

MAINE STATE LEGISLATURE

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SECOND REGULAR SESSION

ONE HUNDRED AND THIRTEENTH LEGISLATURE

Legislative Document

No. 2632

S.P. 996

In Senate, April 14, 1988

Reference to the Committee on Energy and Natural Resources suggested and ordered printed.

JOY J. O'BRIEN, Secretary of the Senate

Presented by Senator PERKINS of Hancock.

Cosponsored by Representative FARREN of Cherryfield, Senator USHER of Cumberland, Representative JACQUES of Waterville.

STATE OF MAINE

IN THE YEAR OF OUR LORD
NINETEEN HUNDRED AND EIGHTY-EIGHT

RESOLVE, Authorizing Exchange of Certain
Public Reserved Land.

1
2
3

4 Director of the Bureau of Public Lands authorized
5 to consummate the exchange of certain Public Reserved
6 Lands. Resolved: That the Director of the Bureau of
7 Public Lands is authorized to consummate the exchange
8 of certain Public Reserved Land contemplated by the
9 agreement dated April 1, 1988, between the State of

1 Maine and Prentiss and Carlisle Company, Inc., upon
2 terms and conditions set forth in the agreement,
3 including the exhibits and addenda thereto, the
4 agreement being attached hereto and incorporated
5 herein for all purposes. Any and all land acquired by
6 the State under this authority shall be for all
7 purposes, Public Reserved Land of the State.
8 Notwithstanding any provisions of the attached
9 agreement, the State shall not convey any land or
10 interest therein which comprises a public road or
11 great pond.

12

AGREEMENT

13 This Agreement is made this 1st day of April,
14 1988, by and between the State of Maine, in its
15 sovereign capacity, in its sovereign capacity as
16 trustee of the public lands of the State of Maine, and
17 in its sovereign capacity on behalf of all
18 municipalities and other subdivisions of the State of
19 Maine, acting through its Commissioner of Conservation
20 and its Director of the Bureau of Public Lands,
21 hereinafter referred to as the "State," and Prentiss &
22 Carlisle Company, Inc., a Maine corporation with a
23 place of business at 107 Court Street in Bangor,
24 Penobscot County, Maine, hereinafter referred to as "P
25 & C."

26 For good and valuable consideration for which
27 receipt is acknowledged by each party, the parties
28 hereto agree as follows:

29 1. P & C agrees to (a) exchange with the State
30 all of its right, title and interest in the property
31 located in Township 9 SD which is shown in blue on a
32 survey of Donnell Pond, Patten Auction and Land
33 Corporation, dated July 15, 1987, by Herrick &
34 Salsbury, Inc., Land Surveyors, Ellsworth, Maine, a
35 copy of which is attached hereto as Exhibit A attached
36 hereto and incorporated herein and in Township 12
37 Range 13 W.E.L.S. (hereinafter sometimes collectively
38 referred to as the "Property") and (b) pay to the
39 State the sum of Two Hundred Thousand Dollars
40 (\$200,000).

1 It is expressly understood and agreed that
2 approximately 343.6 acres located in the northwest
3 portion of P & C's ownership in Township 9 SD, which
4 acreage is shown in yellow on the aforesaid survey
5 attached hereto as Exhibit A, which acreage is
6 excluded from the lands to be exchanged with the State.

7 At the time of the closing of the exchange with
8 the State, P & C shall grant to the State of Maine,
9 Bureau of Public Lands, a conservation easement, the
10 terms of which shall be mutually acceptable to the
11 parties, burdening the 343.6 +/- acres (hereinafter
12 the "protected property"). This easement shall
13 include conditions and restrictions limiting the
14 subdivision of the protected property to no more than
15 eight lots and providing for other limitations on use,
16 permitted structures, surface alterations, clearing
17 and timber harvesting, as well as provisions for
18 enforcement of the conservation easement by the
19 easement holder.

20 The conservation easement shall include the
21 essence of the following points as mutually agreed
22 among the parties:

23 a. The protected property shall not be subdivided
24 into more than eight (8) lots;

25 b. All permitted structures shall be set back at
26 least 150 feet from the shore and the height of
27 any permitted structure shall not exceed 35 feet;

28 c. That the development or use of the protected
29 property shall be reasonably compatible with the
30 natural and scenic features of the area;

31 d. No commercial uses shall be permitted which
32 have exterior manifestations which materially
33 affect the purposes of the conservation easement;

34 e. That no structures may be allowed within that
35 area on Norway Point which is south of the line

1 shown on the map which is attached as Exhibit D
2 hereto and hereby incorporated herewith;

3 f. That the conservation easement shall prohibit
4 dredging, mining, drilling or removal of gravel or
5 minerals;

6 g. That the conservation easement shall contain
7 limitations on timber harvesting and the removal
8 of vegetation within 500 feet of the shore.

9 The conservation easement shall specifically
10 provide that it shall burden the protected property,
11 subject to termination if that portion of the property
12 (located in Township 9, SD) being conveyed to the
13 State pursuant to this Agreement is developed, sold,
14 leased, or managed for any purpose other than for
15 conservation, forest and wildlife management, or
16 public recreation. Any conditions or rights existing
17 as of the date of this Agreement with respect to the
18 property to be acquired by the State, including
19 without limitation, those relating to a camp located
20 on the property, a satellite dish and a ramp shown as
21 an insert on Exhibit A, shall not be deemed to be
22 event(s) terminating the conservation easement. A
23 copy of the proposed conservation easement shall be
24 provided to the State for its review and approval at
25 least twenty (20) days prior to closing.

26 2. The State agrees to exchange with P & C, its
27 successors and assigns, all of its right, title and
28 interest in the property described in Exhibit C
29 attached hereto and incorporated herein.

30 3. Lands described in Exhibit B and C are
31 referred to in this Agreement as the "Lands".

32 4. The term of this Agreement shall commence on
33 the day after the date of this Agreement and shall
34 continue until and including the date and time on
35 which the documents of conveyance are exchanged,
36 hereinafter referred to as the "Closing Date," which
37 shall be within thirty (30) days following the

1 effective date of legislation authorizing the exchange
2 of Lands upon the terms contained in this Agreement.
3 In the event that the State does not enact legislation
4 authorizing this exchange of Lands by May 1, 1988,
5 this Agreement shall terminate on that date. However,
6 the term of this Agreement may be extended by the
7 mutual agreement of the parties.

8 5. The parties shall not engage in any activity
9 or execute any instrument which would result in any
10 further lease, right-of-way, easement, lien or
11 encumbrance relating to the Lands during the term of
12 this Agreement, without the express written consent of
13 the other party.

14 6. There shall be no cutting of timber on the
15 Lands during the term of this Agreement, except for
16 Township 12, Range 13 W.E.L.S. The cutting of timber
17 of Township 12, Range 13 W.E.L.S. may be continued in
18 accordance with good commercial forestry practice.
19 Within sixty (60) days after the Closing Date, P & C
20 shall pay to the State, P & C's pro-rata share, at
21 going rates, for all timber cut and sand and gravel
22 removed from Township 12, Range 13 W.E.L.S. on or
23 after March 31, 1988.

24 7. All conveyances contemplated by this Agreement
25 shall be made by quitclaim deed without covenant. The
26 deeds shall convey or assign the Grantor's interest in
27 all harvesting or extraction permits and all leases,
28 mineral leases or mineral exploration permits with
29 respect to the premises exchanged. The deeds will not
30 grant rights to cross and recross, each party being
31 satisfied that it has access to the properties
32 acquired under the Agreement without the granting of
33 additional right of access. Provided, however, that
34 the deeds shall convey all existing rights-of-way
35 appurtenant to or otherwise used for access to the
36 property to be conveyed.

