Mr. Steve Metheny, Exec. Vice President  
Carson Helicopters, Inc.  
828 Brookside Blvd.  
Grants Pass, OR 97526

Dear Mr. Metheny:

RE: Contract No. AG-024B-C-06-9354—National Exclusive Use Initial Attack Helicopter Services, Item No. 1 John Day N61NH, Item No.3 Missoula N103WF, Item No. 4 Twin Bridges (Dillon) N725JH, Item No. 5 Ogden N7011M and Item No.9 Santa Ynez N4503E.

CURE NOTICE

On September 26, 2008 we had two helicopters weighed for quality assurance; helicopters N61NH and N7011M. The aircraft reweighing validated significant weight discrepancies from the weights initially submitted in your initial proposal. The results of the reweighing are as follows:

<table>
<thead>
<tr>
<th>Aircraft</th>
<th>Bid Equipped Weight From Contract Award</th>
<th>Mutually Agreed to Additions to Bid Weight</th>
<th>Weight as Weighed in Redmond (9/25/2008)</th>
<th>Other Additions to &quot;As Weighed&quot; Weight</th>
<th>Subtractions to &quot;As Weighed&quot; Weight</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>N61NH</td>
<td>11353</td>
<td>125</td>
<td>11787</td>
<td>68</td>
<td>0</td>
<td>377</td>
</tr>
<tr>
<td>Note: Equipment mutually agreed to for this aircraft includes the aft cabin soundproofing (120 lbs) and aft cabin radio (5 lbs). Other additions are the weight of 4 seats (68 lbs) to bring the aircraft up to a 16 passenger configuration. The cargo box was removed before the aircraft was weighed.</td>
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<td></td>
</tr>
<tr>
<td>N7011M</td>
<td>11347</td>
<td>5</td>
<td>11843</td>
<td>30</td>
<td>95</td>
<td>428</td>
</tr>
<tr>
<td>Note: Equipment mutually agreed to for this aircraft includes the aft cabin radio (5 lbs). The aft cabin soundproofing (120 lbs) is not annotated as being installed on the current Chart C. Other additions are the weight of 2 seats (30 lbs) to bring the aircraft up to a 16 passenger configuration. The cargo box was installed when the aircraft was weighed and is now subtracted.</td>
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<td></td>
</tr>
</tbody>
</table>

The contract states the helicopters equipped weight shall remain at or below contracted equipped weight as bid. Please reference C-5 A.16 Aircraft Maintenance which states:

Helicopter(s) under initially awarded contract(s) under this solicitation shall remain at or below contracted helicopter equipped weight as bid. Helicopters will...
be allowed 1% above the awarded contracted helicopter equipped weight during the contract option period(s). The aircraft’s equipped weight is determined using weight and balance data which was determined by actual weighing of the aircraft within 24 months preceding the starting date of the MAP and 36 months thereafter or following any major repair or major alteration or change to the equipment list which significantly affects the center of gravity of the aircraft. If the government requires additional equipment after contract award no penalty will be assessed.

The discrepancies in the weights of the two recently weighed helicopters are significant enough to question the actual bid weights of the three remaining helicopters awarded under this contract. The remaining three helicopters will also be reweighed immediately and will be unavailable after they are weighed. The three helicopters (N103WF-Mariposa, N725HJ- Twin bridges/Dillon, and N4503E Santa Yanez) will be flown direct to the Forest Service facility in Redmond, OR. Do not have equipment removed or accomplish additional maintenance actions that will change the weight of the aircraft. Once at Redmond please have the necessary personnel and equipment to remove the water tank and snorkel, defuel the aircraft and configure it in accordance with the contract.

The costs for all reinspection will be made in accordance with C-23 B. Inspections During Use states: Should the inspections/tests reveal deficiencies that require corrective action and subsequent re-inspection, the actual costs incurred by the Government may be charged to the Contractor.

This cure notice is being issued as an opportunity to provide an explanation of why the helicopters are not meeting the contract equipped weights as per C-5 Aircraft Maintenance. Carson Helicopters has 10 calendar days from receipt of this notice to provide an explanation. We will review your documentation and the results of the weighing and make the decision to continue or terminate for cause. The two helicopters N81NH and N7011M and the three remaining helicopter after weighing will be unavailable until we have received and reviewed the documentation.

If you have any questions, please call me at (208) 387-5347.

Sincerely,

[Signature]
FRANK GOMEZ
CONTRACTING OFFICER

cc: Vince Welbaum-NIFC
    John Nelson-NIFC
    Charles Taylor-NIFC