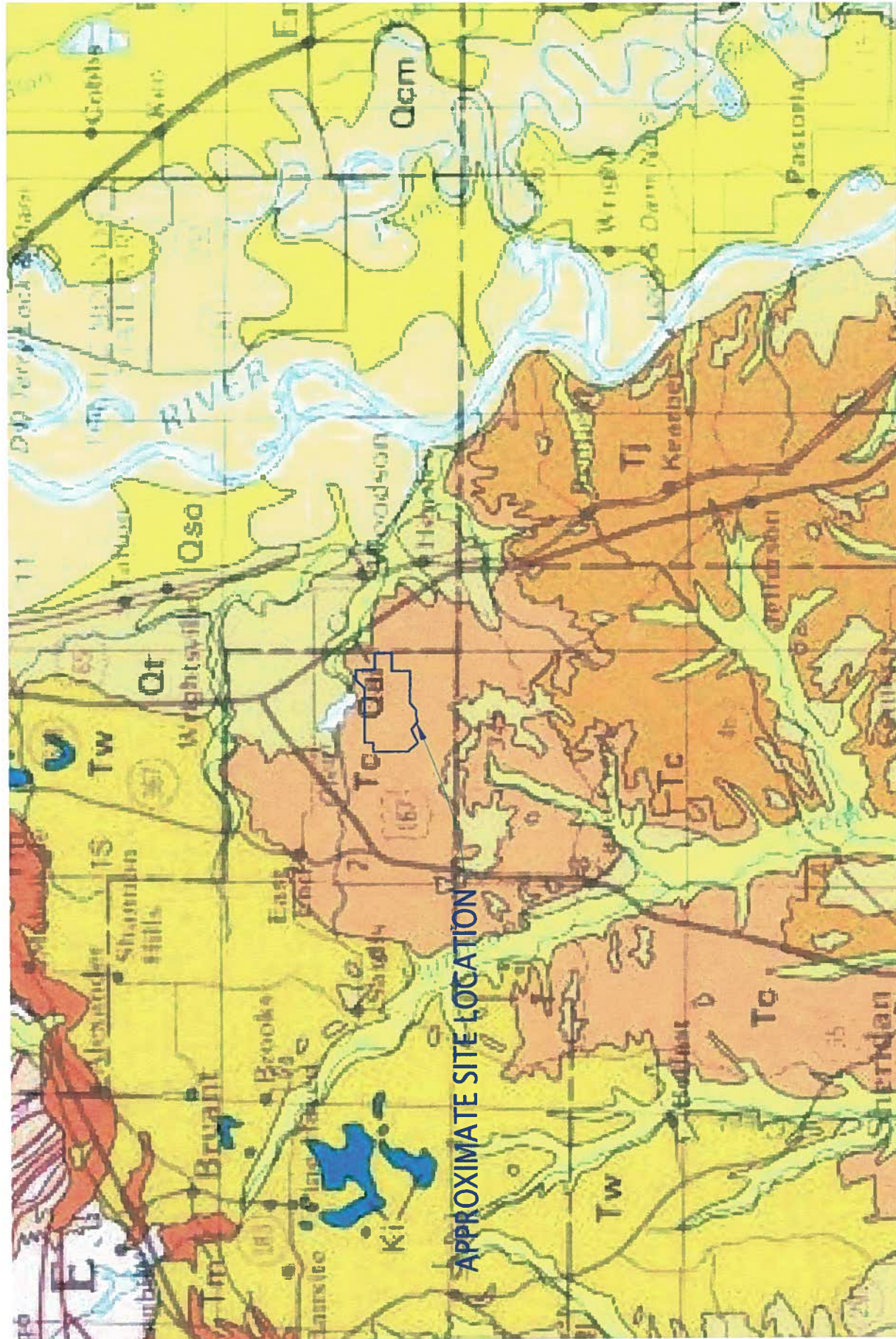
GSES
 Global Services Engineering Services
 800 Highway 100
 Building 1, Suite 8
 Seymour, Tennessee 37065

Phone (660) 573-6130
 Fax (660) 573-6132

BORING LOCATIONS
INDUSTRIAL MEGA SITE
SALINE COUNTY, ARKANSAS

JCR NO: 21-08172

Fig 2



SCALE	NTS
CHECKED BY	DAH
DRAWN BY	BB
DATE	3/18/08

GES
 GES Services, LLC-Geotechnical and Materials Engineers
 500 Maryville Highway
 Building 1, Suite B
 Seymour, Tennessee 37065
 Phone (615) 575-6130
 Fax (615) 575-6132

SITE GEOLOGY MAP	Fig 3
INDUSTRIAL MEGA SITE	
SALINE COUNTY, ARKANSAS	
JOB NO:	21-08172

APPENDIX B

Test Boring Records

GENERAL NOTES

FINE AND COARSE GRAINED SOIL PROPERTIES

PARTICLE SIZE

BOULDERS:	GREATER THAN 300 mm
COBBLES:	75 mm to 300 mm
GRAVEL:	4.74 mm to 75 mm
COARSE SAND:	2 mm to 4.74 mm
MEDIUM SAND:	0.425 mm to 2 mm
FINE SAND:	0.075 mm to 0.425 mm
SILTS & CLAYS:	LESS THAN 0.075 mm

COARSE GRAINED SOILS (SANDS & GRAVELS)

N-VALUE	RELATIVE DENSITY
0 - 4	VERY LOOSE
5 - 10	LOOSE
11 - 30	MEDIUM DENSE
31 - 50	DENSE
OVER 50	VERY DENSE

FINE GRAINED SOILS (SILTS & CLAYS)

N-VALUE	CONSISTENCY	Qu, PSF
0 - 2	VERY SOFT	0 - 500
3 - 4	SOFT	500 - 1000
5 - 8	FIRM	1000 - 2000
9 - 15	STIFF	2000 - 4000
16 - 30	VERY STIFF	4000 - 8000
OVER 31	HARD	8000 +

STANDARD PENETRATION TEST (ASTM D1586)

THE STANDARD PENETRATION TEST AS DEFINED BY ASTM D1586 IS A METHOD TO OBTAIN A DISTURBED SOIL SAMPLE FOR EXAMINATION AND TESTING AND TO OBTAIN RELATIVE DENSITY AND CONSISTENCY INFORMATION. THE 1.4 INCH I.D./2.0 INCH O.D. SAMPLER IS DRIVEN 3-SIX INCH INCREMENTS WITH A 140 LB. HAMMER FALLING 30 INCHES. THE BLOW COUNTS REQUIRED TO DRIVE THE SAMPLER THE FINAL 2 INCREMENTS ARE ADDED TOGETHER AND DESIGNATED THE N-VALUE. AT TIMES, THE SAMPLER CAN NOT BE DRIVEN THE FULL 18 INCHES. THE FOLLOWING REPRESENTS OUR INTERPRETATION OF THE STANDARD PENETRATION TEST WITH VARIATIONS.

BLOWS/FOOT (N-VALUE)

DESCRIPTION

25.....	25 BLOWS DROVE SAMPLER 12" AFTER INITIAL 6" SEATING
75/10".....	75 BLOWS DROVE SAMPLER 10" AFTER INITIAL 6" SEATING
50/PR.....	PENETRATION REFUSAL OF SAMPLER AFTER INITIAL 6" SEATING

SAMPLING SYMBOLS

ST:	UNDISTURBED SAMPLE
SS:	SPLIT SPOON SAMPLE
CORE:	ROCK CORE SAMPLE
AU:	AUGER OR BAG SAMPLE

SOIL PROPERTY SYMBOLS

N:	STANDARD PENETRATION, BPF
M:	MOISTURE CONTENT %
LL:	LIQUID LIMIT %
PI:	PLASTICITY INDEX %
Qp:	POCKET PENETROMETER VALUE, TSF
Qu:	UNCONFINED COMPRESSIVE STRENGTH, TSF
DUW:	DRY UNIT WEIGHT, PCF

ROCK PROPERTIES

ROCK HARDNESS

ROCK QUALITY DESIGNATION (RQD)

PERCENT	QUALITY
90 TO 100	EXCELLENT
75 TO 90	GOOD
50 TO 75	FAIR
25 TO 50	POOR
0 TO 25	VERY POOR

VERY SOFT:	ROCK DISINTEGRATES OR EASILY COMPRESSES TO TOUCH; CAN BE HARD TO VERY HARD SOIL.
SOFT:	ROCK IS COHERANT BUT BREAKS EASILY TO THUMB PRESSURE AT SHARP EDGES AND CRUMBLES WITH FIRM HAND PRESSURE.
MODERATELY HARD:	SMALL PIECES CAN BE BROKEN OFF ALONG SHARP EDGES BY CONSIDERABLE HARD THUMB PRESSURE; CAN BE BROKEN BY LIGHT HAMMER BLOWS.
HARD:	ROCK CAN NOT BE BROKEN BY THUMB PRESSURE, BUT CAN BE BROKEN BY MODERATE HAMMER BLOWS.
VERY HARD:	ROCK CAN BE BROKEN BY HEAVY HAMMER BLOWS.



Preliminary Geotechnical Exploration
Saline County, Arkansas
Hope Engineers, Inc.
Industrial Park

LOG OF BORING **B-1**

SHEET 1 OF 2

DRILLER Mr. Bradbury

ON-SITE REP. _____

BORING NO. / LOCATION

B-1

DRY ON COMPLETION ?

No

DATE April 1, 2008

SURFACE ELEV. _____ FT.

REFUSAL: No DEPTH _____ FT.

ELEV. _____ FT.

SAMPLED 41.5 FT. 12.6 M

TOP OF ROCK DEPTH _____ FT.

ELEV. _____ FT.

BEGAN CORING DEPTH _____ FT.

ELEV. _____ FT.

FOOTAGE CORED (LF) _____ FT.

BOTTOM OF HOLE DEPTH 41.5 FT.

ELEV. -41.5 FT.

WATER LEVEL DATA (IF APPLICABLE)

AT COMPLETION DEPTH 33.0 FT.

ELEV. _____ FT.

AFTER 24 HRS. DEPTH _____ FT.

ELEV. _____ FT.

BORING ADVANCED BY:

POWER AUGERING X

WASHBORING _____

STRATUM		SAMPLE DEPTH		SAMPLE OR RUN NO.	SAMPLE TYPE	FIELD RESULTS		LABORATORY RESULTS			STRATUM DESCRIPTION
DEPTH		FROM	TO			N-Value	Qp	LL	PI	%M	
FT.	ELEV.	FT.	FT.								
		0.0	1.5	1	SS	2					Topsoil to 4 inches
											Sand - fine grained, brown, moist
2.5	-2.5	2.5	4.0	2	SS	4					Clay - lean, sandy fine grained, orange-brown, wet
5.0	-5.0	5.0	6.5	3	SS	7	3				Clay - lean, mottled gray and reddish brown, moist
7.5	-7.5	7.5	9.0	4	SS	11	2				Clay - lean, sandy, fine grained, mottled gray and reddish-brown, moist
10.0	-10.0	10.0	11.5	5	SS	22	4				Clay - lean, with fine grained sand, light gray, moist
12.5	-12.5										
15.0	-15.0	15.0	16.5	6	SS	11					Clay - lean, with fine grained sand, light gray, wet
17.5	-17.5										
20.0	-20.0										

REMARKS: _____



Preliminary Geotechnical Exploration
Saline County, Arkansas
Hope Engineers, Inc.
Industrial Park

LOG OF BORING **B-1**

SHEET 2 OF 2

DRILLER **Mr. Bradbury**

ON-SITE REP. _____

BORING NO. / LOCATION

B-1

DRY ON COMPLETION ?

No

DATE **April 1, 2008**

SURFACE ELEV. _____ FT.

REFUSAL: **No** DEPTH _____ FT.

ELEV. _____ FT.

SAMPLED **41.5 FT.** **12.6 M**

TOP OF ROCK DEPTH **0.0** FT.

ELEV. _____ FT.

BEGAN CORING DEPTH _____ FT.

ELEV. _____ FT.

FOOTAGE CORED (LF) _____ FT.

BOTTOM OF HOLE DEPTH **41.5** FT.

ELEV. **-41.5** FT.

WATER LEVEL DATA (IF APPLICABLE)

AT COMPLETION DEPTH **33.0** FT.

ELEV. _____ FT.

AFTER 24 HRS. DEPTH _____ FT.

ELEV. _____ FT.

BORING ADVANCED BY:

POWER AUGERING

X

WASHBORING

STRATUM DEPTH		SAMPLE DEPTH		SAMPLE OR RUN NO.	SAMPLE TYPE	FIELD RESULTS		LABORATORY RESULTS			STRATUM DESCRIPTION
FT.	ELEV.	FROM FT.	TO FT.			N-Value	Qp	LL	PI	%M	
20.0	-20.0	20.0	21.5	7	SS	22					(Continued) Sand - fine grained, with clay, tan, moist
22.5	-22.5										
25.0	-25.0	25.0	26.5	8	SS	17		69	42	31.7	Clay - fat, gray, moist
27.5	-27.5										
30.0	-30.0	30.0	31.5	9	SS	18					
32.5	-32.5										
35.0	-35.0	35.0	36.5	10	SS	26					Sand - fine grained, with clay, brown, moist to very moist
37.5	-37.5										
40.0	-40.0	40.0	41.5	11	SS	44					Clay - lean, with fine grained sand, brown, moist
											Boring terminated at 41.5 feet

REMARKS: _____



Preliminary Geotechnical Exploration
Saline County, Arkansas
Hope Engineers, Inc.
Industrial Park

LOG OF BORING **B-2**

SHEET 1 OF 2

DRILLER **Mr. Bradbury**

ON-SITE REP.

No

BORING NO. / LOCATION

B-2

DRY ON COMPLETION ?

No

DATE **April 2, 2008**

SURFACE ELEV. **_____** FT.

REFUSAL: **No** DEPTH **_____** FT.

ELEV. **_____** FT.

SAMPLED **31.5** FT. **9.6** M

TOP OF ROCK DEPTH **_____** FT.

ELEV. **_____** FT.

BEGAN CORING DEPTH **_____** FT.

ELEV. **_____** FT.

FOOTAGE CORED (LF) **_____** FT.

BOTTOM OF HOLE DEPTH **31.5** FT.

ELEV. **-31.5** FT.

WATER LEVEL DATA (IF APPLICABLE)

AT COMPLETION DEPTH **24.0** FT.

ELEV. **_____** FT.

AFTER 24 HRS. DEPTH **_____** FT.

ELEV. **_____** FT.

BORING ADVANCED BY:

POWER AUGERING

X

WASHBORING

STRATUM DEPTH	SAMPLE DEPTH		SAMPLE OR RUN NO.	SAMPLE TYPE	FIELD RESULTS		LABORATORY RESULTS			STRATUM DESCRIPTION
	FROM FT.	TO FT.			N-Value	Qp	LL	PI	%M	
0.0 - 1.5	0.0	1.5	1	SS	2					Topsoil to 4 to 6 inches
1.5 - 2.5										Clay - lean, brown, wet
2.5 - 4.0	2.5	4.0	2	SS	7					Clay - lean, mottled gray and reddish brown, moist
4.0 - 5.0										
5.0 - 6.5	5.0	6.5	3	SS	12					Clay - lean, sandy fine grained, brown, moist
6.5 - 7.5										
7.5 - 9.0	7.5	9.0	4	SS	20					
9.0 - 10.0										
10.0 - 11.5	10.0	11.5	5	SS	30		60	32	29.8	Sand - fine grained, light brown, moist
11.5 - 12.5										
12.5 - 13.5										
13.5 - 14.5										
14.5 - 15.0										
15.0 - 16.5	15.0	16.5	6	SS	14					Clay - fat, gray, moist
16.5 - 17.5										
17.5 - 18.5										
18.5 - 19.5										
19.5 - 20.0										

REMARKS:



Preliminary Geotechnical Exploration
Saline County, Arkansas
Hope Engineers, Inc.
Industrial Park

LOG OF BORING **B-2**

SHEET 2 OF 2

DRILLER Mr. Bradbury

ON-SITE REP. _____

BORING NO. / LOCATION

B-2

DRY ON COMPLETION ?