37 8. Each party agrees to use its best efforts to
38 obtain and record in the appropriate Registry of
39 Deeds, before or concurrent with closing, release or
40 quitclaim deeds from all entities which own or purport
41 to own any interest in timber and grass rights on the

1 Public Lots of the State which are to be transferred
2 to P & C pursuant to this Agreement.

3 9. With respect to those townships listed in
4 Exhibit C, in which the State retains part of the
5 Public Lots, which are, or may subsequently be
6 determined to be, unlocated, and concurrent with
7 closing, the State shall agree in writing that the
8 acreage listed in Exhibit C for conveyance to P & C is
9 to be unlocated but to lie within that part or share
10 of the township owned by P & C on the Closing Date
11 immediately after closing; and that the State will not
12 locate or partition, propose for location or
13 partition, or agree to the location or partition of,
14 any additional Public Lot acreage in that part or
15 share of the respective township owned by P & C on the
16 Closing Date immediately after closing.

17 10. Each party shall be responsible at its own
18 expense for such title examination as that party
19 wishes to conduct. In the event of title objections
20 prior to the Closing Date, the objecting party shall
21 give the other party written notice thereof at least
22 ten (10) days prior to the Closing Date; and the other
23 party shall use its best efforts to remove or resolve
24 the objections within a reasonable period of time.
25 Title defects or objections shall not include
26 rights-of-way, easements or leases, which do not
27 materially interfere with the use or value of the
28 property for commercial forestry purposes or
29 recreational purposes.

30 11. Property taxes and excise taxes for fire
31 protection assessed against the Lands shall be paid by
32 the party owning the Lands on the date of assessment.

33 12. Rental payments on all leases, mineral leases
34 or mineral exploration permits on the Lands shall be
35 prorated as of the Closing Date. If either party
36 receives payment of any amounts which are due to the
37 other party pursuant to the preceding sentence, the
38 party receiving any such amounts shall promptly remit
39 them to the other party.

1 13. Each party shall deliver full possession of
2 its lands to the other party at the time of closing,
3 except for existing leases and such other rights as
4 may be reserved herein.

5 14. In the event that a substantial part of the
6 standing timber on the entire Lands of either party is
7 destroyed by fire, wind or other casualty (not
8 including budworm damage) before the Closing Date, the
9 Grantee may elect not to accept such Lands, in which
10 event closing shall be postponed and both parties
11 agree to use their best efforts to find mutually
12 acceptable substitute lands for that portion of the
13 Lands on which the timber was so destroyed. If the
14 parties fail to find mutually acceptable substitute
15 lands within ninety (90) days of such destruction,
16 this Agreement shall terminate. For the purpose of
17 this paragraph, "substantial" shall be deemed to mean
18 five percent (5%) of the volume of merchantable
19 standing timber.

20 15. With respect to any leases existing on the
21 Lands to be conveyed by either party, the parties
22 agree that as of the Closing Date the respective
23 Grantee shall be entitled to all benefits of Lands
24 received after the Closing Date and shall assume all
25 obligations and hold the Grantor harmless from any
26 claims and obligations arising after the Closing Date;
27 and the respective Grantor shall be entitled to all
28 benefits of Lands conveyed prior to the Closing Date
29 and shall hold the Grantee harmless from any claims
30 and obligations arising prior to the Closing Date.

31 16. The parties hereto are aware that legislative
32 authority is necessary to permit the terms hereof to
33 be agreed to by the State; and that this Agreement is
34 therefore contingent upon the granting of such
35 authorization. Upon the granting of such
36 authorization, each party warrants to the other party
37 that it has authority to execute this Agreement and to
38 carry out the transactions provided herein.

1 17. All amendments to this Agreement shall be in
2 writing and shall be executed by the parties hereto.

3 18. The transaction which is the subject of this
4 Agreement is, in part, a like kind exchange of certain
5 lands more particularly described herein. Where the
6 context permits, the terms "convey" and conveyance",
7 as used herein, refer to the deeds necessary to convey
8 the interests of the respective parties to accomplish
9 the like kind exchange of lands.

10 IN WITNESS WHEREOF, the parties hereto have set
11 their hands and seals as of the date and year first
12 above written.

13 WITNESS STATE OF MAINE

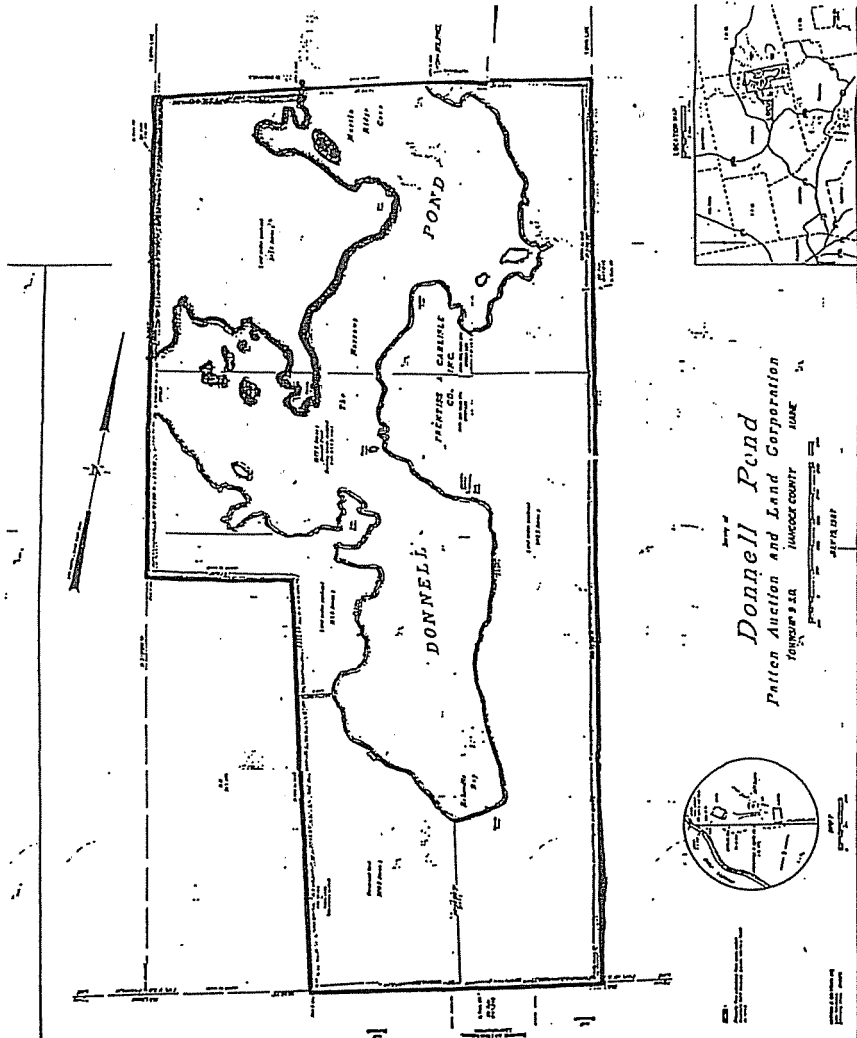
14 /s/ Edward D. Leonard III By /s/ R. R. LaBonta
15 Its Commissioner of
16 Conservation
17 PRINT OR TYPE NAME AS SIGNED:
18 R. R. LaBonta

19 /s/ Thomas C. Doak By /s/ C. Edwin Meadows, Jr.
20 Its Director, Bureau of
21 Public Lands
22 PRINT OR TYPE NAME AS SIGNED:
23 C. Edwin Meadows, Jr.

24 PRENTISS & CARLISLE COMPANY,
25 INC.

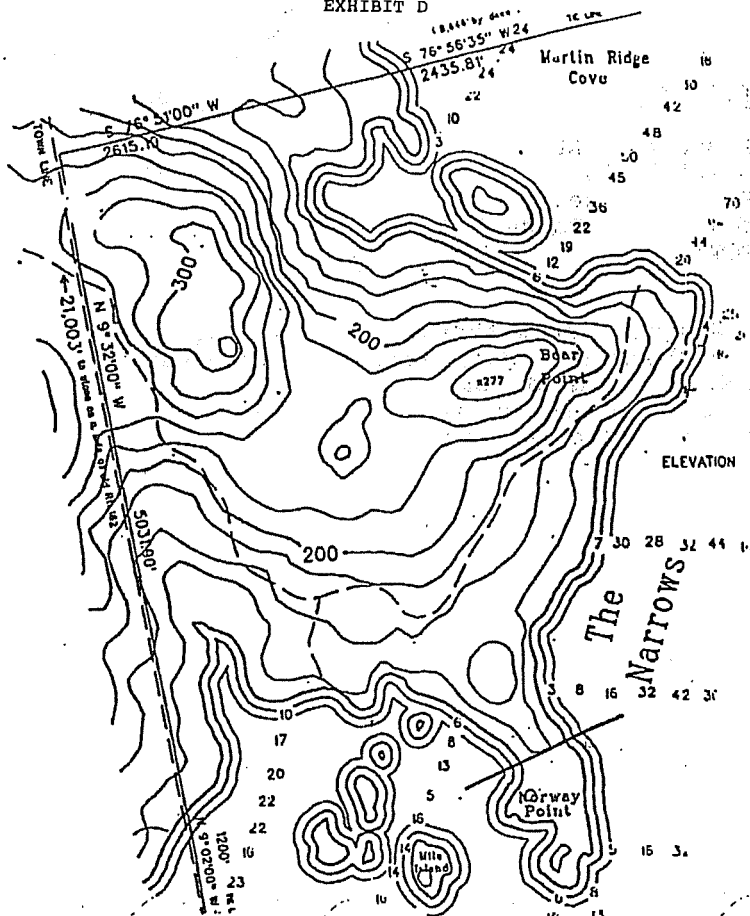
26 /s/ Edward D. Leonard III By /s/ David M. Carlisle
27 Its President
28 PRINT OR TYPE NAME AS SIGNED:
29 David M. Carlisle

EXHIBIT A



Donnell Pond
Pratten Auction and Land Corporation
TOWN OF SA JIMCOCK COUNTY IOWA

EXHIBIT D



Prepared jointly by: **LANDMARK Technologies, Inc.**
 7777 Bayberry Road
 Jacksonville, FL 32216
 (904) 730-0321

and: **LANDMARK Applied Technologies, Inc.**
 Outer Central Street
 HCR 78, Box 32
 Bucksport, ME 04415
 (207) 489-6070

August, 1987

1

;and be it further

2 Director of the Bureau of Public Lands Authorized
3 to consummate the exchange of certain Public Reserved
4 Land. Resolved: That the Director of the Bureau of
5 Public Lands is authorized to consummate the exchange
6 of certain Public Reserved Land as contemplated by the
7 agreement dated April 1, 1988, between Diamond
8 Occidental Forest Inc. and the State of Maine, upon
9 terms and conditions set forth in the agreement,
10 including the exhibits and addenda thereto, the
11 agreement being attached hereto and incorporated
12 herein for all purposes. Any and all land acquired by
13 the State under this authority shall be for all
14 purposes, Public Reserved Land of the State.
15 Notwithstanding any provisions of the attached
16 agreement, the State shall not convey any land or
17 interest therein which comprises a public road or
18 great pond.

19

PURCHASE AND SALE AGREEMENT

20 Agreement made this 1st day of April 1988 by and
21 between Diamond Occidental Forest Inc., a Delaware
22 corporation, having a place of business in Old Town,
23 Maine, ("DOFI") and The State of Maine, acting through
24 its Commissioner of Conservation and its Director of
25 the Bureau of Public Lands, ("State").

26 1. Property To Be Sold. DOFI agrees to sell and
27 the State agrees to purchase certain lands situated in
28 Hancock County, Maine as described in Schedule A
29 attached hereto and incorporated herein, on the
30 following conditions, to wit:

31 (a) DOFI shall convey the lands described in
32 Schedule A to the State by good and sufficient
33 deed with Quitclaim Covenant.

34 (b) The purchase price is One Million Six Hundred
35 Seventy-Five Thousand Dollars (\$1,675,000.00), and
36 shall be paid in cash or in cash and property as
37 follows, to wit:

38 (i) The State shall pay to DOFI the sum One
39 Million Four Hundred Seventy-Seven Thousand
40 Seven Hundred Fifty-Five Dollars

1 (\$1,477,755.00) at the closing. The State shall
2 simultaneously establish the Escrow Account in the
3 amount of \$197,245.00 as hereinafter provided.

4 (ii) The State shall convey to DOFI and DOFI
5 shall accept title to certain lands situate
6 in Hancock County, Maine and in Aroostook
7 County, Maine as described in Schedule B
8 attached hereto and incorporated herein, by
9 good and sufficient deed with Quitclaim
10 Covenant. In the event the conveyance of the
11 land by the State to DOFI is approved by the
12 State of Maine Legislature and if the lands
13 cannot be conveyed for any reason, the
14 balance of the purchase price in the Escrow
15 Account shall be disposed of as hereinafter
16 provided.

17 2. Title. Title to the lands shall be conveyed
18 by good and sufficient deed with Quitclaim Covenant;
19 subject, however, to such of the following permitted
20 encumbrances or title defects as may affect the land
21 being conveyed by the grantor, to wit:

22 a. All easements now of record, including,
23 without limitation, rights of way, road use
24 agreements and utility easements which easements
25 do not materially detract from the value of the
26 lands to be conveyed;

27 b. Other encumbrances now of record and minor
28 imperfections of title which encumbrances and
29 imperfections do not materially detract from the
30 value of the lands to be conveyed.

31 c. The rights of the State of Maine and the
32 public in and to any great pond located within the
33 bounds of or abutting the lands to be conveyed.

34 d. Any lien for taxes or assessments that are not
35 yet due as of the date of the closing.

36 e. Such title defects as the Grantee may have
37 elected to waive pursuant to paragraph 4 of this
38 Agreement.

39 DOFI shall convey to the State all of its right, title
40 and interest in all existing rights of way for all
41 public purposes from Route 183 across Sullivan, T10SD

1 and to Flanders Pond. The State shall be granted
2 easements to use the three existing rights of way
3 across the parcel of land in T10SD to be retained by
4 DOFI. DOFI may reserve a right of way to itself and
5 its successors and assigns, in common with the State
6 and its assigns, north of Route 182 over the main haul
7 road shown on Schedule B attached hereto, from Route
8 182 to the land abutting the north line of the land to
9 be conveyed to the State. DOFI shall prepare a survey
10 description of the centerline of the right of way to
11 be used in the deed of conveyance. This right of way
12 shall be sixty-six feet in width and it may be used by
13 DOFI and its successors and assigns for any lawful
14 purpose, for passage on foot and by vehicle of any and
15 every kind and nature. DOFI and its successors and
16 assigns may enter onto the premises conveyed to the
17 State within the limits of the right of way at any and
18 all times with men and machines to construct, repair,
19 maintain and reconstruct a road over said right of
20 way; provided, however, that prior to the construction
21 of any new road DOFI or its successors or assigns
22 shall give written notice to the State of its intent
23 to construct said road. DOFI and its successors and
24 assigns may grant to others the right to use said road
25 in common with DOFI and its successors and assigns,
26 for any lawful purpose including, without limitation,
27 access to land owned or controlled by such other
28 persons, for passage on foot and by vehicle of any and
29 every kind and nature over the right of way; provided,
30 however, that DOFI or its successors or assigns shall
31 give written notice to the State of the identity of
32 any person who is granted the right to use such road.
33 In granting the right to others to use said road DOFI
34 may also grant to any such other person the right to
35 assign his or its right to use the road to any other
36 person; provided, however, that such other person
37 shall give to the State written notice of any
38 assignment of such right to use the road. The State
39 shall have all of the same rights and obligations with
40 respect to the rights of way granted to it over land
41 of DOFI as are enjoyed or imposed upon DOFI with
42 respect to the right of way running northerly from
43 Route 182 as hereinabove provided.

44 3. Activities Prior To Closing. On or after the
45 date hereof DOFI shall not initiate nor continue any
46 timber harvesting or gravel extraction from the land
47 to be conveyed nor shall it grant any lease, easement

1 or right of way affecting the land to be conveyed or
2 permit any lien or encumbrance to be placed on the
3 land to be conveyed.