No

DATE April 2, 2008

SURFACE ELEV. _____ FT.

REFUSAL: No DEPTH _____ FT.

ELEV. _____ FT.

SAMPLED 31.5 FT. 9.6 M

TOP OF ROCK DEPTH _____ FT.

ELEV. _____ FT.

BEGAN CORING DEPTH _____ FT.

ELEV. _____ FT.

FOOTAGE CORED (LF) _____ FT.

BOTTOM OF HOLE DEPTH 31.5 FT.

ELEV. -31.5 FT.

WATER LEVEL DATA (IF APPLICABLE)

AT COMPLETION DEPTH 24.0 FT.

ELEV. _____ FT.

AFTER 24 HRS. DEPTH _____ FT.

ELEV. _____ FT.

BORING ADVANCED BY:

POWER AUGERING

X

WASHBORING _____

STRATUM DEPTH				SAMPLE DEPTH		SAMPLE OR RUN NO.	SAMPLE TYPE	FIELD RESULTS		LABORATORY RESULTS			STRATUM DESCRIPTION
				FROM	TO			N-Value	Qp	LL	PI	%M	
FT.	IN	IN	ELEV.	FT.	FT.								
-	-	-	-	20.0	21.5	7	SS	17					(Continued) Clay - fat, gray, moist
22.5	-	-	-22.5										Sand - fine grained, with clay, gray, wet
25.0	-	-	-25.0	25.0	26.5	8	SS	24					
27.5	-	-	-27.5										
30.0	-	-	-30.0	30.0	31.5	9	SS	30					
32.5	-	-	-32.5										
35.0	-	-	-35.0										
37.5	-	-	-37.5										
40.0	-	-	-40.0										
Boring terminated at 31.5 feet													

REMARKS: _____



Preliminary Geotechnical Exploration
Saline County, Arkansas
Hope Engineers, Inc.
Industrial Park

LOG OF BORING **B-3**

SHEET 1 OF 2

DRILLER Mr. Bradbury

ON-SITE REP. _____

BORING NO. / LOCATION

B-3

DRY ON COMPLETION ?

No

DATE April 1, 2008

SURFACE ELEV. _____ FT.

REFUSAL: No DEPTH _____ FT.

ELEV. _____ FT.

SAMPLED 31.5 FT. 9.6 M

TOP OF ROCK DEPTH _____ FT.

ELEV. _____ FT.

BEGAN CORING DEPTH _____ FT.

ELEV. _____ FT.

FOOTAGE CORED (LF) _____ FT.

BOTTOM OF HOLE DEPTH 31.5 FT.

ELEV. -31.5 FT.

WATER LEVEL DATA (IF APPLICABLE)

AT COMPLETION DEPTH 15.0 FT.

ELEV. _____ FT.

AFTER 24 HRS. DEPTH _____ FT.

ELEV. _____ FT.

BORING ADVANCED BY:

POWER AUGERING

X

WASHBORING _____

STRATUM DEPTH	SAMPLE DEPTH		SAMPLE OR RUN NO.	SAMPLE TYPE	FIELD RESULTS		LABORATORY RESULTS			STRATUM DESCRIPTION
	FROM FT.	TO FT.			N-Value	Qp	LL	PI	%M	
0.0 - 1.5	0.0	1.5	1	SS	5					Topsoil to 2 inches
1.5 - 2.5										Sand - fine grained, with clay, brown, moist to very moist
2.5 - 4.0	2.5	4.0	2	SS	11	3.5				Clay - lean, with fine grained sand, gray, moist
4.0 - 5.0										
5.0 - 6.5	5.0	6.5	3	SS	27	4.5	51	27	23.3	Clay - fat, gray, moist
6.5 - 7.5										
7.5 - 9.0	7.5	9.0	4	SS	20					Clay - sandy fine grained, gray, moist
9.0 - 10.0										
10.0 - 11.5	10.0	11.5	5	SS	32					Sand - fine grained, gray, moist
11.5 - 12.5										
12.5 - 13.5										
13.5 - 14.5										
14.5 - 15.0										
15.0 - 16.5	15.0	16.5	6	SS	18	2				Clay - fat, gray, moist to very moist
16.5 - 17.5										
17.5 - 18.5										
18.5 - 19.5										
19.5 - 20.0										

REMARKS: _____



Preliminary Geotechnical Exploration
Saline County, Arkansas
Hope Engineers, Inc.
Industrial Park

LOG OF BORING **B-3**

SHEET 2 OF 2

DRILLER **Mr. Bradbury**

ON-SITE REP.

BORING NO. / LOCATION

B-3

DRY ON COMPLETION ?

No

DATE **April 1, 2008**

SURFACE ELEV. _____ FT.

REFUSAL: **No** DEPTH _____ FT.

ELEV. _____ FT.

SAMPLED **31.5 FT.** **9.6 M**

TOP OF ROCK DEPTH _____ FT.

ELEV. _____ FT.

BEGAN CORING DEPTH _____ FT.

ELEV. _____ FT.

FOOTAGE CORED (LF) _____ FT.

BOTTOM OF HOLE DEPTH **31.5 FT.**

ELEV. **-31.5 FT.**

WATER LEVEL DATA (IF APPLICABLE)

AT COMPLETION DEPTH **15.0** FT.

ELEV. _____ FT.

AFTER 24 HRS. DEPTH _____ FT.

ELEV. _____ FT.

BORING ADVANCED BY:

POWER AUGERING

X

WASHBORING

STRATUM DEPTH	SAMPLE DEPTH		SAMPLE OR RUN NO.	SAMPLE TYPE	FIELD RESULTS		LABORATORY RESULTS			STRATUM DESCRIPTION
	FROM FT.	TO FT.			N-Value	Qp	LL	PI	%M	
22.5 - -22.5	20.0	21.5	7	SS	18					(Continued) Clay - lean, with fine grained sand, mottled gray and reddish brown, moist
25.0 - -25.0	25.0	26.5	8	SS	19					Clay - fat, dark brown, moist
27.5 - -27.5										
30.0 - -30.0	30.0	31.5	9	SS	18					
32.5 - -32.5										
35.0 - -35.0										
37.5 - -37.5										
40.0 - -40.0										

REMARKS:



Preliminary Geotechnical Exploration
Saline County, Arkansas
Hope Engineers, Inc.
Industrial Park

LOG OF BORING **B-4**

SHEET 1 OF 2

DRILLER Mr. Bradbury

ON-SITE REP.

BORING NO. / LOCATION

B-4

DRY ON COMPLETION ?

No

DATE April 2, 2008

SURFACE ELEV. FT.

REFUSAL: No DEPTH FT.

ELEV. FT.

SAMPLED 31.5 FT. 9.6 M

TOP OF ROCK DEPTH FT.

ELEV. FT.

BEGAN CORING DEPTH FT.

ELEV. FT.

FOOTAGE CORED (LF) FT.

BOTTOM OF HOLE DEPTH 31.5 FT.

ELEV. -31.5 FT.

WATER LEVEL DATA (IF APPLICABLE)

AT COMPLETION DEPTH 17.0 FT.

ELEV. FT.

AFTER 24 HRS. DEPTH FT.

ELEV. FT.

BORING ADVANCED BY:

POWER AUGERING

X

WASHBORING

STRATUM DEPTH		SAMPLE DEPTH		SAMPLE OR RUN NO.	SAMPLE TYPE	FIELD RESULTS		LABORATORY RESULTS			STRATUM DESCRIPTION
FT.	ELEV.	FROM FT.	TO FT.			N-Value	Qp	LL	PI	%M	
0.0	1.5	0.0	1.5	1	SS	3					Topsoil to 2 inches
2.5	-2.5	2.5	4.0	2	SS	6		54	37	30.8	Clay - lean, mottled gray and reddish brown, moist to very moist
5.0	-5.0	5.0	6.5	3	SS	8	3				
7.5	-7.5	7.5	9.0	4	SS	18					
10.0	-10.0	10.0	11.5	5	SS	24					
12.5	-12.5										
15.0	-15.0	15.0	16.5	6	SS	18					Clay - fat, gray, moist
17.5	-17.5										
20.0	-20.0										

REMARKS:



Preliminary Geotechnical Exploration
Saline County, Arkansas
Hope Engineers, Inc.
Industrial Park

LOG OF BORING **B-4**

SHEET 2 OF 2

DRILLER Mr. Bradbury

ON-SITE REP.

BORING NO. / LOCATION

B-4

DRY ON COMPLETION ?

No

DATE April 2, 2008

SURFACE ELEV. FT.

REFUSAL: No DEPTH FT.

ELEV. FT.

SAMPLED 31.5 FT. 9.6 M

TOP OF ROCK DEPTH FT.

ELEV. FT.

BEGAN CORING DEPTH FT.

ELEV. FT.

FOOTAGE CORED (LF) FT.

BOTTOM OF HOLE DEPTH 31.5 FT.

ELEV. -31.5 FT.

WATER LEVEL DATA (IF APPLICABLE)

AT COMPLETION DEPTH 17.0 FT.

ELEV. FT.

AFTER 24 HRS. DEPTH FT.

ELEV. FT.

BORING ADVANCED BY:

POWER AUGERING

X

WASHBORING

STRATUM DEPTH FT.	ELEV.	SAMPLE DEPTH		SAMPLE OR RUN NO.	SAMPLE TYPE	FIELD RESULTS		LABORATORY RESULTS			STRATUM DESCRIPTION
		FROM FT.	TO FT.			N-Value	Qp	LL	PI	%M	
20.0	-22.5	20.0	21.5	7	SS	18					(Continued) Sand - fine grained, clayey, dark brown, moist
25.0	-25.0	25.0	26.5	8	SS	24	4.5				Clay - lean, dark gray, sandy fine grained, moist
30.0	-30.0	30.0	31.5	9	SS	27	3.5				
32.5	-32.5										
35.0	-35.0										Boring terminated at 31.5 feet
37.5	-37.5										
40.0	-40.0										

REMARKS:



Preliminary Geotechnical Exploration
Saline County, Arkansas
Hope Engineers, Inc.
Industrial Park

LOG OF BORING **B-5**

SHEET 1 OF 2

DRILLER **Mr. Bradbury**

ON-SITE REP.

BORING NO. / LOCATION

B-5

DRY ON COMPLETION ?

No

DATE **April 2, 2008**

SURFACE ELEV. **_____** FT.

REFUSAL: **No** DEPTH **_____** FT.

ELEV. **_____** FT.

SAMPLED **41.5** FT. **12.6** M

TOP OF ROCK DEPTH **_____** FT.

ELEV. **_____** FT.

BEGAN CORING DEPTH **_____** FT.

ELEV. **_____** FT.

FOOTAGE CORED (LF) **_____** FT.

BOTTOM OF HOLE DEPTH **41.5** FT.

ELEV. **-41.5** FT.

WATER LEVEL DATA (IF APPLICABLE)

AT COMPLETION DEPTH **17.0** FT.

ELEV. **_____** FT.

AFTER 24 HRS. DEPTH **_____** FT.

ELEV. **_____** FT.

BORING ADVANCED BY:

POWER AUGERING

X

WASHBORING

STRATUM DEPTH	SAMPLE DEPTH		SAMPLE OR RUN NO.	SAMPLE TYPE	FIELD RESULTS		LABORATORY RESULTS			STRATUM DESCRIPTION
	FROM FT.	TO FT.			N-Value	Qp	LL	PI	%M	
0.0 - 1.5	0.0	1.5	1	SS	6					Topsoil to 4 inches
2.5 - 4.0	2.5	4.0	2	SS	12	2.5				Clay - lean, with fine grained sand, mottled gray and reddish brown, very moist
5.0 - 6.5	5.0	6.5	3	SS	16	4				Clay - fat, gray moist
7.5 - 9.0	7.5	9.0	4	SS	20					
10.0 - 11.5	10.0	11.5	5	SS	22	4				
12.5 - 16.5	12.5	16.5	6	SS	17	3.5				Clay - fat, dark brown, moist
15.0 - 17.5	15.0	17.5								
17.5 - 20.0	17.5	20.0								

REMARKS:



Preliminary Geotechnical Exploration
Saline County, Arkansas
Hope Engineers, Inc.
Industrial Park

LOG OF BORING B-5

SHEET 2 OF 2

DRILLER Mr. Bradbury

ON-SITE REP. _____

BORING NO. / LOCATION

B-5

DRY ON COMPLETION ?

No

DATE April 2, 2008

SURFACE ELEV. _____ FT.

REFUSAL: No DEPTH _____ FT.

ELEV. _____ FT.

SAMPLED 41.5 FT. 12.6 M

TOP OF ROCK DEPTH 0.0 FT.

ELEV. _____ FT.

BEGAN CORING DEPTH _____ FT.

ELEV. _____ FT.

FOOTAGE CORED (LF) _____ FT.

BOTTOM OF HOLE DEPTH 41.5 FT.

ELEV. -41.5 FT.

WATER LEVEL DATA (IF APPLICABLE)

AT COMPLETION DEPTH 17.0 FT.

ELEV. _____ FT.

AFTER 24 HRS. DEPTH _____ FT.

ELEV. _____ FT.

BORING ADVANCED BY:

POWER AUGERING

X

WASHBORING _____

STRATUM		SAMPLE DEPTH		SAMPLE OR RUN NO.	SAMPLE TYPE	FIELD RESULTS		LABORATORY RESULTS			STRATUM DESCRIPTION
DEPTH		FROM	TO			N-Value	Qp	LL	PI	%M	
FT.	ELEV.	FT.	FT.								
20.0		20.0	21.5	7	SS	28					(Continued)
22.5	-22.5										Clay - fat, dark brown, moist
25.0	-25.0	25.0	26.5	8	SS	26		38	18	21.5	Clay - lean, brown, moist
27.5	-27.5										
30.0	-30.0	30.0	31.5	9	SS	28					
32.5	-32.5										
35.0	-35.0	35.0	36.5	10	SS	24					Clay - fat, dark brown, moist
37.5	-37.5										
40.0	-40.0	40.0	41.5	11	SS	25					
											Boring terminated at 41.5 feet

REMARKS: _____



Preliminary Geotechnical Exploration
Saline County, Arkansas
Hope Engineers, Inc.
Industrial Park

LOG OF BORING **B-6**

SHEET 1 OF 2

DRILLER Mr. Bradbury

ON-SITE REP. _____

BORING NO. / LOCATION

B-6

DRY ON COMPLETION ?

No

DATE April 2, 2008

SURFACE ELEV. _____ FT.

REFUSAL: No DEPTH _____ FT.

ELEV. _____ FT.

SAMPLED 31.5 FT. 9.6 M

TOP OF ROCK DEPTH _____ FT.

ELEV. _____ FT.

BEGAN CORING DEPTH _____ FT.

ELEV. _____ FT.

FOOTAGE CORED (LF) _____ FT.