4 4. Title Defects. If the title examination of
5 the land to be conveyed hereunder discloses a title
6 defect to any portion of the lands, as that term is
7 hereinafter qualified in this paragraph, which is of
8 such a nature that the land cannot be conveyed in
9 accordance with this Agreement, the party conveying
10 title may elect not to cure such title defect or it
11 may, at its sole discretion, have a reasonable time,
12 not to be less than six months, in which to attempt to
13 cure the title defect. The purchasing party shall
14 submit to the other party all objections to title in
15 writing by mailing them to the other party by
16 Registered or Certified mail, with return receipt
17 requested, not later than June 3, 1988. Any objection
18 to title shall be deemed to have been submitted only
19 when such written objection is deposited in the United
20 States mails with postage prepaid. If such title
21 defect is cured, the closing with respect to the lands
22 to be conveyed to the State shall take place within 30
23 days thereafter or on June 9, 1988, whichever is
24 later, and with respect to the lands to be conveyed to
25 DOFI, the closing shall take place within 30 days
26 thereafter, on June 9, 1988 or on the day following
27 the effective date of the legislation referred to in
28 paragraph 7, whichever date is the latest, and, to the
29 extent it is possible, any such defect may be cured at
30 the closing. If the title defect cannot be cured or
31 if the owner shall have elected not to attempt to cure
32 such title defect, then, in either event, the other
33 party may elect either to take title to the land
34 subject to such title defect without reduction in the
35 purchase price or to terminate this Agreement. If the
36 party who is to receive title to the land shall elect
37 to take title subject to title defects, that election
38 may be made at anytime and shall be made not later
39 than 10 days after the other party has mailed notice
40 that it has elected not to cure title defects or that
41 the title defects cannot be cured. The parties shall
42 mail notice of their election to take title subject to
43 title defects by Registered or Certified mail, with
44 return receipt requested. The closing shall then take
45 place 15 days after the date on which notice of the
46 party's election is received by the other party or on
47 June 9, 1988, whichever date is later, with respect to
48 the conveyance to the State, and 15 days after said

1 date of receipt of notice, on June 9, 1988 or on the
2 day following the effective date of the legislation
3 referred to in paragraph 7, whichever date is the
4 latest, with respect to the conveyance to DOFI. If
5 written notice of an election to take title to the
6 land subject to title defects is not mailed within the
7 time set forth above, this Agreement shall be deemed
8 to have been terminated. If the Agreement is
9 terminated by either party because of any such title
10 defect, either expressly or by a party's failure to
11 give notice of its election to take title to the land
12 subject to title defects, neither party shall
13 thereafter have any obligation to the other
14 hereunder. Title to the lands shall be conveyed by
15 using the historical verbal descriptions and neither
16 party shall be required to have the lands surveyed.
17 As used in this paragraph the term "title defect"
18 shall not include any of the permitted encumbrances or
19 title defects listed in paragraph 3 of this Agreement.

20 5. Title Search. Each party shall conduct such
21 title search at its own expense as it shall desire and
22 shall make available to the other party, upon request,
23 copies of such abstracts of title, maps, land records,
24 photography, inventory, management history and other
25 title information as it may have in its possession,
26 except any records of a proprietary nature.

27 6. Tax Proration. The land to be conveyed by
28 DOFI is now subject to taxation under the provisions
29 of the Tree Growth Tax Law (36 MRSA Section 571 et.
30 seq.) and shall be conveyed subject thereto. There
31 shall be a proration of property taxes and fire
32 suppression taxes (excluding interest and penalties),
33 for the current tax year as of the date of the closing.

34 7. Closing. The land to be conveyed by DOFI is
35 subject to the terms of a certain Timberland Agreement
36 between Diamond International Corporation and James
37 River Corporation of Virginia dated as of July 11,
38 1983 (DOFI having been substituted for Diamond
39 International Corporation as a party to said
40 Agreement). That agreement grants to James River
41 Corporation of Virginia or its assignee (James River)
42 a right of first refusal in the event of the receipt
43 by DOFI of a bona fide offer to purchase any of its
44 lands. DOFI will be required to submit the details of
45 this offer, or a copy of the offer, to James River.
46 DOFI shall give such notice promptly as soon as this

1 Agreement has been approved by the Governor and by the
2 Legislature. In the event James River shall exercise
3 its right of first refusal to the land by giving the
4 "Exercise Notice" called for by said Timberland
5 Agreement, this Agreement shall terminate and neither
6 party shall thereafter have any right against the
7 other party hereunder. The land to be conveyed is
8 also subject to a certain Roundwood Supply Agreement
9 between Diamond International Corporation and James
10 River Corporation of Virginia dated as of July 11,
11 1983 (which has been assigned to DOFI and to James
12 River-Norwalk, Inc., respectively, by the original
13 parties). DOFI shall attempt to obtain a release of
14 the lands from the provisions of that Agreement and if
15 it cannot obtain such release the State may terminate
16 this Agreement or it may elect to take title subject
17 to the provisions of the Roundwood Supply Agreement
18 without reduction in the purchase price. Subject to
19 the other terms of this Agreement, including each
20 party's right to cure title defects and the other
21 provisions of this paragraph, the closing shall take
22 place on June 9, 1988 at 11:00 o'clock A.M. at the
23 office of DOFI's attorneys, Mitchell & Stearns, One
24 Merchants Plaza, Bangor, Maine. In the event James
25 River shall have given the 10 day "Notice of Intent"
26 provided for in the Timberland Agreement and if James
27 River shall thereafter fail to give the Exercise
28 Notice provided for in that Agreement, then the
29 closing shall take place on June 9, 1988 or 15 days
30 after the date on which DOFI shall have mailed to the
31 State written notice that James River failed to give
32 the Exercise Notice, whichever date is later. At the
33 closing DOFI shall deliver the deed to convey the
34 lands to the State and the State shall deliver to DOFI
35 a check payable to DOFI in the amount of \$1,477,755.00
36 and either (a) the deed to convey the lands to DOFI if
37 such conveyance can be made at that time or (b) a
38 check in the amount of \$197,245.00 payable to a third
39 party Escrow Agent to be agreed upon by the parties to
40 this Agreement before the date of the closing, to be
41 held by the Escrow Agent in an interest bearing
42 account pursuant to an escrow agreement to be agreed
43 to by the parties to this Agreement before the date of
44 the closing. The deed to convey the lands to DOFI
45 shall be delivered and DOFI shall accept delivery on
46 the day following the effective date of the
47 legislation authorizing the conveyance of the land to
48 DOFI or on the closing date, whichever date is later.

1 The escrow fund shall be for the purpose of securing
2 the payment of the balance of the purchase price or
3 the acceptance of title by DOFI, as the case may be,
4 and if the conveyance of the land by the State to DOFI
5 for any reason, except default by DOFI, cannot be made
6 on the day following the effective date of such
7 legislation or on the closing date, whichever is
8 later, the balance in the escrow fund, including all
9 interest earned thereon, shall be paid to DOFI and the
10 State shall not convey said lands to DOFI. If the
11 conveyance of the lands is made or tendered to DOFI in
12 accordance with the terms of this Agreement, the
13 escrow fund shall be closed out and the interest
14 earned thereon shall be paid to DOFI and the balance
15 shall be paid to the State.

16 8. Termination of Agreement. The parties hereto
17 are aware that legislative authority is necessary to
18 permit the terms hereof to be agreed to by the State;
19 and that this Agreement is therefore contingent upon
20 the granting of such authorization. Upon the granting
21 of such authorization, each party warrants to the
22 other party that it has authority to execute this
23 Agreement and to carry out the transactions provided
24 herein. This Agreement is also subject to final
25 approval by the Governor of the State of Maine. The
26 Bureau of Public Lands shall forthwith diligently seek
27 approval of this transaction by the Governor and by
28 the Legislature. If approval by the Governor and
29 Legislative authorization have not been obtained by
30 5:00 o'clock P.M. on May 2, 1988, this Agreement shall
31 terminate and neither party shall thereafter have any
32 further rights or obligations to the other hereunder.
33 SUBJECT TO THE PROVISIONS OF PARAGRAPH 5, TIME SHALL
34 BE DEEMED TO BE OF THE ESSENCE OF THE CONTRACT WITH
35 RESPECT TO THE DATE OF THE CLOSING AND THE OBLIGATION
36 OF THE STATE TO MAKE FULL PAYMENT AND DEPOSIT OF THE
37 CASH CONSIDERATION AS HEREIN PROVIDED AND THE
38 OBLIGATION OF DOFI TO DELIVER THE DEED FOR THE
39 PROPERTY TO BE CONVEYED TO THE STATE AT THE CLOSING.
40 If either party shall fail to attend the closing or if
41 the State shall fail to pay and deposit the cash
42 consideration in full at the closing or if DOFI shall
43 fail to deliver the deed to the State at the closing,
44 the non defaulting party may terminate this Agreement

1 by giving written notice of termination to the other
2 party. Upon such termination all of the rights of the
3 parties hereunder shall terminate, except with respect
4 to any rights either party may have to the escrow
5 funds. Notice of termination of the Agreement by
6 either party shall be given in writing and shall be
7 mailed to the other party by Registered or Certified
8 mail, return receipt requested. Notice of termination
9 shall be deemed to have been given at such time as
10 such written notice has been deposited in the United
11 States mails, with postage prepaid, addressed to the
12 other party as herein provided. With respect to the
13 closing at which title to the lands is to be conveyed
14 to DOFI or the balance of the purchase price is to be
15 paid to DOFI, as the case may be, time shall also be
16 of the essence; provided, however, that either party
17 may postpone such closing for not more than thirty
18 days by giving notice, either written or oral, to the
19 other party on or before the date of such closing.

20 10. Amendment. This Agreement contains all of
21 the terms and conditions of the agreement between the
22 parties and all prior understandings between the
23 parties have been integrated herein. This Agreement
24 can be amended only by a writing signed on behalf of
25 the parties and any attempted oral modification
26 thereof shall be of no force and effect.

27 11. Binding Effect. This Agreement shall bind
28 the parties and their respective successors and
29 assigns. The State may separately assign its purchase
30 rights to the so-called Tunk Lake HBU tract.

31 12. Notice.

32 Any notice given by one party to the other shall
33 be mailed by Registered or Certified mail, with return
34 receipt requested, with postage prepaid and shall be
35 addressed as follows:

1 If to DOFI:
2 Diamond Occidental Forest Inc.
3 P.O. Box 551
4 Old Town, ME 04468
5 Attention: Arthur C. Larson, President

6 If to State:
7 Edwin Meadows, Jr., Director
8 Bureau of Public Lands
9 Department of Conservation
10 State House Station 22
11 Augusta, Maine 04333

12 In Witness Whereof, the parties have executed this
13 Purchase and Sale Agreement in two counterparts, each
14 of which shall be deemed to be an original instrument,
15 all as of the date first above written.

16 Witness: Diamond Occidental Forest Inc.

17 /s/ Edward H. Keith By /s/ A. C. Larson
18 Arthur C. Larson
19 President

20 State of Maine

21 /s/ Thomas C. Doak By /s/ C. Edwin Meadows, Jr.
22 Its

23 /s/ R. R. LaBonta

1 Schedule A to Agreement Between Diamond
2 Occidental Forest Inc.
3 and

4 The State of Maine

5 T 10 S D

6 A certain lot or parcel of land situated in T 10 S
7 D, Hancock County, Maine and further bounded and
8 described as follows: to wit:

9 The land in said township as shown on the map
10 attached hereto as Exhibit I containing 4466 acres,
11 more or less. The following described parcel, as
12 shown as the excepted parcel on Exhibit I, is not to
13 be included in this conveyance.

14 Beginning at a bolt set in the ground with an old
15 post at the apparent northwesterly corner of land
16 described in a deed from James T. Bryan, Jr. et als to
17 Maine Coast Heritage Trust, dated September 30, 1986
18 and recorded in the Hancock County Registry of Deeds
19 in Book 1603 Page 297: Said bolt being South 62
20 degrees 17 minutes East, four and eight tenths feet
21 (4.8') from a witness post set in the ground: Thence
22 South seventy nine degrees fifty six minutes fifty six
23 seconds west (S 79° 56' 56" W) one thousand six
24 hundred twenty nine and eight hundredths feet
25 (1,629.08') to a bolt set in the ground on the
26 easterly side of the traveled way of a proposed right
27 of way; said bolt being south eighty five degrees
28 fifty two minutes west (S 85° 52' W) one and nine
29 tenths feet (1.9') from a witness post; thence
30 continuing the same course (South 79° 56' 56" West)
31 two thousand eight hundred ten and seventy two
32 hundredths feet (2,810.72') to a bolt set in the
33 ground on the westerly side line of the travelled way
34 of a proposed right of way, said bolt being north
35 seventy nine degrees fifty six minutes fifty six
36 seconds east (N 79° 56' 56" E), three and five tenths
37 (3.5') from a witness post; thence continuing the same

1 course (S 79° 56' 56" W) one thousand five hundred and
2 twenty hundredths feet (1,500.20') to a bolt set in
3 the ground which is north thirty one degrees two
4 minutes east (N 31° 02' E) one and three tenths feet
5 (1.3') from a witness post; thence north ten degrees
6 forty six minutes fifty seven seconds west (N 10° 46'
7 57" W) one thousand five hundred sixty six and fifty
8 nine hundredths feet (1,566.59') to a bolt set in the
9 ground on the northerly side of the travelled way of a
10 proposed right of way, said bolt being south ten
11 degrees thirty three minutes east (S 10° 33' E) one
12 and one tenth feet (1.1') from a witness post; thence
13 continuing the same course (N 10° 46' 57" W) two
14 thousand seven hundred seventy four and sixty three
15 hundredths feet (2,774.63') to a bolt set in the
16 ground on the southerly side of Route #182 leading
17 from Franklin to Cherryfield, said bolt being North
18 nine degrees twenty two minutes west (N 09° 22' W) one
19 and four tenths feet (1.4') from a witness post;

20 Thence continuing the same course (N 10° 46' 57" W)
21 two thousand, two hundred nine and thirty hundredths
22 (2,209.30) feet to a bolt set in the ground on the
23 southerly line of Champion International, said bolt
24 being North eighty degrees fifty minutes West (N 80°
25 50' W), one and eight tenths (1.8) feet from a witness
26 post; thence North seventy nine degrees fifty six
27 minutes fifty six seconds (N 79° 56' 56" E) East by
28 and along said southerly line of land of Champion
29 International, five thousand, nine hundred forty and
30 no tenths (5,940.0) feet to an iron rod found set in
31 the ground; thence South ten degrees fifty eight
32 minutes thirty seven seconds East (S 10° 58' 37" E) by
33 and along the westerly line of land, now or formerly,
34 of J.M. Pierce, five thousand, sixteen and sixteen
35 hundredths (5,016.16) feet to a post found set in the
36 ground on the northerly side of said Route 182; thence
37 South ten degrees eight minutes fifty seconds East (S
38 10° 08' 50" E) by and along said westerly line of
39 land, now or formerly, of J.M. Pierce, one thousand,
40 five hundred thirty-four and forty-eight hundredths
41 (1,534.48) feet to the point of beginning and
42 containing 894.46 acres including the area within Fox
43 Pond and Route 182.