BOTTOM OF HOLE DEPTH 31.5 FT.

ELEV. -31.5 FT.

WATER LEVEL DATA (IF APPLICABLE)

AT COMPLETION DEPTH 14.0 FT.

ELEV. _____ FT.

AFTER 24 HRS. DEPTH _____ FT.

ELEV. _____ FT.

BORING ADVANCED BY:

POWER AUGERING

X

WASHBORING _____

STRATUM DEPTH		SAMPLE DEPTH		SAMPLE OR RUN NO.	SAMPLE TYPE	FIELD RESULTS		LABORATORY RESULTS			STRATUM DESCRIPTION
FT.	ELEV.	FROM FT.	TO FT.			N-Value	Qp	LL	PI	%M	
0.0		0.0	1.5	1	SS	5					Topsoil to 2 inches
2.5	-2.5	2.5	4.0	2	SS	9					Clay - lean, sandy fine grained, mottled gray and reddish brown, moist to very moist
5.0	-5.0	5.0	6.5	3	SS	12	3				Clay - fat, light gray, moist
7.5	-7.5	7.5	9.0	4	SS	12					Clay - fat, sandy fine grained, light gray, moist
10.0	-10.0	10.0	11.5	5	SS	20		45	24	31.3	Clay - lean, gray, moist
12.5	-12.5										
15.0	-15.0	15.0	16.5	6	SS	13					Clay - fat, brown, moist
17.5	-17.5										
20.0	-20.0										

REMARKS: _____



Preliminary Geotechnical Exploration
Saline County, Arkansas
Hope Engineers, Inc.
Industrial Park

LOG OF BORING **B-6**

SHEET 2 OF 2

DRILLER Mr. Bradbury

ON-SITE REP. _____

DRY ON COMPLETION ? No

BORING NO. / LOCATION

B-6

DATE April 2, 2008

SURFACE ELEV. _____ FT.

REFUSAL: No DEPTH _____ FT.

ELEV. _____ FT.

SAMPLED 31.5 FT. 9.6 M

TOP OF ROCK DEPTH _____ FT.

ELEV. _____ FT.

BEGAN CORING DEPTH _____ FT.

ELEV. _____ FT.

FOOTAGE CORED (LF) _____ FT.

BOTTOM OF HOLE DEPTH 31.5 FT.

ELEV. -31.5 FT.

WATER LEVEL DATA (IF APPLICABLE)

AT COMPLETION DEPTH 14.0 FT.

ELEV. _____ FT.

AFTER 24 HRS. DEPTH _____ FT.

ELEV. _____ FT.

BORING ADVANCED BY:

POWER AUGERING X

WASHBORING _____

STRATUM DEPTH			SAMPLE DEPTH		SAMPLE OR RUN NO.	SAMPLE TYPE	FIELD RESULTS		LABORATORY RESULTS			STRATUM DESCRIPTION
			FROM	TO			N-Value	Qp	LL	PI	%M	
FT.	IN	ELEV.	FT.	FT.								
-			20.0	21.5	7	SS	30					(Continued)
-												
-												
-												
22.5	-	-22.5										
-												
-												
-												
25.0	-	-25.0	25.0	26.5	8	SS	29					
-												
-												
-												
27.5	-	-27.5										
-												
-												
-												
30.0	-	-30.0	30.0	31.5	9	SS	42					
-												
-												
-												
32.5	-	-32.5										
-												
-												
-												
35.0	-	-35.0										
-												
-												
-												
37.5	-	-37.5										
-												
-												
-												
40.0	-	-40.0										

REMARKS:

APPENDIX C

Soil Laboratory Data

SOIL DATA SUMMARY
Industrial Mega Site - Saline County, Arkansas
GEOservices Project No. 21-08177
April 17, 2008

Boring Number	Sample Number	Depth (feet)	Natural Moisture Content	Atterberg Limits			Soil Type
				LL	PL	PI	
B-1	P-8	25.0 - 26.5	31.7%	69	27	42	CH
B-2	P-6	15.0 - 16.5	29.8%	60	28	32	CH
B-3	P-3	5.0 - 6.5	23.3%	51	24	27	CH
B-4	P-2	2.5 - 4.0	30.8%	54	17	37	CH
B-5	P-8	25.0 - 26.5	21.5%	38	20	18	CL
B-6	P-5	10.0 - 11.5	31.3%	45	21	24	CL

Zoning/Permitting

**Copy of Restrictive
Covenants:**

Refer to ownership control document in
Attachment Z-1

**Current Classification and
Proposed Zoning (if
different) to Conform with
Intended Use:**

No Zoning requirements exist for this location.

**Copy of Zoning
Ordinance:**

See attachment Z-2 for detail.

**Explanation of Process
to Change Zoning:**

No Zoning requirements exist for this location.



FILED
SALINE COUNTY
CLERK
2006 DEC 28 PM 1:27
BY:

I certify under penalty of false
swearing that the legally correct
amount of documentary stamps have
been placed on this instrument.

Sharon K. Jones, Agent
Grantee or Agent
3379 Peachtree Rd., Ste. 420
Grantee's Address
Atlanta, Georgia 30326
City and State

This Instrument Prepared By:
Jackie W. Rozier, Esq.
Adams & Reese LLP
111 East Capitol Street, Suite 350
Jackson, MS 39201
(601) 353-3234

SPECIAL WARRANTY DEED

STATE OF ARKANSAS)
) SS.
COUNTY OF SALINE)

KNOW ALL MEN BY THESE PRESENTS:

That **BLUE SKY TIMBER PROPERTIES LLC**, a Delaware limited liability
company, with an office and a place of business at 6775 Lenox Center Court, Building
E, 4th Floor, Memphis, Tennessee 38115 ("Grantor"), acting by and through its duly
authorized officers, for and in consideration of the sum of TEN AND 00/100 (\$10.00)
Dollars and other good and valuable considerations to it in hand paid by **CLEAR
CREEK WOODLANDS, LLC**, a Delaware limited liability company, having an address
in care of Timberland Investment Resources, LLC, 3379 Peachtree Road, Suite 420,
Atlanta, Georgia 30326 ("Grantee"), the receipt and sufficiency of which is hereby
acknowledged, has Granted, Sold and Conveyed and by these presents does Grant,
Sell and Convey unto Grantee:

06 143360

All of those certain tracts or parcels of land situated in Saline County, State of Arkansas, described as set forth in Exhibit A attached hereto and made a part hereof, and: (i) any improvements thereon and (ii) all timber growing thereon (said tracts or parcels together with the improvements and timber are collectively referred to as the "Property") together with (iii) all roads, bridges and other infrastructure improvements thereon (to the extent owned by Grantor), (iv) all water rights related thereto, and (v) any other privileges, easements, covenants and other rights appertaining thereto (collectively with the Property, the "Premises"); and (vi) Grantor also hereby sells and quitclaims any interest Grantor may have in the sand, clay, gravel, or other minerals relating to the Property, all of which are subject to the other matters contained herein, with the exception that no coalbed methane is being conveyed.

The Premises shall be sold to Grantee subject to the following matters of title (collectively, the "Permitted Exceptions"):

(a) (i) Rights, if any, relating to the construction and maintenance in connection with any public utility of wires, poles, pipes, conduits and appurtenances thereto, on, under or across the Premises;

(ii) Any "rollback" or additional taxes, penalties or interest imposed on the Premises by any governmental authority for any year arising from a change in use after the Closing and the current year's real property taxes, which will be prorated between the Seller and Purchaser as of the date of this conveyance and any assessments, water rates and other charges of any kind or nature imposed upon or levied against or on account of the Premises by any governmental authority, which are not yet due and payable but are liens on the Premises;

(iii) Restrictions on Purchaser's ability to build upon or use the Premises imposed by any current or future development standards, building or zoning ordinances or any other law or regulation of any governmental authority;

(iv) Any state of facts which an accurate survey or an inspection of the Premises would reveal, including, but not limited to, the location of boundary lines, improvements and encroachments, if any;

(v) All rights in third parties of public record in Grant County or Saline County, Arkansas;

(vi) All previous reservations, exceptions and conveyances (including, but not limited to, leases) of the oil, gas, associated hydrocarbons, minerals and mineral substances and royalty and other mineral rights and interests that are described in **Exhibit "B"** attached hereto;

(vii) All claims of governmental authorities in and to any portion of the Premises lying in the bed of any streams, creeks or waterways or other submerged lands or land now or formerly subject to the ebb and flow of tidal waters or any claims of riparian rights;

(viii) Any and all restrictions on use of the Premises due to environmental protection laws, including, without limitation, wetlands protection laws, rules, regulations and orders;

(ix) (A) The interest of Pure Resources, L.P. ("Pure") in the oil, gas, and any other liquid or gaseous hydrocarbons, their constituent products and any other minerals produced in association therewith, pursuant to the Mineral and Royalty Deed effective as of October 1, 2000; and

(B) The Surface Use Restrictions Agreement ("Restrictions Agreement"), effective October 1, 2000, between International Paper Company, et al. and Pure as mineral owner, with respect to Pure's use of the surface of the Premises.

(b) Such other permitted exceptions shown on **Exhibit B** ("Additional Permitted Title Exceptions") attached hereto and made a part hereof, which reflect additional matters affecting the Premises.

(c) That certain Memorandum of Acknowledgement executed by Grantee on December 22, 2006.

TO HAVE AND TO HOLD the Premises, together with all and singular the rights and appurtenances thereto in anywise belonging unto the said Grantee, its successors and assigns forever; and Grantor does hereby bind itself, its successors and assigns, to Warrant and Forever Defend, all and singular the Property unto Grantee, its successors and assigns, against every person whomsoever lawfully claiming, or to claim the same, or any part thereof, by, through and under Grantor but not otherwise, and subject to the matters set forth herein.

uo 143362

The conveyance of any portion of the Premises other than the Property is hereby made by Grantor purely by quitclaim and accepted by Grantee without any warranty by Grantor, either expressed or implied, without recourse against Grantor, but with full substitution of Grantee in all covenants of warranty by prior owners of the Premises (other than affiliates or corporate predecessors-in-interest of Grantor) given or made with respect to such estates, rights, titles and interests herein conveyed, or any part thereof.

Grantor is selling the Premises "AS IS, WHERE IS". Except for the limited warranties of Grantor with respect to title as set forth in this Special Warranty Deed and except as provided in the Agreement of Sale between Grantor and Grantee, Grantor has not made, does not and has not authorized anyone else to make representations or warranties as to any aspect of the Premises, including, without limitation, any portion of the sand, clay, gravel or other minerals relating to the Property or (subject to the exceptions above) (i) the existence or non-existence of access to or from the Premises or any portion thereof; (ii) the location of the Premises or any portion thereof within any flood plain, flood prone area, water shed or designation of any portion thereof as "wetlands"; (iii) the availability of water, sewer, electrical, gas or other utility services; (iv) the number of acres in the Premises or square footage of any improvements; (v) the present or future physical condition or suitability of the Premises for any purpose; (vi) the amount, type or volume of timber in and on the Premises, if any; and (vii) any other matter or thing affecting or relating to the Premises.

The effective date of this conveyance shall be December 22, 2006.

EXECUTED this 19th day of December, 2006.

ATTEST:

By: Becky Hoyser

Name: Becky Hoyser

Title: Assistant Secretary

Jamie D. Moore
WITNESS

STATE OF TENNESSEE

COUNTY OF SHELBY

ACKNOWLEDGMENT

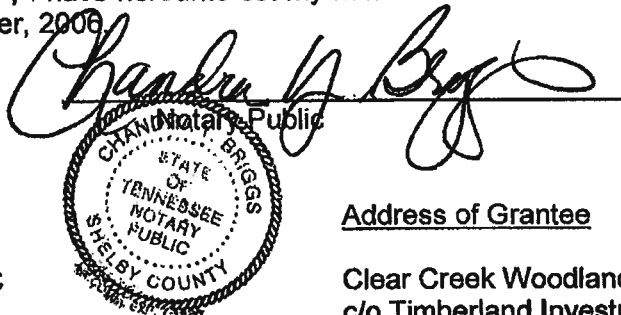
On this day personally appeared before me, the undersigned, a Notary Public, within and for the County and State aforesaid, duly qualified, commissioned and acting, the within named E. Wayne Plummer and Becky Hoyser, being the Vice President and Assistant Secretary, respectively of Blue Sky Timber Properties LLC, a Delaware limited liability company, and who had been designated by said limited liability company to execute the above instrument, to me personally well known, who stated they were the Vice President and Assistant Secretary of said limited liability company and were duly authorized in their respective capacities to execute the foregoing instrument for and in the name and behalf of said limited liability company, and further stated and acknowledged that they had so signed, executed and delivered said foregoing instrument for the consideration, uses and purposes therein mentioned and set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and seal as such Notary Public on this 19th day of December, 2006.

My Commission Expires:

MY COMMISSION EXPIRES
UNOCTOBER 2009

Blue Sky Timber Properties LLC
6775 Lenox Center Court
Building E, 4th Floor
Memphis, TN 38115
Phone: (901) 419-9000



Address of Grantee

Clear Creek Woodlands, LLC
c/o Timberland Investment Resources, LLC
3379 Peachtree Road, Suite 420
Atlanta, GA 30326
Phone: (404) 848-2006

EXHIBIT A: Legal Description

SALINE COUNTY, ARKANSAS

Township 2 South, Range 12 West

Section 13: The West Half of the Southwest Quarter of the Northwest Quarter of Section, lying South of Woodson Lateral Road, **LESS and EXCEPT** that portion lying within lands conveyed in Correction Deed dated January 13, 1979 and filed March 16, 1979 in Saline County Deed Record Book 217 at page 740 and more particularly described as follows: Commencing at the Southwest Corner of the said S 1/2 of the N 1/2; thence South 89 degrees 33 minutes 20 seconds East 340.63 feet to the point of beginning; said point being the West right-of-way of a dirt road; thence along said right-of-way on the following three (3) courses: (1) North 21 degrees 04 minutes 21 seconds West 181.72 feet; (2) North 01 degrees 21 minutes 10 seconds West 459.42 feet (3) North 00 degrees 59 minutes 47 seconds East 511.46 feet to the South right-of-way of Woodson Lateral Road; thence along said South right-of-way North 89 degrees 33 minutes 15 seconds East 1757.95 feet to the Westerly right-of-way of Highway 65; thence along said right-of-way on the following eight (8) courses: (1) South 00 degrees 13 minutes 22 seconds West 20.01 feet, (2) South 73 degrees 22 minutes 32 seconds East 127.49 feet, (3) South 14 degrees 30 minutes 04 seconds East 162.12 feet, (4) South 46 degrees 24 minutes 24 seconds East 152.83 feet, (5) North 88 degrees 11 minutes 21 seconds East 242.24 feet, (6) South 89 degrees 47 minutes 36 seconds East 326.92 feet, (7) South 73 degrees 35 minutes 21 seconds East 291.12 feet, (8) South 35 degrees 09 minutes 41 seconds East 961.41 feet to the South line of the said South one-half (S 1/2) of the North one half (N 1/2); thence North 89 degrees 33 minutes 20 seconds West, along the said South line, 3364.11 feet to the point of beginning.

All of the South Half of Section lying West of Interstate 530 **less and except** that part conveyed to Arkansas State Highway Department by Court Order dated November 21, 1960, Circuit Court Case No.7749.

Section 14 All of the Southeast Quarter of the Northeast Quarter of Section, lying South of Woodson Lateral Road.