1 Courses given in the above are oriented to Grid
2 North as determined by a solar observation.

3 Also, granting three certain rights of way, to be used
4 in common with Diamond Occidental Forest Inc., and its
5 successors and assigns, bounded and described as
6 follows:

7 1.) Easterly Right of Way

8 Beginning at the intersection of the center line
9 of the travelled way of Route 182 leading from
10 Franklin to Cherryfield with the center line of the
11 travelled way of a private road leading southerly to
12 the southerly line of the above excepted parcel, said
13 point of beginning being North 56 degrees 31 minutes
14 39 seconds West, three hundred ninety-four and
15 fifty-three hundredths (394.53) feet from a post found
16 set in the ground on the northerly side of said Route
17 182 in the apparent westerly line of land, now or
18 formerly, of J.M. Pierce; thence by and along said
19 private road by the following courses and distances:
20 South 58 degrees 17 minutes 08 seconds West, one
21 hundred seventy-six and two hundredths (176.02) feet;
22 South 35 degrees 16 minutes 10 seconds West, one
23 hundred thirty-two and twenty-seven hundredth (132.27)
24 feet; South 56 degrees 23 minutes 02 seconds West,
25 one hundred ninety-four and seventy-six hundredths
26 (194.76) feet; South 65 degrees 28 minutes 24 seconds
27 West, two hundred seventy-three and twenty-nine
28 hundredths (273.29) feet; South 56 degrees 59 minutes
29 05 seconds West, two hundred twenty-three and
30 thirty-nine hundredths (223.39) feet; South 24 degrees
31 40 minutes 12 seconds West, one hundred one and
32 fifty-nine hundredths (101.59) feet; South 68 degrees
33 48 minutes 09 seconds West, two hundred ninety-seven
34 and no hundredths (297.00) feet; South 50 degrees 41
35 minutes 12 seconds West, four hundred and forty-seven
36 hundredths (400.47) feet; South 10 degrees 38 minutes
37 47 seconds West, three hundred twenty-one and
38 twenty-three hundredths (321.23) feet; South 42
39 degrees 29 minutes 38 seconds East, two hundred
40 fifty-two and eighty-five hundredths (252.85) feet;

1 South 71 degrees 06 minutes 03 seconds East, eighty
2 and seventeen hundredths (80.17) feet; South 49
3 degrees 02 minutes 39 seconds East, one hundred
4 ninety-two and no hundredths (192.00) feet; South 16
5 degrees 45 minutes 54 seconds East, three hundred
6 seventy-eight and eighty-six hundredths (378.86) feet
7 to a point in the southerly line of said excepted
8 parcel which is South 79 degrees 56 minutes 56 seconds
9 West, seven and twenty-eight hundredths (7.28) feet
10 from a bolt set in the ground, said bolt being South
11 82 degrees 52 minutes West, one and nine tenths (1.9)
12 feet from a witness post and South 79 degrees 56
13 minutes 56 seconds West, one thousand, six hundred
14 twenty-nine and eight hundredths (1,629.08) feet from
15 a bolt set in the ground at the southeasterly corner
16 of said excepted parcel.

17 Courses given in the above are oriented to Grid
18 North as determined by a solar observation.

19 2.) Westerly Right of Way #1

20 Beginning at the intersection of the center line
21 of the travelled way of Route 182 leading from
22 Franklin to Cherryfield with the center line of the
23 travelled way of a private road leading southerly to
24 the southerly line of said excepted parcel, said point
25 of beginning being South 72 degrees 47 minutes 54
26 seconds East, one thousand five hundred fifty-four and
27 twenty-six hundredths (1,554.26) feet from a bolt set
28 in the ground on the southerly side of said Route 182
29 and in the westerly line of said Parcel 1, said bolt
30 being North 9 degrees 22 minutes West, one and four
31 tenths (1.4) feet from a witness post; thence by and
32 along said private road by the following courses and
33 distances: South 35 degrees 51 minutes 46 seconds
34 West, fifty-five and forty hundredths (55.40) feet;
35 South 43 degrees 01 minutes 51 seconds West, one
36 hundred eighty-eight and ninety-three hundredths
37 (188.93) feet; South 27 degrees 52 minutes 17 seconds
38 West, eighty-six and twenty-three hundredths (86.23)
39 feet; North 80 degrees 05 minutes 29 seconds West, two
40 hundred twenty-nine and forty-two hundredths (229.42)
41 feet; South 77 degrees 45 minutes 50 seconds West, one
42 hundred four and ninety-nine hundredths (104.99) feet;

1 South 89 degrees 40 minutes 54 seconds West,
2 sixty-three and eighty hundredths (63.80) feet; South
3 61 degrees 16 minutes 49 seconds West, eighty-five and
4 seventy-two hundredths (85.72) feet; South 0 degrees
5 37 minutes 32 seconds West, three hundred thirty-six
6 and sixty-two hundredths (336.62) feet; South 18
7 degrees 51 minutes 32 seconds West, one hundred
8 forty-one and eighty hundredths (141.80) feet; South
9 33 degrees 54 minutes 33 seconds West, ninety and
10 eighty-five hundredths (90.85) feet; South 0 degrees
11 57 minutes 15 seconds East, one hundred seventy-three
12 and eighty-eight hundredths (173.88) feet: South 17
13 degrees 18 minutes 11 seconds West, one hundred
14 ninety-eight and fifty-five hundredths (198.55) feet:
15 South 22 degrees 57 minutes 59 seconds East,
16 sixty-four and sixty-two hundredths (64.62) feet;
17 South 20 degrees 31 minutes 34 seconds East, one
18 hundred thirty-seven and fifty-eight hundredths
19 (137.58) feet; South 38 degrees 04 minutes 09 seconds
20 East, eighty-one and two hundredths (81.02) feet;
21 South 30 degrees 44 minutes 41 seconds East,
22 ninety-six and two hundredths (96.02) feet to the
23 intersection with a private road leading to the
24 westerly line of said excepted parcel, said
25 intersection point being South 7 degrees 02 minutes 50
26 seconds East, fifteen and fourteen hundredths (15.14)
27 feet from a bolt set in the ground North 30 degrees 36
28 minutes West, two and seven tenths (2.7) feet from a
29 witness post;

30 Thence continuing by and along said private road
31 by the following courses and distances: South 61
32 degrees 59 minutes 26 seconds East, ninety-eight and
33 ninety-two hundredths (98.92) feet; South 44 degrees
34 50 minutes 52 seconds East, one hundred thirty and
35 ninety-nine hundredths 130.99 feet; South 74 degrees
36 36 minutes 18 seconds East, one hundred forty-six and
37 ninety-seven hundredths (146.97) feet; North 77
38 degrees 42 minutes 36 seconds East, two hundred nine
39 and twenty four hundredths feet (209.24'); North 63
40 degrees 26 minutes 35 seconds East, seventy one and
41 eighteen hundredths feet (71.18'): South 59 degrees
42 22 minutes 19 seconds East fifty three and forty seven
43 hundredths feet (53.47'): South 47 degrees 17 minutes
44 08 seconds East sixty four and no hundredths feet

1 (64.00'): South 61 degrees 39 minutes 36 seconds East
2 one hundred thirty four and forty hundredths
3 (134.40'): South 38 degrees 45 minutes 41 seconds
4 East eighty three and eighty seven hundredths feet
5 (83.87'); South 15 degrees 32 minutes 03 seconds East
6 one hundred seventy three and twenty hundredths feet
7 (173.20'): South 52 degrees 23 minutes 57 seconds
8 East one hundred seventy seven and forty four
9 hundredths feet (177.44'); South 20 degrees 58 minutes
10 25 seconds East fifty five and ninety one hundredths
11 feet (55.91'): South 23 degrees 59 minutes 19 seconds
12 West, two hundred forty and seventy-four hundredths
13 (240.74) feet; South 9 degrees 38 minutes 16 seconds
14 East, one hundred one and fifty-two hundredths
15 (101.52) feet; South 2 degrees 51 minutes 04 seconds
16 West, one hundred eighty-four and eleven hundredths
17 (184.11) feet; South 19 degrees 53 minutes 34 seconds
18 East, one hundred fifty-three and thirty-three
19 hundredths (153.33) feet; South 2 degrees 21 minutes
20 51 seconds East, sixty-five and sixty-four hundredths
21 (65.64) feet; South 28 degrees 34 minutes 18 seconds
22 East, one hundred thirty-nine and no hundredths
23 (139.00) feet; South 65 degrees 11 minutes 18 seconds
24 East, two hundred and no hundredths (200.00) feet;
25 South 72 degrees 01 minute 02 seconds East, one
26 hundred forty and twenty-three hundredths (140.23)
27 feet; South 32 degrees 39 minutes 22 seconds East,
28 ninety-nine and forty-five hundredths (99.45) feet;
29 South 9 degrees 11 minutes 31 seconds East,
30 seventy-one and fifteen hundredths (71.15) feet; South
31 22 degrees 09 minutes 27 seconds East, sixty-one and
32 ninety-eight hundredths (61.98) feet; South 7 degrees
33 44 minutes 12 seconds West, one hundred three and
34 eighteen hundredths (103.18) feet; South 1 degree 21
35 minutes 54 seconds East, one hundred four and
36 ninety-seven hundredths (104.97) feet to a point in
37 the southerly line of said excepted parcel which is
38 North 79 degrees 56 minutes 56 seconds East,
39 twenty-six and twenty-nine hundredths (26.29) feet
40 from a bolt set in the ground; said bolt being North
41 79 degrees 56 minutes 56 seconds East, three and five
42 tenths (3.5) feet from a witness post and North 79
43 degrees 56 minutes 56 seconds East, one thousand, five
44 hundred and twenty hundredths (1,500.20) feet from the
45 southwesterly corner of said excepted parcel.

1 Westerly Right of Way #2

2 Beginning at the above mentioned intersection
3 point of the private road leading to the westerly line
4 of said excepted parcel; thence by and along said
5 private road by the following courses and distances:
6 South 43 degrees 25 minutes 48 seconds West, one
7 hundred sixty-three and ninety-eight hundredths
8 (163.98) feet; South 5 degrees 27 minutes 58 seconds
9 West, one hundred thirteen and sixty-one hundredths
10 (113.61) feet; South 5 degrees 51 minutes 27 seconds
11 West, one hundred twenty-eight and seventy-nine
12 hundredths (128.79) feet; South 3 degrees 21 minutes
13 28 seconds East, one hundred two and seventy-nine
14 hundredths (102.79) feet; South 15 degrees 58 minutes
15 10 seconds West, one hundred thirty-four and forty-one
16 hundredths (134.41) feet; South 46 degrees 42 minutes
17 20 seconds West, eighty-eight and seventy-five
18 hundredths (88.75) feet; South 37 degrees 01 minute 37
19 seconds West, one hundred twenty-seven and ninety-six
20 hundredths (127.96) feet to a point in the westerly
21 line of said excepted parcel which is south 10 degrees
22 46 minutes 57 seconds East, seventeen and twenty-six
23 hundredths feet (17.26') from a bolt set in the
24 ground, said bolt being South 10 degrees 33 minutes
25 East, one and one tenths (1.1) feet from a witness
26 post and North 10 degrees 46 minutes 57 seconds West,
27 one thousand, five hundred sixty-six and fifty-nine
28 hundredths (1,566.59) feet from a bolt set in the
29 ground at the southwesterly corner of said excepted
30 parcel.

31 Courses given in the above are oriented to Grid
32 North as determined by a solar observation.

33 The above described rights of way to be 66' feet
34 wide, 33' feet on each side of the above described
35 centerlines lines.

36 Excepting and reserving to Diamond Occidental
37 Forest Inc., and its successors and assigns, from the
38 herein conveyed parcel a certain right of way, sixty
39 six feet wide, to be used in common with the State and

1 its assigns, bounded and described as follows:

2 Beginning at a point on the northerly line of the
3 herein described parcel, in the center of a main
4 gravel haul road. Said point is approximately five
5 hundred ninety four feet (594'+/-) from the
6 northwesterly corner of the above excepted parcel.
7 Thence southerly along the centerline of said road for
8 approximately two thousand one hundred feet
9 (2,100'+/-) to a point in the northerly side line of
10 said Route #182. Said last mentioned point is
11 approximately four hundred thirty feet (430'+/-) from
12 the intersection of the westerly line of the above
13 excepted parcel and the northerly side line of said
14 Route #182.

15 Meaning and intending to convey that portion of
16 the premises conveyed by deed of Harold C. Bowen to
17 Prentiss and Carlisle Company Inc. dated October 25,
18 1950 and recorded in the Hancock County Registry of
19 Deeds in Book 737, Page 374 that lies within said T 10
20 S D. The herein described parcel being parcel number
21 three, containing, according to said deed, one
22 thousand acres.

23 Also meaning and intending to convey the same
24 premises conveyed by Margaret R. Homer and Merritt W.
25 Eldridge to Prentiss and Carlisle Company dated May
26 20, 1949 and recorded in said registry in Book 725,
27 Page 547 containing, according to said deed, one
28 thousand fifty four acres.

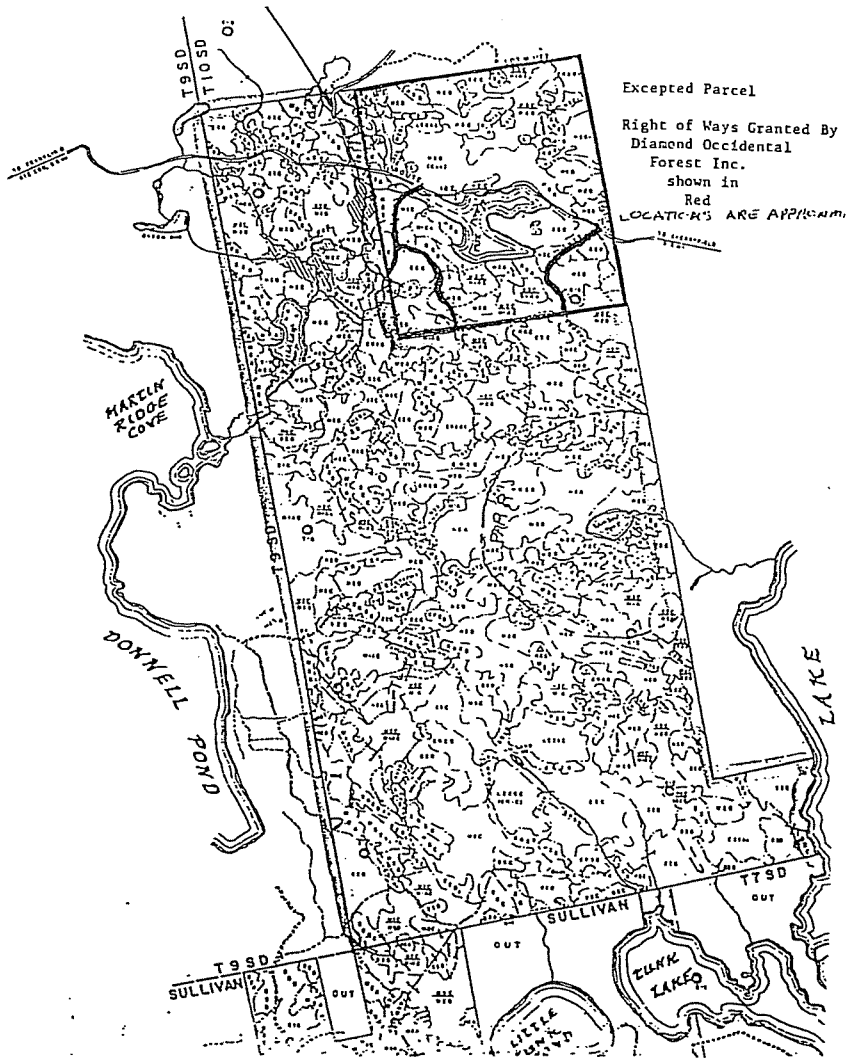
29 Also meaning and intending to convey, except for
30 the portion hereinabove excepted, those premises
31 described in the deed of Mary Ridlon et al to Diamond
32 International Corporation dated November 1, 1978 and
33 recorded in book 1338 page 504. For grantors source
34 of title to the last mentioned parcel reference may be
35 had to deed of Harold M. Pierce to Prentiss and
36 Carlisle Company Inc. dated June 13, 1944 and recorded
37 in said registry in Book 700 Page 274 and to deed of
38 Prentiss and Carlisle Company Inc. to Diamond
39 International Corporation dated September 21, 1967 and
40 recorded in said registry in Book 1047 Page 235. Also

1 reference may be had to said deed of Mary Ridlon et al
2 to Diamond International Corporation dated November 1,
3 1978 and recorded in said registry in Book 1338 Page
4 504.

EXHIBIT I

Right of way Reserved By
Diamond Occidental Forest Inc.