06 143365

Section 15 All that part of the Southwest Quarter of the Northeast Quarter lying South of Woodson lateral Road and all that part of the South Half of the Northwest Quarter lying South of Woodson Lateral Road;

All of the Southwest Quarter of Section;

All of the North Half of the Northwest Quarter of the Southeast Quarter of Section.

Section 16: All of the Southeast Quarter of the Southwest Quarter of Section lying South and East of Highway No. 167;

All of the Southwest Quarter of the Southeast Quarter of Section.

All that part of the Southeast Quarter of the Northeast Quarter of Section lying South of Woodson Lateral Road and lying South and East of Highway 167 **less and except** all that part conveyed to Arkansas State Highway Commission more particularly described in Warranty Deed recorded in Book 104, Page 216 and **less and except** Part of the Southeast Quarter of the Northeast Quarter of Section 16, Township 2 South, Range 12 West, Saline County, Arkansas more particularly described as:

Commencing at a 5/8 inch Rebar being used as the Northeast 1/16th Corner of Section 16; thence South 03° 20' 48" West along the West line of the Southeast Quarter of the Northeast Quarter of Section 16 a distance of 2.92 feet to a point on the Centerline of Woodson Lateral Road as established by Deeds recorded as Document # 2004-74161; thence South 88° 35' 29" East along said Centerline a distance of 749.63 feet to a point on the Southeasterly right of way line of U.S. Highway 167 as established by AHTD Job 6663; thence South 00° 35' 21" West along said right of way line a distance of 30.00 feet for the point of beginning; thence North 71° 26' 37" East a distance of 87.77 feet to a point on the Centerline of Woodson Lateral Road as established by Deeds recorded as Document # 2003-33346; thence South 88° 34' 32" East along said Centerline a distance of 418.95 feet to a point; thence South 01° 13' 29" West a distance of 45.21 feet to a point; thence North 88° 48' 06" West a distance of 199.07 feet to a point; thence South 87° 10' 20" West a distance of 91.07 feet to a point; thence South 68° 02' 06" West a distance of 196.02 feet to a point; thence South 75° 55' 19" West a distance of 109.86 feet to a point; thence North 89° 29' 01" West a distance of 110.27 feet to a point; thence North 74° 28' 18" West a distance of 122.31 feet to a point on the Southeasterly right of way line of U. S. Highway 167 as established by AHTD Job 6663;

thence North 50° 47' 02" East along said right of way line a distance of 109.14 feet to a point; thence South 84° 26' 01" East a distance of 135.59 feet to a point; thence North 65° 52' 08" East a distance of 94.09 feet to the point of beginning and containing 1.34 acres more or less as shown on plans prepared by the AHTD referenced as Job 060135.

All of the Northeast Quarter of the Southeast Quarter of Section;

Section 19: All of the Southeast Quarter of Section lying South and East of Highway 167, **less and except** all that part conveyed by Warranty Deed to the Arkansas State Highway Commission more particularly described in Deed Book 104, Page 220 and also **less and except** all that part conveyed to Arkansas State Highway Commission by Declaration of Taking, Circuit Court Case No. CIV-2001-486-3.

Section 20: All of the Southwest Quarter of Section lying South & East of the right of way of Highway 167, **less and except** all that part conveyed by Warranty Deed to the Arkansas State Highway Commission more particularly described in Deed Book 104, Page 220.

All of the Northwest Quarter of the Southeast Quarter of Section.

All of the Southwest Quarter of the Southeast Quarter of Section.

All of the Southeast Quarter of Northwest Quarter lying South and East of Highway 167.

Section 21: All of the East Half of Section,

All of the East Half of the West Half of Section,

Section 22: All of the Southwest Quarter of the Northwest Quarter of Section;

All of the West Half of the Southwest Quarter of Section;

All of the Southeast Quarter Section.

Section 23: All of the South Half of the South Half of the Northwest Quarter of Section;

All of the Southwest Quarter of Section;

All of the South Half of the Southeast Quarter of Section.

Section 24 All of the Northeast Quarter of Section;

All of the East Half of the Northwest Quarter of Section;

All of the Southwest Quarter of Section.

Section 25 All of the North Half of Section;

All of the Southwest Quarter of Section, **less and except** the Southwest Quarter of the Southwest Quarter thereof.

Section 26 All of Section, **less and except** the Southwest Quarter of the Southeast Quarter thereof.

Section 27 All of the East Half of Section;

All of the East Half of the West Half of Section.

Section 28 All of Section, **less and except** the South Half of the Northwest Quarter thereof.

Section 29 All of Section **less and except** all that part of the NE $\frac{1}{4}$ NE $\frac{1}{4}$ lying North and East of South Spring Lake Road.

Section 30 All of the East Half of the Northeast Quarter of Section;

All of the Northeast Quarter of the Southeast Quarter of Section.

Section 31 All of the South Half of the Northeast Quarter, all of the East Half of the Southwest Quarter lying East of Highway 167, and all of the Southeast Quarter of Section, **less and except** those portions conveyed by IP Timberlands Operating Company, in Special Warranty Deed dated September 27, 1996 and filed October 8, 1996 as Saline County Document No. 1996 36568 and in Correctional Special Warranty Deed dated November 13, 1996 and filed November 18, 1996 as Saline County Document No. 1996 41682 more particularly described as follows:

Point of Beginning being the NE corner of the NE $\frac{1}{4}$ NW $\frac{1}{4}$; thence North 88 degrees 56 minutes 38 seconds West 512.67 feet to the centerline of Hwy. 167; thence South 8 degrees 0 minutes 25 seconds West 4654.0 feet along said centerline to the centerline of old highway; thence North 41 degrees 42 minutes East 442.42 feet along centerline; thence North 30 degrees 11 minutes 30 seconds East 236.72 feet along centerline, thence North 20 degrees 30

06-1743368

minutes 15 seconds East 340.43 feet along centerline; thence North 38 degrees 40 minutes 33 seconds East 813.6 feet along centerline; thence North 17 degrees 25 minutes 15 seconds East 947.3 feet along centerline; thence North 1 degree 10 minutes 51 seconds West 328.18 feet along centerline; thence North 15 degrees 9 minutes 58 seconds West 359.59 feet along centerline; thence North 3

degrees 5 minutes 33 seconds East 224.24 feet along centerline; thence South 82 degrees 43 minutes West 114.06 feet; thence North 02 degrees 01 minutes 25 seconds East 1337.82 feet to the point of beginning and **less and except** Beginning at the NE corner of the NE $\frac{1}{4}$ NW $\frac{1}{4}$; thence North 88 degrees 56 minutes 38 seconds West 512.67 feet to the centerline of Hwy. 167; thence South 8 degrees 0 minutes 25 seconds West 4654.0 feet along said centerline to the centerline of old highway as the point of beginning; thence South 40 degrees 30 minutes 08 seconds West 1035.58 feet along said centerline; thence South 88 degrees 50 minutes 21 seconds East 564.88 feet to the centerline of Hwy 167; thence North 7 degrees 41 minutes 11 seconds East 806.14 feet along said centerline to the Point of Beginning and **also less and except** that part conveyed to Arkansas State Highway Commission by Circuit Court Order dated October 4, 2001, Case No. CIV-2001-485-3.

- Section 32 All of Section, **less and except**, the Northeast Quarter (NE $\frac{1}{4}$) of the Northeast Quarter (NE $\frac{1}{4}$).
- Section 33 All of Section.
- Section 34 All of the East Half of Section;
- All of the North Half of the Northwest Quarter of Section;
- All of the West Half of the Southwest Quarter of the Northwest Quarter of Section.
- Section 35 All of Section.
- Section 36 All of the Northeast Quarter of Section;
- The South 45.5 acres of the Northwest Quarter of Section;
- All of the Southwest Quarter of Section.

EXHIBIT B: Additional Permitted Title Exceptions

1. Hunting Leases

<u>Hunting Lease Name</u>	<u>Assigned Acres</u>	<u>Expiration Date</u>
Duck Creek	3460	6/30/07
Orion	2200	6/30/07
Potter Creek	6666	6/30/07
Lakeside	273	6/30/07
* Koen Trail Hunting Club	333	6/30/07

*- Partial Acres

2. Cemetery

NE ¼ NE ¼ of Section 26, Township 2 South, Range 12 West.

3. Rights and interests, if any, in and to oil, gas, lignite, coal, peat, hydrocarbons, sand, clay, gravel, metals, minerals, elements, deposits and/or ores of natural material of any kind, granted, conveyed, reserved, retained, sold, leased, licensed and/or assigned, including but not limited to rights of exploration, development, exploitation, extraction, removal and/or transportation, and ingress and egress therefore, relating to the surface and/or subsurface, whether recorded in the public records or otherwise. Our examination excludes all such rights and Interests, if any.
4. Unrecorded easements, discrepancies or conflicts in boundary lines, shortage in area and encroachments which an accurate and complete survey would disclose.
5. County taxes and special taxes for the year 2006 and all subsequent years, which are not yet due and payable.
6. The acreage stated in the legal description of the land is for description purposes only.
7. Any portion of the lands described in Exhibit "A", hereof, lying in creeks, streams, sloughs, branches, ponds, lakes, rivers or waterways.
8. Subject to the following mineral reservations and/or conveyances:

- (A) Reservation by International Paper Company or one of its related or subsidiary companies contained in a prior deed to IP Timberlands Operating Company Ltd., recorded in Book 178, Page 139, Grant County, Arkansas, and Book 281, Page 417, and corrected in Book 326, Page 141, Saline County, Arkansas, as follows:

"All the oil, gas, associated hydrocarbons, lead, zinc, copper, coal, coal seam gas, lignite, peat, sulphur, phosphate, iron ore, sodium, salt, uranium, thorium and other fissionable materials, molybdenum, vanadium, titanium, gold, silver, bauxite, limestone, kaolin, other clays, sand, gravel, aggregate and other mined or quarried stone or rock materials, geothermal energy and all other mineral substances and ore deposits of any kind or character, whether solid, liquid or gaseous, and without limitation by enumeration of the minerals expressly

mentioned above, presently owned by Grantor in, on or under any of the Grantor fee lands conveyed hereby, and all executive rights and other rights to execute leases, presently owned or held by Grantor with respect to the interests of any other parties in any or all said minerals in, on or under any of the Grantor fee lands conveyed hereby, together with full rights of ingress and egress and use of the surface to the extent reasonably necessary for the purposes of exploring, drilling, mining (including shaft, in situ, open pit, surface or strip mining), developing, producing, removing, transporting and owning all of said minerals and mineral rights herein reserved to Grantor.

- (B) Assignment, Conveyance, and Bill of Sale from IP Petroleum Company, Inc. and Southland Energy Company as assignor to Pure Partners, L.P., effective date October 1, 2000, executed on January 30, 2001, and recorded December 18, 2003, Book 192, Page 618, **Grant** County, Arkansas and April 1, 2003, Instrument No. 03 028610, **Saline** County, Arkansas.
 - (C) Mineral and Royalty Deed, effective date October 1, 2000, executed on January 30, 2001 and recorded December 18, 2003, Book 227, Page 1 **Grant** County, Arkansas and February 20, 2001, Instrument No. 01-09178, **Saline** County, Arkansas. The above Assignment and Mineral Deed affect mineral interest conveyed by International Paper Company, International Paper Realty Corporation, IP Farms, Inc., IP Petroleum Company, Inc., IP Timberlands Operating Company, Ltd., GCO Minerals Company, the Long Bell Petroleum Company, Inc., American Central Corporation, Champion Realty Corporation, and Sustainable Forests, L.L.C., as grantors, and SP Forests L.L.C. as an additional surface owner to Pure Resources, LP. These instruments by their terms would appear to also affect the surface rights of certain properties in **Grant** and **Saline** Counties.
- 9 Surface Use Restrictions Agreement by and between International Paper Company, International Paper Realty Corporation, IP Farms, Inc., IP Petroleum Company, Inc., IP Timberlands Operating Company, LTD, GCO Minerals Company, The Long-Bell Petroleum Company, Inc., American Central Corporation, Champion Realty Corporation and Sustainable Forests L.L.C. as surface owners and Pure Resources, L.P. as Mineral Owner, effective October 1, 2000, executed January 30, 2001 and recorded December 18, 2003, Book 227, Page 59, **Grant** County, Arkansas and April 1, 2003, Instrument No. 03 028542, **Saline** County, Arkansas.
 - 10 Timber Deed executed by Sustainable Forests L.L.C. in favor of Prutimber Fund Five Limited Partnership dated March 26, 1999 and filed April 12, 1999 as Saline County Document No. 1999 19390. Affects N/2 NW ¼ Sec. 28, Sec. 29 & Sec. 32 all in T2S, R12W. NOTE: There has been a conveyance of some of the timber from PFI Timberfund I, L.P. (formerly known as Prutimber Fund Five Limited Partnership, to International Paper Company, dated October 6, 2006 and recorded November 20, 2006, Document No. 06 130259, Saline County, Arkansas
 11. Timber Deed executed by Sustainable Forests L.L.C. in favor of Highways and Transportation Department Employees' and Highway Patrol Retirement System, dated March 30, 2000 as Saline County Document No. 00 19512. Affects NW ¼ and the SW ¼ Sec. 36, T2S, R12W.
 12. Future assessments of Sardis Fire Protection District.

13. Future assessments of East End Fire Protection District No. 1. (Affects all Sections in 2S-12W)
14. Future assessments of East End Water Improvement District No. 1. (Affects all Sections in 2S-12W)
15. Saline County Planning Board rules and regulations.
16. Benton Planning Board rules and regulations.
17. Haskell Planning Board rules and regulations.
18. Traskwood Planning Board rules and regulations.
19. Future assessments of Maple Creek Farms Sewer Improvement District No. 1 (Sections 12, 13 & 14 Township 2 South, Range 12 West).
20. Reservations as set out in Warranty Deed executed by Roy Sturgis dated April 26, 1950 and filed May 18, 1950 in Saline County Deed Record Book 56 at page 41 and subsequent conveyances thereof. Affects All §13, SENE §14, SWNE, SW, N/2NWSE §15, SENE, NESE, SWSE §16, SE §19, W/2SE §20, E/2, E/2W/2 §21, SWNW, NWSW §22, S/2SE §23, SW, E/2NW §24, N/2, SW, N/2SE, SESE §26, NWNE §29, SWSW §36, all in T2S-R12W
21. Reservations as set out in Deed executed by Olin Mathieson Chemical Corporation dated March, 1956 and filed April 5, 1956 in Saline County Deed Record Book 79 at page 130 and subsequent conveyances thereof. Affects N/2NW, W/2SWNW, §28, §34, T2S-R12W.
22. Reservations as set out in Warranty Deed executed by C. F. Sturgis, et al dated April 26, 1962 and filed July 2, 1962 in Saline County Deed Record Book 108 at page 135 and subsequent conveyances thereof. Affects All §13, SENE §14, N/2, SW, N/2NWSE §15, SENE, NESE, SWSE, SESW §16, S/2 §19, SW, NWSE, SENW, SWSE §20, E/2, E/2W/2 §21, SWNW, NWSW §22, S/2SE §23, SW, E/2NW, W/2NE §24, N/2, SW, N/2SE, SESE §26, N/2SW §28, NWNE §29, S/2NE, N/2N/2 §34, SWSW §36, all in T2S-R12W
23. Conveyance executed by The Brown Paper Mill Company, Inc. filed February 5, 1952 in Saline County Deed Record Book 63 at page 470 and subsequent conveyances thereof. Affects N/2 NW §28, W/2 SWNW §34, all in T2S-R12W.
24. Right of way Permit granted in favor of Arkansas Power & Light Company as set out in document dated July 24, 1954 and filed August 7, 1954 in Saline County Miscellaneous Record Book P at Page 218 and subsequent conveyances thereof. (Section 13, Township 2 South, Range 12 West).
25. Right of way Easement granted in favor of Arkansas Power & Light Company as set out in document dated January 2, 1974 and filed January 31, 1974 in Saline County Miscellaneous Record Book 37 at Page 18 and subsequent conveyances thereof. (Sections 34 & 35, Township 2 South, Range 12 West).
26. Road right of way Easement granted in favor of Weyerhaeuser Company as set out in document dated August 9, 1982 and filed August 30, 1982 in Saline County

Miscellaneous Record Book 69 at Page 209 and subsequent conveyances thereof. Same shown on Survey filed May 20, 1982 in Saline County Survey Record Book E at page 36. (Sections 33 & 34, Township 2 South, Range 12 West).

27. Pipeline right of way Easement granted by IP Timberlands Operating Company, Ltd., in favor of International Paper Company as set out in document dated July 9, 1987 and filed August 21, 1987 in Saline County Miscellaneous Record Book 94 at Page 561 and subsequent conveyances thereof. Affects N/2SW, W/2 SE, SESE §31, T2S-R12W.
28. Road Right of way Easement granted by Sustainable Forests, L.L.C. in favor of Kenneth and Annette Cook as set out in document dated July 6, 2000 and filed September 7, 2000 as Saline County Document No. 2000 42859 and subsequent conveyances
29. Reservations as set out in Warranty Deed executed by E. R. Norton, et al dated November 3, 1945 and filed December 28, 1945 in Saline County Deed Record Book 40 at Page 467. (Sections 28 & 34, Township 2 South, Range 12)
30. Controlled access restrictions as set out in Warranty Deed executed by W. P. Sturgis, et al to Arkansas State Highway Commission dated July 25, 1961 and filed September 2, 1961 in Saline County Deed Record Book 104 at Page 216. Said Deed corrected in Correction Warranty Deed dated June 28, 1983 and filed August 1, 1983 in Saline County Deed Record Book 253 at Page 309. Affects SENE §16 all in T2S-R12W.
31. Controlled access restrictions as set out in Warranty Deed executed by W. P. Sturgis, et al to Arkansas State Highway Commission dated July 25, 1961 and filed September 2, 1961 in Saline County Deed Record Book 104 at Page 220. Affects SE §19 & SW §20, T2S-R12W.
32. Permanent Easements as set out in Declaration of Taking in Circuit Case No. CIV2001-485-3, dated October 4, 2001. Affects SESW, NENW, §31, T2S, R12W.
33. Permanent Easements as set out in Declaration of Taking in Circuit Case No. CIV2001-486-2, dated October 4, 2001. Affects §19, T2S, R12W.
34. Possible future assessment of the Saline Watershed Regional Water Distribution District pursuant to an Order establishing the Saline Regional Watershed Water Distribution District, Circuit Court Case No. CV-2003-436-2.
35. Right of Way Easement from Sustainable Forest L.L.C., to Entergy, filed July 11, 2002, Document No. 02 48938. Affects N/2 §30, T2S-R12W.
36. Saline Count Court Order No. 97-17, In the Matter of Extending improvements to East End Water Improvement District No. 1, and recorded July 31, 2002.
37. A Pipeline Right of Way Easement dated August 25, 2006, from Sustainable Forests, to International Paper Company, and recorded as Document No. 06 098383 of the records of Saline County, Arkansas.

**SALINE COUNTY PLANNING BOARD
SALINE COUNTY COURTHOUSE
200 N. MAIN, ROOM 112
BENTON, AR 72015
PHONE (501) 303-5701
FAX (501) 315-1338**

July 5, 2007

Bill Hope Jr.
Hope Engineers, Inc.
322 Market St.
Benton, Arkansas 72015

Re: 16,500 acre Development in Saline County, Arkansas

Dear Bill,

Per our discussion Saline County does not have a Master Plan Approval or Zoning Approval Process for projects outside of existing municipalities. This project is not within any municipality.

Once the Engineering has been complete, the plans should be submitted to the Saline County Planning Commission for review following the Preliminary Plat Procedures as outline in the Saline County Subdivision Rules and Regulations.

We are looking forward to working with Mr. Curth and are excited about having a project of this size in Saline County.

Please let me know if I can be of further assistance.

Sincerely,



Paul Childress, Chairman
Saline County Planning Board

Utilities

Electric Utility:

Name of Utility: Entergy Arkansas
Contact Person: Russell Harris & Chris Marsh
Address: 425 West Capitol, 27th Floor
City, State, Zip: Little Rock, AR 72201
Phone: 501-377-4468 or 501-377-4089
Fax: 501-377-4448
Service and Proximity to site: Service lines located along southern boundary of the site (Hensley Mail Route Road). 115kV line located along east side of site.

Natural Gas Utility:

Name of Utility: CenterPoint
Contact Person: Chauncey Taylor
Address: P.O. Box 751
City, State, Zip: Little Rock, AR 72203
Phone: 501-377-4557
Fax: 501-377-4630
Service and Proximity to site:

Water & Wastewater Utility:

Name of Utility: East End Water Improvement District 1
Contact Person: Tim Carey, Plant Manager
Address: 20261 Arch Street
City, State, Zip: Little Rock, AR 72206
Phone: 501-888-6030
Fax: 501-888-7792
Service and Proximity to site: 6" and 12" water mains located to the north along Woodson Lateral and 6" water main to the east along Porter Road. There is no public wastewater service.

Telecommunications:

Name of Utility: AT&T
Contact Person: Bob Ellis & Melinda Faubel
Address: 1111 West Capital, Room 405
City, State, Zip: Little Rock, AR 72201
Phone: 501-373-5112
Fax: 501-373-1819
Service and Proximity to site: Service located along southern boundary of the site (Hensley Mail Route Road).





May 14, 2008

Mr. Eddie Black
Chairman
Saline County Economic Development Corporation
P.O. Box 2066
Benton, AR 72018

Dear Mr. Black:

I'm writing in regards to Entergy Arkansas' (EAI) ability to provide electric service to the I-530 Megasite. In order to provide electric service it is anticipated that a new substation will be constructed near a 115 kV transmission line that is located approximately one mile from the site. Additional details can be provided to potential customers on a project specific basis.

Should you have questions or need additional information please let me know.

Sincerely,

A handwritten signature in black ink that reads "Russell Harris".

Russell Harris
Project Manager



CenterPoint Energy
401 W. Capitol Avenue, Suite 600
Little Rock, AR 72201
CenterPointEnergy.com

December 11, 2007

To: Mr. Eddie Black
Saline County Economic Development Corporation
P.O. Box 2066
Benton, Arkansas 72018

RE: Natural Gas Service

I am writing this letter to confirm that CenterPoint Energy Arkansas Gas ("CenterPoint Arkansas") can provide natural gas service to the I-530 Industrial Mega Site near East End, Arkansas, subject to the conditions:

1. The execution by a customer of appropriate service agreements to be negotiated between the customer and CenterPoint Arkansas as deemed necessary by, and in a form acceptable to, CenterPoint Arkansas, including, but not limited to, the customer's agreement to any required customer contribution in aid of construction.
2. The approval of the Arkansas Public Service Commission as deemed necessary and in a form acceptable to CenterPoint Arkansas.

I hope that this is helpful to the consideration of prospects to select this Saline County, Arkansas site. CenterPoint Arkansas looks forward to the establishment of a long-term relationship with any customer that selects this location.

Sincerely,

A handwritten signature in black ink, appearing to read "Walter L. Bryant".

Walter L. Bryant
Regional Vice President.

EAST END WATER IMPROVEMENT DISTRICT #1
20621 Arch Street Pike • Little Rock, Arkansas 72206
Telephone (501) 888-6030

November 29, 2007

Hope Engineering Inc.
322 N Market
Benton, AR 72015

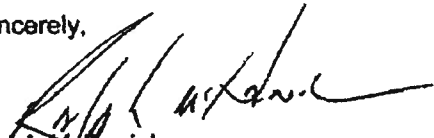
RE: Proposed 2045.5 Acre Industrial Park

To Whom It May Concern:

East End Water has adequate water supply at this time to supply a 2045.5 acre Industrial Park, located within the boundaries of the East End Water District. East End Water is an improvement district subject to assessment and transmission fees.

If you have any questions, please call (501)888-6030.

Sincerely,

A handwritten signature in black ink, appearing to read 'Ralph McDaniel', is written over a horizontal line.

Ralph McDaniel
East End Water Improvement District #1



Bob Ellis
1111 W Capitol, Room 405
Little Rock, AR 72201

T: 501.373.5112
F: 501.373.3454
www.att.com

January 9, 2008

Eddie Black, Chairman
SCEDC
P.O. Box 2066
Benton, AR 72018

Dear Mr. Black,

This is in response to inquires concerning provision of telecommunications service for a new development in the area of Jay Creek Rd, south of Little Rock, Arkansas.

From all appearances AT&T is the incumbent local exchange carrier (ILEC) for this area. AT&T is obligated and eager to provide service for customers in the Little Rock serving area. If service is ordered from AT&T, I assure you we will provide facilities to meet the desired service requirements. For new buildings or structures we may require subscriber owned conduit to the property line. Other conditions may apply.

Please contact me if you have further questions. Thank you for your interest in AT&T service. We look forward to working with you.

Sincerely,

Bob Ellis

Bob Ellis
AT&T / Arkansas
Area Manager – Construction & Engineering

Taxes

Local Sales Tax Rates: State Tax Rate: 6%

**Property Tax Rates
(Real, Personal) and
Methods of Assessment:** Millage is 0.0434 and property is assessed at 20%
Example: \$5 Million investment x 20% = \$1 Million
\$1 Million x 0.0434 = \$43,400 in annual
property taxes

State Taxation Summary: See attachment T-1 for detail.





Research and Development Incentives

The Research and Development incentives are intended to provide incentives for university-based research, in-house research, and research and development in start-up, technology-based enterprises.

1. University Based Research and Development

An eligible business that contracts with one or more Arkansas colleges or universities in performing research may **qualify** for a 33% income tax credit for qualified research expenditures.

2. In-House Research and Development

New and existing businesses that conduct "in-house" research within a research facility that is operated by the eligible business may **qualify** for in-house research income tax credits.

The credit allowed for approved in-house research is twenty percent (20%) of qualified expenditures that exceed the base year, for a period of three (3) years and the incremental increase in qualified research expenditures for the succeeding two (2) years.

3. In-house Research - Targeted Business

Businesses deemed by the department to fit within the six business sectors classified as "targeted businesses" may enter into a financial incentive agreement for income tax credits based on qualified research and development expenditures.

An eligible business may be approved for an income tax credit each year equal to 33% of the qualified research and development expenditures incurred each year for the first five (5) years of the financial incentive agreement. This incentive is only offered at the discretion of the Director.

The targeted business applying for in-house research and development income tax credits shall comply with all of the qualifications required of targeted businesses:

- A. In operation for less than five years,
- B. Annual payroll of not less than \$100,000 or more than one million (\$1,000,000),
- C. An equity investment of at least \$400,000, and
- D. Pay average hourly wages in excess of one hundred fifty percent (150%) of the county or state average wage, whichever is less.

As with the job creation income tax credits for targeted businesses, the income tax credit for research and development earned by targeted businesses may be sold upon approval by the Department.

4. **Research** and Development in Area of Strategic Value

The Strategic Value Research and Development incentives are for qualifying businesses that invest in: 1) in-house research in an area of strategic value or 2) a research and development project offered by the Arkansas Science and Technology Authority. Research in an area of strategic value means research in fields having long-term economic or commercial value to the state, and that have been identified in the research and development plan approved from time to time by the Board of Directors of the Arkansas Science and Technology Authority.

The income tax credit is equal to 33% of qualified research expenditures. The maximum tax credit that may be claimed by a taxpayer under this program is \$50,000 per tax year. Any unused credit may be carried forward for nine (9) years beyond the tax year in which it was earned.

Arkansas Economic Development Commission

Summary of Major Economic Development Incentives

The following summary outlines major economic development incentives available from the State of Arkansas. The Economic Development Commission considers a variety of factors including business/industrial capital investment, payroll, workforce development, and community support in preparing incentive proposals.

We encourage local community development organizations to be knowledgeable about Arkansas' potential incentives, but advise against negotiations on specific state incentives at the local level.

Our staff works with each expansion or new industry project to develop a specific incentive package for each project.

Arkansas' various incentives are nationally competitive, understandable and easy to use. The Arkansas Economic Development Commission will focus on your business's specific needs, conduct a cost-benefit analysis and design a tailored incentive package.

The Consolidated Incentive Act of 2003 provides various incentives programs to assist eligible companies that locate or expand in Arkansas. The programs included in the Consolidated Incentive Act of 2003 are available to the following companies:

- A. Manufacturers classified in sectors 31-33 in the North American Industrial Classification System, as in effect January 1, 2003;
- B. Businesses primarily engaged in the design and development of prepackaged software, digital content production and preservation, computer processing and data preparation services, or information retrieval services.
All businesses in this group shall derive at least seventy-five percent (75%) of their revenue from out-of-state sales;
- C. Businesses primarily engaged in motion picture productions.
All businesses in this group shall derive at least seventy-five percent (75%) of their revenue from out of state sales;
- D. A distribution center or intermodal facilities.
All businesses in this group shall derive at least seventy-five percent (75%) of their revenue from out of state sales;
- E. An office sector business;
All businesses in this group shall derive at least seventy-five percent (75%) of their revenue from out of state sales;
- F. A national or regional corporate headquarters North American Industrial Classification System code 551114, as in effect January 1, 2007;
- G. Firms primarily engaged in commercial, physical and biological research as classified in the North American Industrial Classification System code 541710, as in effect January 1, 2007; and

- H. Scientific and technical services business.
 - (i) All businesses in this group shall derive at least seventy-five percent (75%) of their revenue from out-of-state sales; and
 - (ii) The average hourly wages paid by businesses in this group shall exceed one hundred fifty percent (150%) of the county or state average hourly wage, whichever is less.
- I. The Director may classify a non-retail business as eligible if the following conditions exist:
 - (i) The business must derive at least seventy-five percent (75%) of its revenue from out of state; and
 - (ii) The business proposes to pay wages in excess of one hundred ten percent (110%) of the county or state average hourly wage, whichever is less.

"Targeted businesses" means:

- A. A grouping of growing business sectors, the businesses of which:
 - (i) Have been operating in the state for less than five (5) years;
 - (ii) Pay at least one hundred and fifty percent (150%) of the lesser of the county or state average wage; and
 - (iii) That have been selected to receive special benefits.
- B. Those groupings, not to exceed six (6), include the following:
 - (i) Advanced materials and manufacturing systems;
 - (ii) Agriculture, food and environmental sciences;
 - (iii) Biotechnology, bioengineering and life sciences;
 - (iv) Information technology;
 - (v) Transportation logistics; and
 - (vi) Bio-based products.

The benefits and eligibility thresholds under the incentive programs of the Consolidated Incentive Act are determined in relation to the tier in which the business locates or expands. The State is segmented into four (4) tiers based on poverty rate, population growth, per capita income and unemployment rate with Tier 1 counties being the most prosperous and Tier 4 counties being the least prosperous. The tiers are assigned annually, based on the previous year's statistics.