0:



1 SULLIVAN

2 A certain lot or parcel of land situated on the
3 northeasterly side of Flanders Pond, so called, in
4 Sullivan, Hancock County, Maine and further bounded
5 and described as follows, to wit;

6 The land in said township shown on the map
7 attached hereto as Exhibit II. containing 963 acres,
8 more or less.

9 For source of title, reference may be had to deed
10 of Prentiss and Carlisle Company, Inc. to Diamond
11 International Corporation dated September 21, 1967 and
12 recorded in the Hancock County Registry of Deeds in
13 Book 1047 Page 235. The above parcel being described
14 as parcels one and two, in Sullivan, in said deed.
15 Further reference may be had to deed of Oscar havey
16 (sic) to Prentiss and Carlisle Company Inc. dated June
17 15, 1966 and recorded in said registry in Book 1014
18 Page 192. Further reference may also be had to of
19 Eugene C. and Roger E. Hanna to Prentiss and Carlisle
20 Company Inc. dated February 28, 1951 and recorded in
21 said registry in Book 739 Page 432.

1 Schedule B to Agreement Between Diamond Occidental
2 Forest Inc. And The State of Maine

3 T3ND

4 A certain lot or parcel of land situated in Township 3
5 N D, Hancock County, Maine and further bounded and
6 described as follows, to wit:

7 All right, title and interest of the State of Maine in
8 and to the public lots in said town. Meaning and
9 intending to convey a 50% interest, in common and
10 undivided, in and to said lots, as shown on the map
11 attached hereto as Exhibit III, being approximately
12 480 acres.

13 T8R4 WELS

14 A certain lot or parcel of land situated in Township 8
15 Range 4 WELS Aroostook County, Maine and further
16 bounded and described as follows, to wit:

17 All of the State interest in common and undivided in
18 T8R4 WELS amounting to approximately one hundred
19 twenty eight acres (128).

Exhibit III



1 ; and be it further

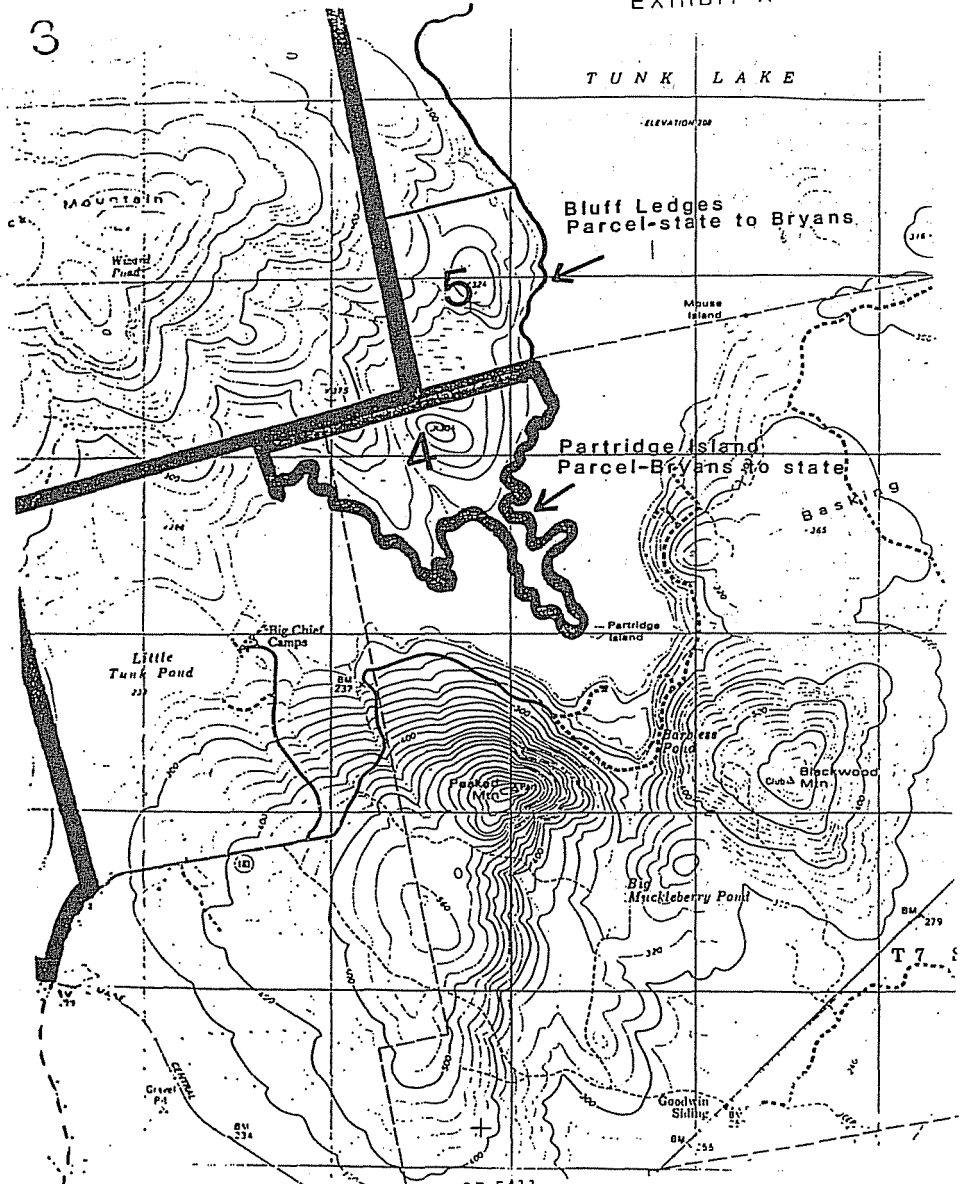
2 Director of the Bureau of Public Lands authorized
3 to consummate the exchange of certain Public Reserved
4 Land. Resolved: That the Director of the Bureau of
5 Public Lands is authorized to consummate the exchange
6 of certain Public Reserved Land contemplated by an
7 agreement pursuant to a letter of intent between the
8 State of Maine and James T. Bryan, Jr. and Robert A.
9 Bryan (hereinafter the "Bryans") in accordance with
10 the following terms and conditions: The Bryans shall
11 convey to the State the "Partridge Island Parcel,"
12 being approximately 210 acres, shown as #4 on Exhibit
13 A, which is attached hereto and incorporated herein
14 for all purposes. The Bryans shall pay to the State
15 the sum of fifty thousand dollars (\$50,000). The
16 State shall convey to the Bryans approximately 146
17 acres of land, shown as #5 on Exhibit A, and known as
18 the "Bluff Ledges Parcel." Both parties understand
19 that these transactions are subject to the approval of
20 the Governor and the Legislature. Any and all land
21 acquired by the State under this authority shall be
22 for all purposes, Public Reserved Land of the State.
23 The State shall not convey any land or interest
24 therein which comprises a public road or great pond.

3

EXHIBIT A

TUNK LAKE

ELEVATION 300



1 FISCAL NOTE

2 The fiscal impact of the land transactions
3 contained in this resolve results in a payment of
4 \$1,477,755 in fiscal year 1987-1988. Such payment
5 shall be in accordance with the terms of agreement
6 between the State of Maine and Diamond Occidental
7 Forest, Inc. and paid for from existing funds in the
8 Public Reserved Lands Acquisition Fund. The Public
9 Reserved Lands Acquisition Fund shall receive revenues
10 in the amount of \$250,000 in fiscal year 1988-1989
11 from other parties in the trades for an overall net
12 cost to the fund including closing fees of \$1,252,755.

13 STATEMENT OF FACT

14 This resolve authorizes the exchange of certain
15 Public Reserved Lands which, along with cash from the
16 Public Lands Acquisition Account, will be used to
17 acquire an outstanding parcel of land in Hancock
18 County. The parcel contains several miles of
19 undeveloped shore frontage including significant
20 frontage on Donnell Pond and Tunk Lake. The nearly
21 7,000 acre parcel will provide numerous public
22 recreation opportunities while offering many chances
23 for the bureau to conduct wildlife enhancement and
24 forest management projects. In addition, the State
25 will acquire 281 acres adjacent to the Allagash
26 Wilderness Waterway. The land that the bureau is
27 conveying is primarily forestland with very limited
28 public recreation value. The land being acquired has
29 many public values associated with it and will provide
30 permanent public access to the 7,000 acre parcel.
31 This resolve also authorizes acquisition by the State
32 of frontage on Tunk Lake.

33

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