You may download the current tier map from the Commission's website at:
www.ArkansasEDC.com

The following incentive programs are provided in the Consolidated Incentive Act of 2003 Arkansas Code §15-4-2701 et seq:

Advantage Arkansas

The Advantage Arkansas program offers a state income tax credit for job creation based on the payroll of the new employees hired as a result of the project.

The benefits under this program are determined in relation to the tier in which the business locates. The annual payroll thresholds of the new employees must be met within twenty-four (24) months following the date the financial incentive agreement is signed by the Commission.

Tier	Payroll Threshold	Benefit
1	\$125,000	1% of payroll of new permanent employees.
2	\$100,000	2% of payroll of new permanent employees.
3	\$75,000	3% of payroll of new permanent employees.
4	\$50,000	4% of payroll of new permanent employees.

The income tax credit is earned each tax year for a period of five (5) years. The income tax credit cannot offset more than 50% of a business' income tax liability in anyone year and may be carried forward for nine (9) years beyond the tax year in which the credit was first earned.

Tax Back

The Tax Back program provides sales and use tax refunds on the purchase of building materials and machinery and equipment in conjunction with the Advantage Arkansas program.

To qualify for the Tax Back program, a business must obtain an endorsement resolution from the local governing authority (city and/or county) that authorizes the refund of its local taxes and be approved by the Arkansas Economic Development Commission.

Eligibility Requirements:

Minimum investment of one hundred thousand dollars (\$100,000).

The business must sign a job creation financial incentive within twenty-four (24) months of signing the Tax Back agreement.

InvestArk

The InvestArk program provides sales/use tax credit incentives in an effort to stimulate the expansion and modernization of existing eligible Arkansas businesses.

Eligibility Requirements:

- Continuous operation for at least two (2) years.
- Invest a minimum of at least five million dollars (\$5,000,000) in a construction, expansion or modernization project.
- Obtain a Direct-Pay sales and use tax permit from the State of Arkansas.

The credit earned is a percentage of reported eligible project cost and is calculated based upon one-half percent (1/2%) above the sales and use tax rate in effect at the time of application. The credit may be used to offset up to fifty percent (50%) of the business' sales and use tax liability on taxable purchases in any given year.

The credit is earned in the year the eligible expenditure is made and can be applied against the business's state direct-pay sales and use tax liability in the year following the year of expenditure. Any unused credits may be carried forward for a period of up to five (5) years. Total project expenditures must be incurred within four (4) years of the date the project is approved by the Commission.

Create Rebate

The Create Rebate Program was developed to enable Arkansas to compete with another state's incentives in highly competitive situations. Create Rebate may only be offered at the discretion of the Director. This incentive requires a minimum payroll of \$2,000,000 for the new permanent employees and provides a financial incentive payment based upon a percentage of the company's annual payroll of the new permanent employees for a period determined by the Director.

The benefits under this program are determined in relation to tier in which the business locates. The annual payroll threshold of the new employees must be met within twenty-four (24) months following the date the financial incentive agreement is signed by the Commission.

The benefit received is dependent upon the tier in which the business locates:

Tier	Benefit
1	3.9% of payroll of new permanent employees.
2	4.25% of payroll of new permanent employees.
3	4.5% of payroll of new permanent employees.
4	5.0% of payroll of new permanent employees.

ArkPlus

This incentive is awarded only at the discretion of the Director. In order to qualify, the business must apply to the Commission and be approved by the Director and meet both the investment and payroll thresholds for the tier in which it locates.

Tier	Investment Threshold	Payroll Threshold
1	\$5,000,000	\$2,000,000
2	\$3,750,000	\$1,500,000
3	\$3,000,000	\$1,200,000
4	\$2,000,000	\$800,000

The benefit is the same regardless of the tier in which the business locates. The benefit is an income tax credit equal to ten percent (10%) of the investment in land, buildings, equipment and costs relating to licensing and protecting intellectual property (which would include license fees, patent fees and attorney fees to maintain or enhance the patent's or trademark's application). The business must reach the investment threshold for the tier in which it is located within four years from the date of the signing of the financial incentive agreement.

Targeted Business Incentives

The Consolidated Incentive Act also provides special incentives for new and expanding eligible businesses referred to as "targeted businesses". The targeted incentives are offered only at the discretion of the Director. Targeted businesses are found within six growing business sectors that include:

- (i) Advanced materials and manufacturing systems.
- (ii) Agriculture, food and environmental sciences.
- (iii) Biotechnology, bioengineering and life sciences.
- (iv) Information technology.
- (v) Transportation logistics.
- (vi) Bio-based products.

To qualify as a targeted business, the Commission must determine that the business falls within one of the six categories noted above, the business must have been in operation for five years or less and must pay, at minimum, 150% of the lesser of the state or county average wage. In addition, the targeted business must have an annual payroll of at least \$100,000 but no more than \$1,000,000 and demonstrate evidence of an equity investment in the targeted business of at least \$400,000.

Targeted Business Sales and Use Tax Refund (Targeted Tax Back)

This incentive program extends the benefits of the Tax Back sales and use tax refund incentive to new and expanding eligible businesses referred to as "targeted businesses". This incentive program grants a sales and use tax refund on the purchases of the material used in the construction of a

building or buildings or any addition, modernization or improvement to a new or expanding eligible business and machinery and equipment associated with the building or project.

This incentive is not available unless the business has applied for and signed a financial incentive agreement under the Targeted Business Payroll Income Tax Credit incentive program. The targeted payroll income tax credit financial incentive agreement must be signed within 24 months of signing a financial incentive agreement for the sales and use tax refund.

Targeted Business Payroll Income Tax Credit

The income tax credit for targeted businesses is offered to assist with the start-up of businesses in targeted sectors that pay significantly more than the state or county average wage of the county in which the business locates.

The benefit for a targeted business is an income tax credit based on 10% of its annual payroll, with a cap of \$100,000 per year in earned income tax credits for a business that qualifies and is approved for this incentive. The incentive may be offered for a period not to exceed five years.

A unique feature of this incentive is the ability of the eligible business to sell the credits upon the approval by the Commission.

Targeted Business Payroll Rebate (Targeted Create Rebate)

The payroll rebate incentive payment for targeted businesses is equal to five percent (5%) of the payroll of the new full time permanent employees for a period not to exceed ten (10) years provided that the following conditions are met:

- (i) The average hourly wage of the new full-time permanent employees must be at least one hundred seventy-five percent (175%) of the state or county average hourly wage, whichever is less, and
- (ii) The payroll of the new full-time permanent employees exceed two hundred fifty thousand dollars (\$250,000).

Targeted Business Investment Tax Credit (Targeted ArkPlus)

The Targeted ArkPlus program provides an income tax credit or a sales and use tax credit based upon new investment. The targeted business must:

- A. Invest a minimum of two hundred fifty thousand dollars (\$250,000) within four (4) years of the effective date of the financial incentive agreement;
- B. Create a new payroll of at least two hundred fifty thousand dollars (\$250,000); and
- C. Pay wages that are at least one hundred seventy-five percent (175%) of the state or county average hourly wage, whichever is less.

The credit earned by the targeted business shall be based upon a percentage of the investment ranging from two percent (2%) up to eight percent (8%) depending on the amount of the investment.

Prior to the execution of the financial incentive agreement, the targeted business must elect to receive the tax credits as sales and use tax credits or income tax credits.

The percentage of the targeted business' tax liability that may be offset is determined by the average hourly wage paid to the new full time permanent employees.

Research and Development Incentives

The Research and Development incentives are intended to provide incentives for university-based research, in-house research, and research and development in start-up, technology-based enterprises.

University Based Research and Development

An eligible business that contracts with one or more Arkansas colleges or universities in performing research may qualify for a 33% income tax credit for qualified research expenditures.

In-House Research and Development

New and existing eligible businesses that conduct "in-house" research within a research facility that is operated by the business that qualifies for federal research and development tax credits may qualify for in-house research income tax credits.

The credit allowed for approved in-house research is ten percent (20%) of qualified expenditures that exceed the base year, for a period of three (3) years and the incremental increase in qualified research and expenditures for the succeeding two (2) years.

The income tax credit earned for in-house research and development may be used to offset 100% of the businesses' stat income tax liability. Any unused credit may be carried forward for a period of nine (9) years.

In-house Research - Targeted Business

Businesses deemed by the Commission to fit within the six business sectors classified as "targeted businesses" may enter into a financial incentive agreement for income tax credits based on qualified research and development expenditures.

An eligible business may be approved for an income tax credit each year equal to 33% of the qualified research and development expenditures incurred each year for the first five (5) years of the financial incentive agreement. This incentive is only offered at the discretion of the Director.

The targeted business applying for in-house research and development income tax credits shall comply with all of the qualifications required of targeted businesses:

- A. In operation for less than five years;
- B. Annual payroll of not less than \$100,000 or more than one million (\$1,000,000);
- C. An equity investment of at least \$400,000; and

- D. Pay at least one hundred and fifty percent (150%) of the lesser of the county or state average wage.

As with the payroll income tax credits for targeted businesses, the income tax credit for research and development earned by targeted businesses may be sold upon approval by the Commission.

Research and Development in Area of Strategic Value

The Strategic Value Research and Development incentives are for qualifying businesses that invest in: 1) in-house research in an area of strategic value; or 2) a research and development project offered by the Arkansas Science and Technology Authority. Research in an area of strategic value means research in fields having long-term economic or commercial value to the state, and that have been identified in the research and development plan approved from time to time by the Board of Directors of the Arkansas Science and Technology Authority.

The income tax credit is equal to 33% of qualified research expenditures. The maximum tax credit that may be claimed by a taxpayer under this program is \$50,000 per tax year. Any unused credit may be carried forward for nine (9) years beyond the tax year in which it was earned.

In addition to the incentives available under the Consolidated Incentive Act of 2003, the State of Arkansas also provides the following incentives for companies that plan to locate or expand in Arkansas.

Non-Profit Incentive Act of 2005

The Non-Profit Incentive program is a discretionary incentive and is targeted toward non-profit organizations that have a new payroll of at least one million dollars (\$1,000,000). If offered, this program provides an incentive payment (payroll rebate) equal to four percent (4%) of the payroll of the new full-time permanent employees for a period of up to five years. In addition to the payroll rebate, this program also provides a sales and use tax refund for eligible projects that invest a minimum of five hundred thousand dollars (\$500,000). The refund is eligible for taxes paid on construction materials, and machinery and equipment associated with the approved project.

Equity Investment Tax Credit

The Equity Investment Incentive Program is a discretionary incentive and is targeted toward new, technology-based businesses that pay wages in excess of the state or county average wage. If offered, this program allows an approved business to offer an income tax credit to investors purchasing an equity investment in the business.

The income tax credits issued under this program are equal to thirty-three and one-third percent (33 1/3%) of the approved amount invested by an investor in an eligible business. Any unused credit may be carried forward for nine (9) years.



Capital Gains Exclusion

Capital gains derived from venture capital investments made after January 1, 2001 and held for at least five years are exempt from the Arkansas personal income tax. "Venture capital" means equity financing, broadly defined, including early stage research, development, commercialization, seed capital for startup enterprises, and other risk capital for expansion of entrepreneurial enterprises doing business in Arkansas that are qualified technology-based enterprises doing business in Arkansas, qualified biotechnology enterprises doing business in Arkansas, or qualified technology incubator clients doing business in Arkansas. (Act 857 of 2003).

Free Port Law

Arkansas has a free port law that exempts from property tax those finished goods and raw materials in transit or awaiting shipment to out-of-state customers.

Arkansas Child Care Facility Incentive Program

Arkansas offers a tax incentive for businesses that provide childcare for their employees.

The business may choose from the following income tax credit options: 1) a credit of 3.9 percent of the total annual payroll of the child care facility employees; or 2) a one-time \$5,000 income tax credit for the first year it provides child care for its employees. The credit may be carried forward for two years or until exhausted, whichever occurs first.

Additionally, businesses can receive sales and use tax refunds on the initial cost of construction materials and furnishings purchased to build and equip an approved childcare facility.

Training

The Arkansas Economic Development Commission's Customized Training Incentive Program provides intensive pre-employment training for Arkansas workers to meet the increasing technical employment needs of the state's new and expanding businesses.

Additionally, the Existing Workforce Training Program (EWTP) provides financial assistance to Arkansas' existing businesses and eligible consortia of businesses for delivering customized, industry specific training. The primary objective of the training is to upgrade the knowledge and skills of the existing workforce and to increase the capacity of state-supported educational institutions to supply the on-going training needs of Arkansas companies.

Financial assistance is available in the form of a grant or an income tax credit. The amount of support is the lesser of:

- a) One-half (1/2) of the amount paid by the company/consortia to the state supported educational institution for the training, or;

- b) Eighty dollars (\$80) per instructional hour, times the number of instructional hours and at least fifty percent (50%) of the participants completing each course must be from eligible companies.
- c) Thirty-five dollars (\$35) per instructional hour, times the number of instructional hours for safety-related training.
- d) Thirty-five dollars (\$35) per instructional hour, times the number of instructional hours for all courses if less than fifty percent (50%) of the participants completing each course are from eligible companies.

For companies that use their own employees or company-paid consultants to deliver classroom training to their employees, the amount of the Arkansas income tax credit, set by the governing council, shall not exceed twenty-five dollars (\$25) per instructional hour.

The maximum support any one company may receive is \$50,000 per calendar year.

The tax credit must be used for the tax year in which the credit is earned. There is no carry-forward for the credit.

Tourism Development

The Arkansas Tourism Development Act provides state sales tax credits and income tax credits to eligible tourism attractions meeting the following criteria:

- \$1,000,000 minimum investment in project costs or \$500,000 in high-unemployment counties.

Sales Tax Credits:

- The sales tax credit is determined by total approved project costs. The credit is equal to fifteen percent (15%) of the eligible project cost. In high unemployment counties, the credit is equal to twenty-five percent (25%) of the eligible project cost.
- The sales tax credit may be used to offset one hundred percent (100%) of the increased sales tax liability incurred as a result of the project.
- Other review criteria requested by the Arkansas Economic Development Commission may be requested to determine whether the tourism attraction project will further the purposes of the act.

Income Tax Credits:

- Eligible tourism attractions (excluding lodging facilities) may receive a state income tax credit equal to four percent (4%) of the payroll of the new full-time permanent employee working at the approved tourism project.
- The credits are earned in the tax year in which the new employees are hired.
- Any unused credit may be applied against corporate income tax for the succeeding nine years.

Recycling Equipment Tax Credit

Act 654 of 1993 allows Arkansas taxpayers to receive income tax credits for the purchase of equipment used exclusively for reduction, reuse, or recycling of solid waste material for commercial purposes, whether or not for profit, and the cost of installation of such equipment by outside contractors. Such equipment must be used in the collection, separation, processing, modification, conversion, treatment, or manufacturing of products containing at least 50 percent recovered materials of which at least ten percent is post-consumer waste.

The amount of the tax credit shall equal 30 percent of the cost of eligible* equipment and installation costs. Credits may be carried over a maximum of three consecutive years following the taxable year in which the credits accrued.

* Eligibility is determined by the Arkansas Department of Environmental Quality.

Taxpayers receiving credit under this Act for the purchase of machinery and equipment shall not be entitled to any other state or local tax credit or deduction based on the purchase of the machinery or equipment, except normal depreciation.

Tuition Reimbursement Act

This act provides a 30 percent income tax credit to eligible businesses for the costs they incur in reimbursing or paying for an employees' tuition, books, and fees for training or courses at accredited Arkansas post secondary educational institutions to improve job skills. A business' tax credit cannot offset more than 25 percent of their income tax liability in any year. An employee must be a permanent full-time employee to qualify.

Eligible businesses include:

- manufacturers classified in sectors 31-33 in the North American Industrial Classification System;
- eligible computer businesses with no retail public sales that derive at least seventy-five percent (75%) percent of their revenue from out-of-state sales;
- businesses primarily engaged in motion picture production with no retail public sales that derive at least seventy-five percent (75%) of their revenue from out-of-state sales;
- distribution centers;
- office sector businesses;
- national or regional corporate headquarters;
- firms primarily engaged in commercial, physical and biological research; and
- scientific and technical service businesses paying wages exceeding one hundred fifty percent (150%) of the lesser of the state or county average and deriving at least seventy-five percent (75%) percent of their revenue from out-of-state sales.

Arkansas Public Roads Improvement Credit Act

This act provides an income tax credit up to thirty-three percent (33%) to any individual, fiduciary, or corporation subject to Arkansas state income tax that contributes to the Public

Roads Incentive Fund of the Economic Development Commission. Each taxpayer that contributes to the Fund may make a general contribution or may designate a project for which the contribution is earmarked. The credit allowed by this act shall not exceed 50 percent of the taxpayer's net Arkansas income tax after all credits and reductions have been applied, however, amounts over 50 percent can be carried forward up to three years.

Small Business Loan Program

This program stimulates small business by providing up to one-half($\frac{1}{2}$) of the amount of participation loans referred by approved lenders. A small business is one with fewer than 50 full-time employees and less than \$1 million in annual gross sales, excluding agricultural production. The Commission's share cannot exceed 50 percent of the total loan amount and cannot be less than \$2,500 or more than \$40,000. The business must provide the lender with a sound business plan, proof of credit worthiness, collateral and a demonstrated need. Proceeds may be used to purchase machinery and equipment, to stabilize working capital and/or to purchase, construct or renovate commercial real estate.

Additional Incentives

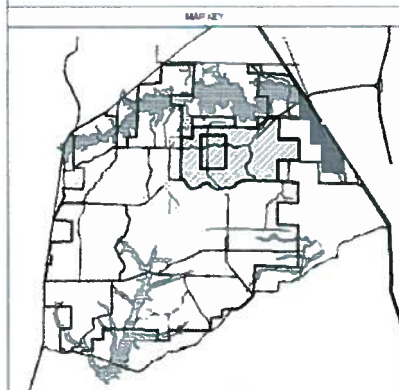
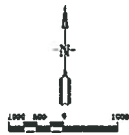
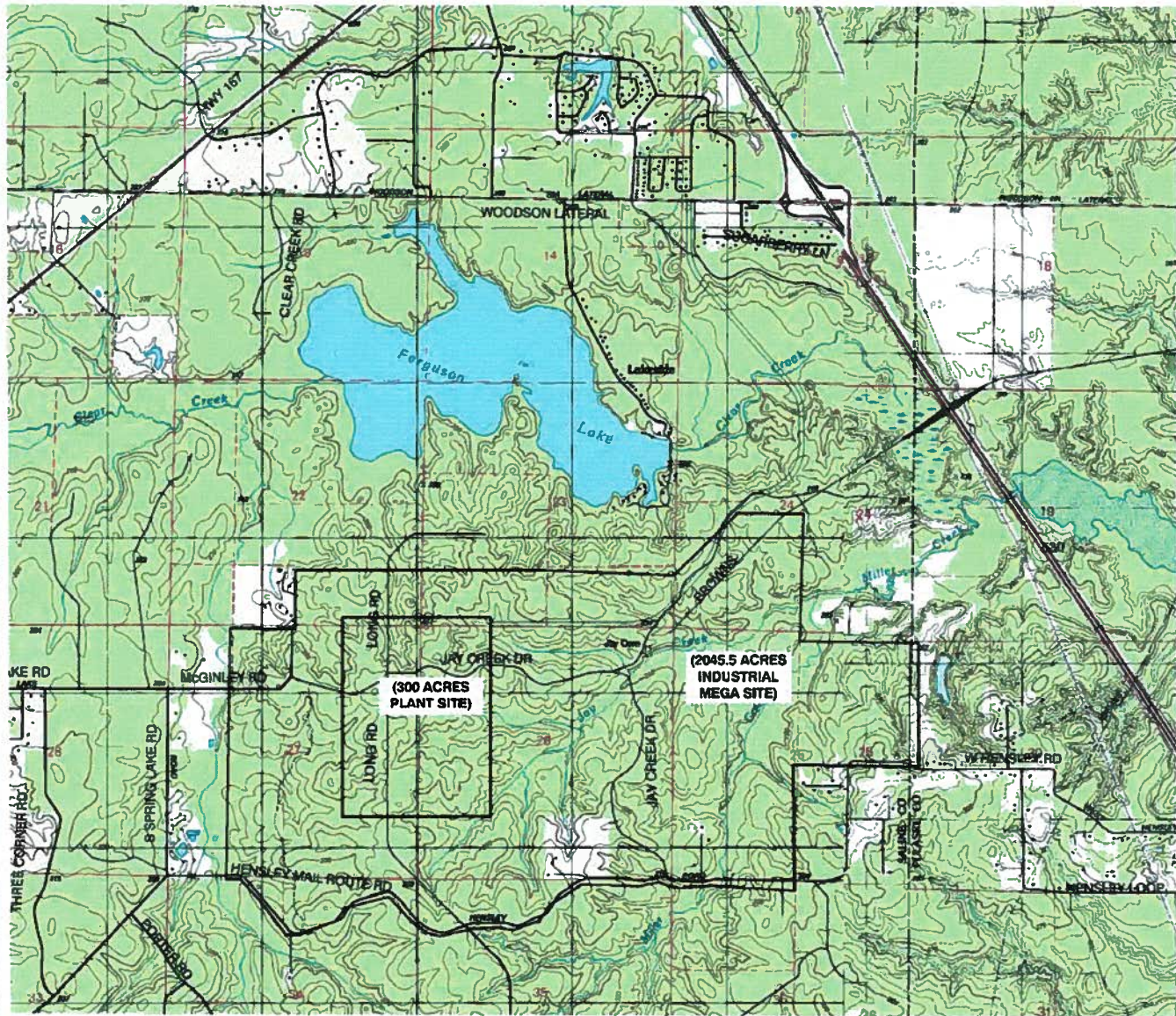
- Reduced sales and use tax rate on energy consumed in manufacturing.
- Sales and use tax exemptions for machinery and equipment used directly in manufacturing, and; air and water pollution control equipment; and, 1-800 calls.
- Sales and use tax exemptions for catalysts, chemicals, reagents, and solutions consumed or used in producing, manufacturing, fabricating, processing, or finishing articles of commerce at manufacturing or processing plants or facilities and/or to prevent or reduce air, water, and other contamination.
- Arkansas has one of the most progressive workers' compensation programs in the nation, with more than 300 insurance underwriters.
- Arkansas is constitutionally a right-to-work state. Right-to-work states prohibit making union membership a condition of employment.
- Arkansas' pro-business climate was enhanced in 1999 with passage of the Capital Gains Tax Reduction Act. This Act allows for a 30 percent capital gains exemption after January 1, 1999 for all taxpayers with capital gains liability.
- Favorable unemployment insurance and corporate income tax rate structures.
- Availability of state Economic Infrastructure and Federal Community Development Block Grant Funds.
- "Act 9" Industrial Revenue Bonds for tax-exempt, below-market financing
- For businesses that have a financial history but are unable to sell industrial revenue bonds to the public, the Arkansas Economic Development Commission can assure bond holders of repayment by guaranteeing up to \$5 million of the bond issue. The state's guarantee allows the bonds to be sold at a higher credit rating, therefore lowering the effective interest rate for the business. The Commission charges a five percent fee for guaranteeing these issues.

More detail on the incentives administered by the Arkansas Economic Development Commission can be viewed at the Commission's web site www.ArkansasEDC.com.

Maps

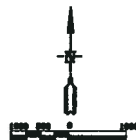
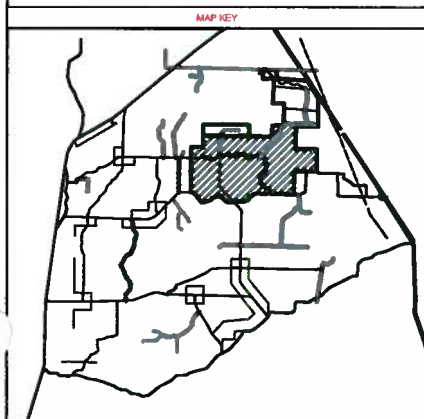
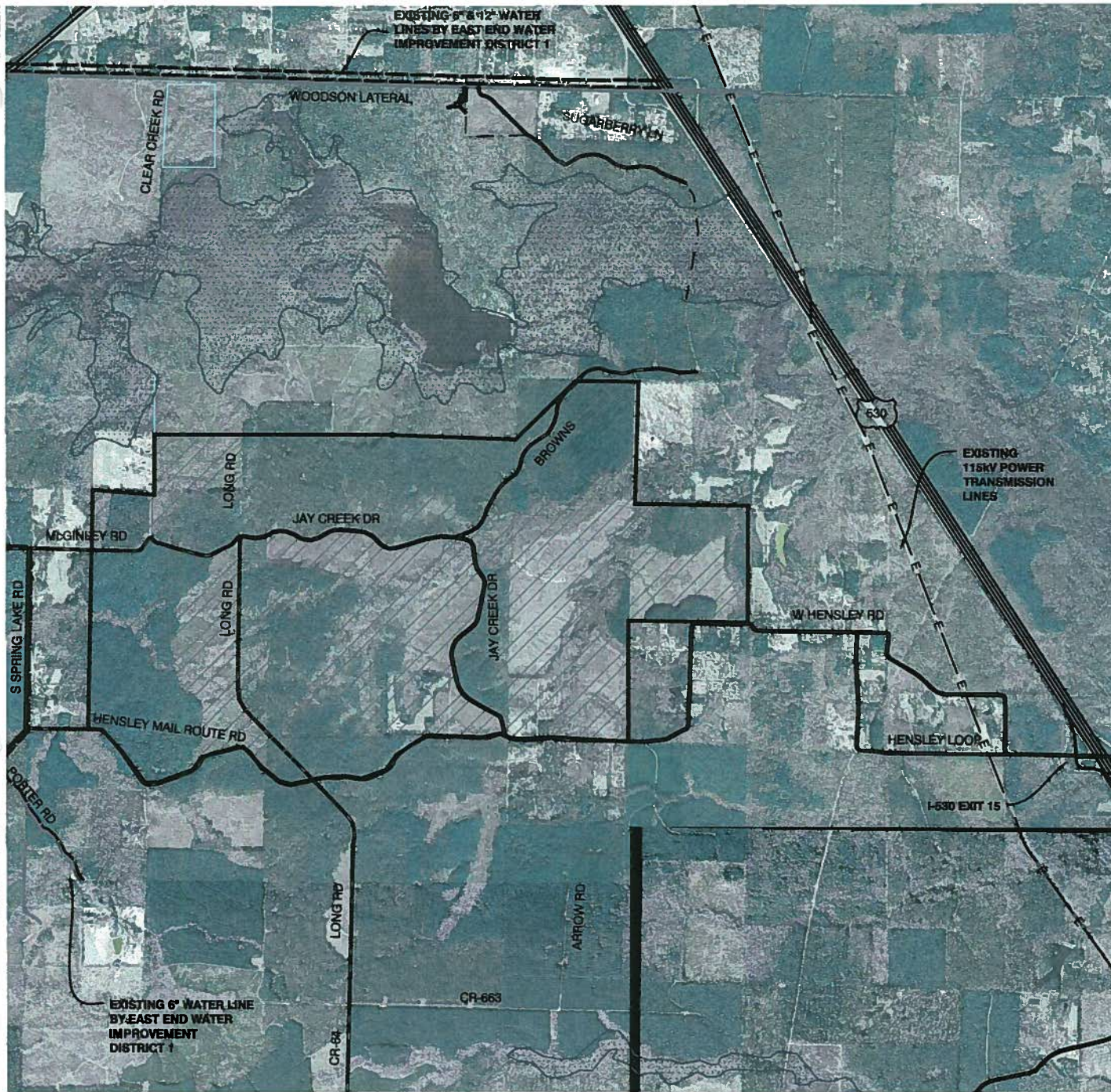
Topography:	See attachment M-1 for Detail
Utilities:	See attachment M-2 for Detail
Surrounding Uses:	See attachment M-3 for Detail
Road Infrastructure:	See attachment M-4 for Detail
Vicinity Maps:	See attachment M-5 for Detail
Floodplain Delineation:	See attachment M-6 for Detail
USGS Quadrangle:	See attachment M-7 for Detail
Site Dimensions:	See attachment M-8 for Detail

TOPOGRAPHY MAP



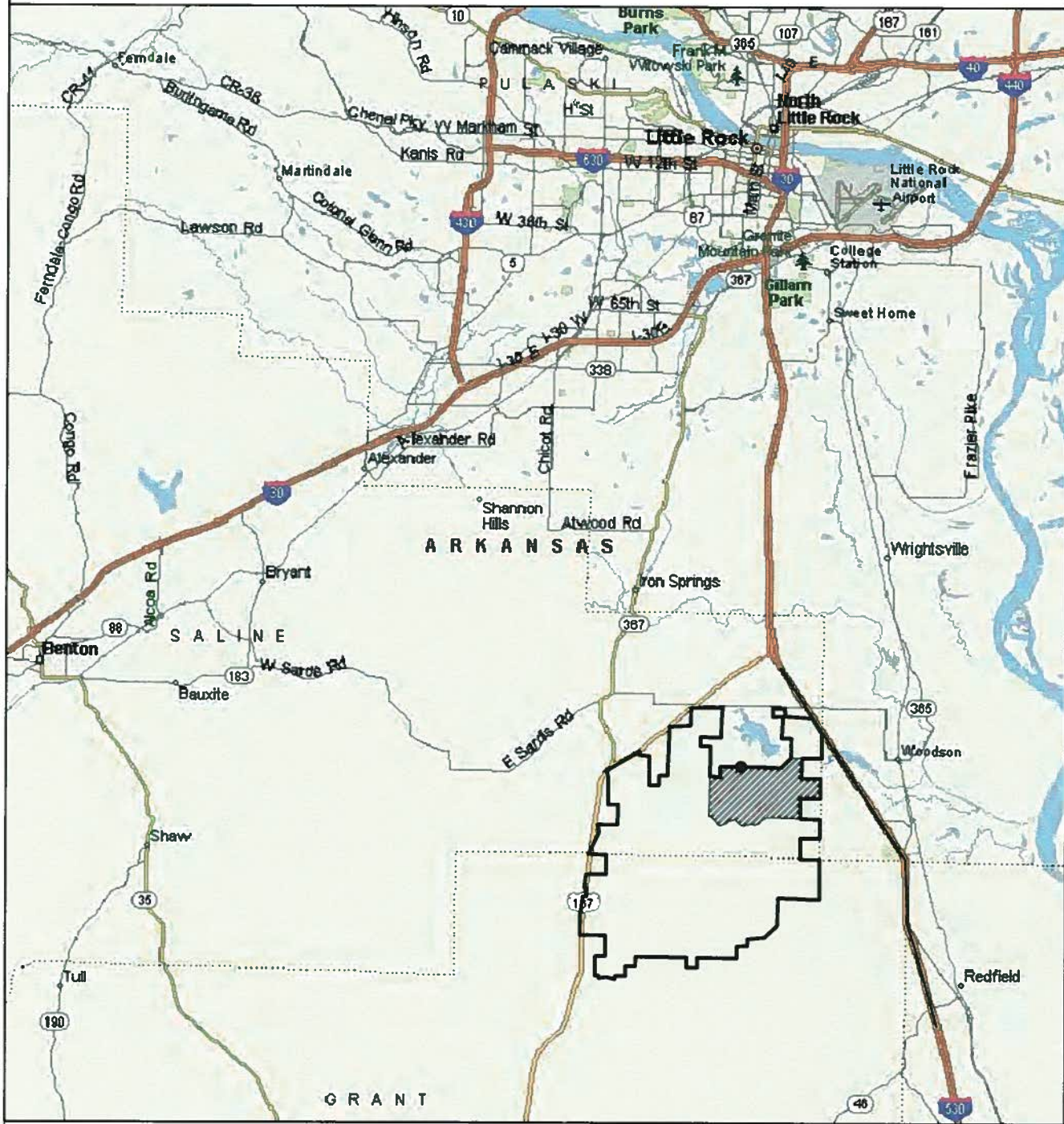
		322 North Market Street Garney, Arkansas 72635 PH: (501) 524-0785 FAX: (501) 515-0200 www.hopeengineers.com	
TIMBERLAND INVESTMENT RESOURCES I 530 INDUSTRIAL MEGA SITE PROPOSED DEVELOPMENT SALINE COUNTY, ARKANSAS			
DATE: 04/06/2007	CAD: 07/11/2007	DESIGNER: 07-0624	
REVISION:	DATE:	SCALE:	
SHEET: 6 OF 9	SCALE: AS SHOWN		
500	10		


AERIAL PHOTO AND GENERAL UTILITY LOCATIONS

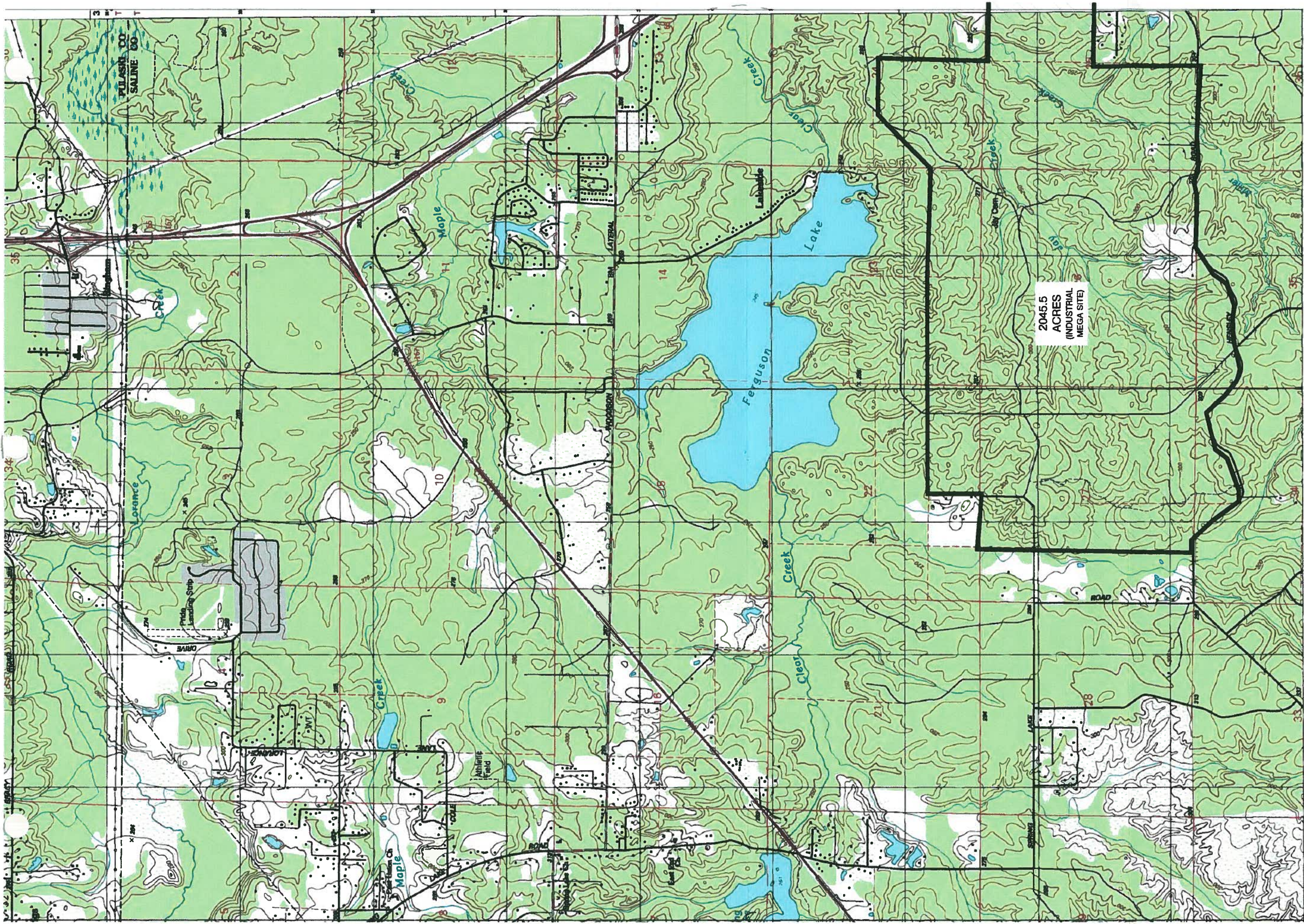


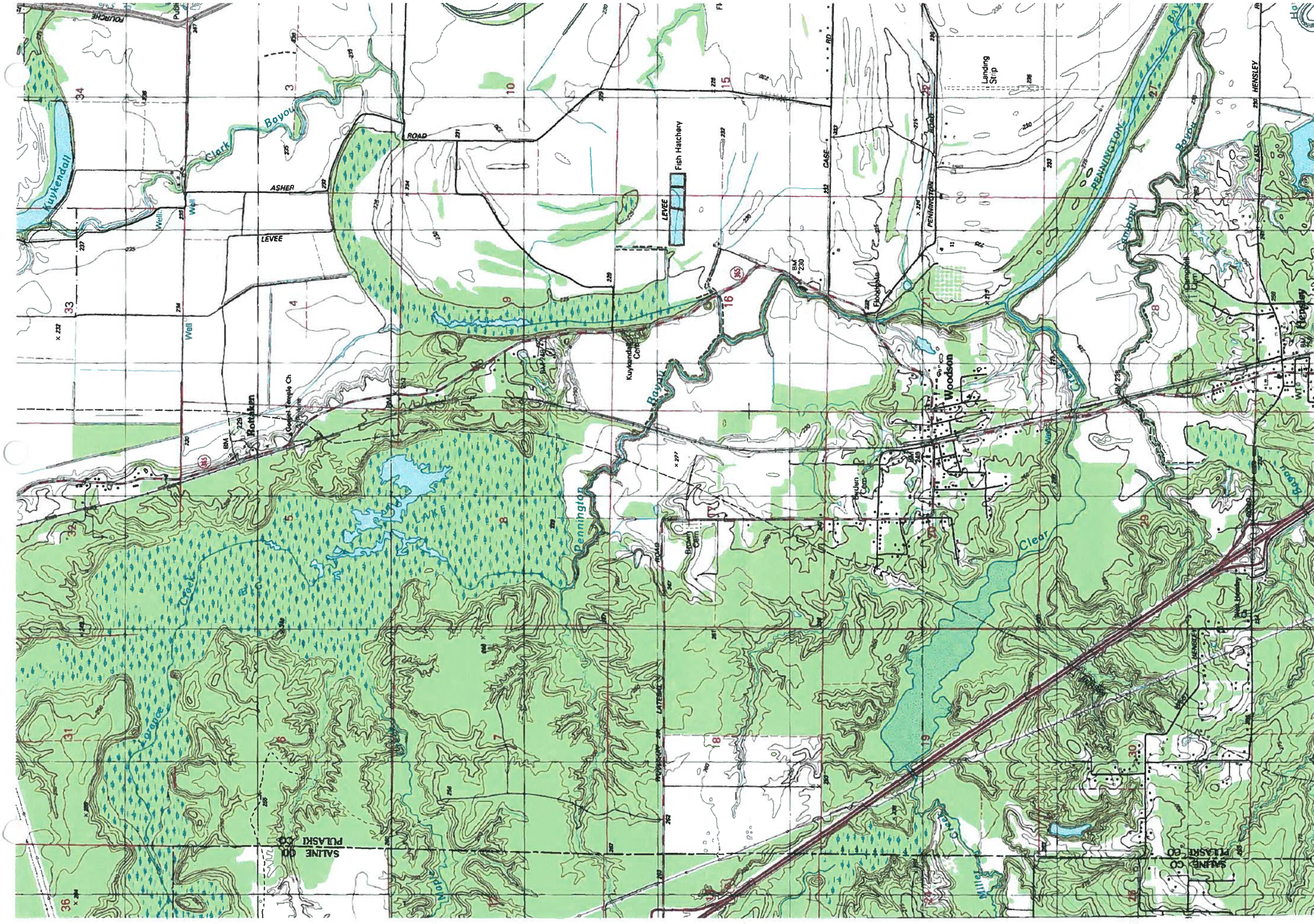
		322 North Market Street, Benton, Arkansas 72015 PH: (501) 315-0706 FAX: (501) 315-0700 www.hopeengineers.com
FOR USE AND BENEFIT OF: Saline County Economic Development Corporation		
I-530 INDUSTRIAL MEGA SITE AERIAL PHOTO AND GENERAL UTILITY LOCATIONS SALINE & GRANT COUNTIES, ARKANSAS		
DATE: 24 AUG 2007	C.A.D. BY: L. TAYLOR	DRAWING NUMBER:
REVIEWED:	CHECKED BY:	07-0353
SHEET: 9 OF 9	SCALE: AS NOTED	
500	0	

VICINITY MAP



		322 North Market Street, Benton, Arkansas 72015 PH. (501) 315-0786 FAX (501) 315-0700 www.hopeengineering.com	
FOR USE AND BENEFIT OF: Timberland Investment Resources, LLC			
I-530 INDUSTRIAL MEGA SITE PROPOSED DEVELOPMENT LOCATION SALINE COUNTY, ARKANSAS			
DATE: 24 Sept 2007	C.A.D. BY: L. TYALON	DRAWING NUMBER:	
REVISION:	CHECKED BY:	07-0624	
SHEET: 1 OF 1	SCALE: AS NOTED		
800	0	8888	

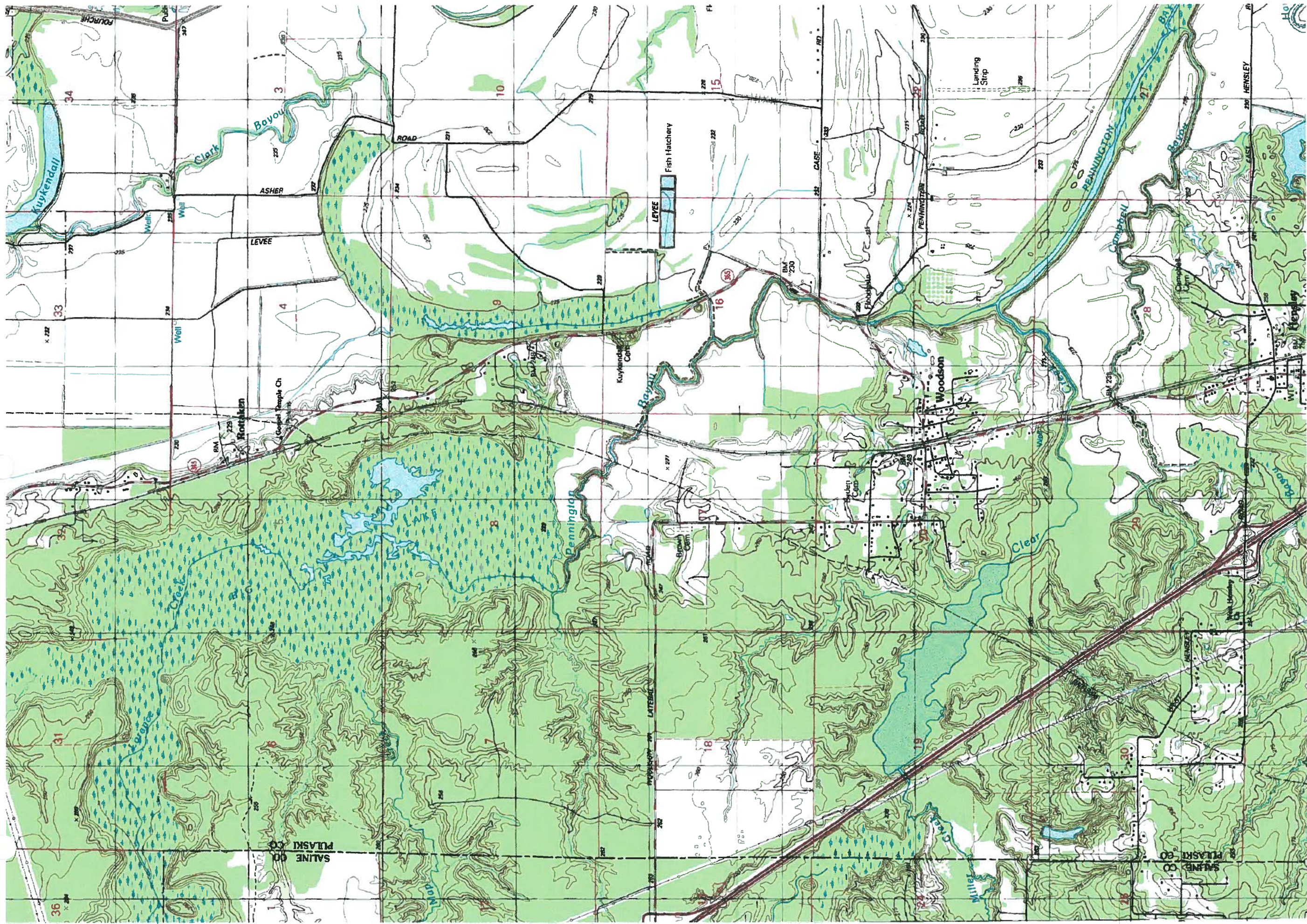




M-7b

Interstate 530 Industrial Mega Site





M-7b

Interstate 530 Industrial Mega Site

DISCLAIMER

Entergy Arkansas, Inc. ("EAI"), nor anyone acting on behalf of EAI, makes no representations or warranties of whatsoever nature, directly or indirectly, expressed or implied, as to the site described herein or any improvements located thereon including, without limitation, the physical conditions or attributes of the site or improvements; condition of title to the site or improvements; suitability of the site or improvements for any particular purpose; compliance with federal, state or local laws, regulations or orders and applicable zoning, building and other legal requirements; and/or the correctness and completeness of the contents contained within these materials.

Recipients of these materials must perform their own investigation and due diligence concerning all aspects of the site and/or improvements, financial, tax and business matters associated therewith so as to enable them to evaluate the merits and risks of the site and to make any informed decision with respect thereto.

