



MINNESOTA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY

NOTICE OF SALE OF STUMPAGE ON STATE LANDS IN THE FOLLOWING AREA:
TWO HARBORS AREA

STATUS: COMPLETED
INTERMEDIATE AUCTION - SALE #1
ORAL BID

Notice is hereby given that I offered for sale at public auction in Silver Bay, MN at 9:45 AM on Thursday, January 14, 2016, timber belonging to the State of Minnesota. All tracts were offered at the Tettegouche State Park Visitor Center in Silver Bay, MN.

All of the timber offered was SFI and FSC certified.

The following pages list the lands upon which the timber was located, the estimated quantities of timber offered, the appraised prices, and the bid prices.



The resource management of the Minnesota DNR's state forests and wildlife management areas meets the objectives of the SFI ® program (Certificate No. NSF-SFI-FM-6Y921) and the principles of the FSC ® certification standard (Certificate No. SCS-FM/COC-00088N).

FSC
100%



MINNESOTA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY
INTERMEDIATE AUCTION
ORAL BID TIMBER SALE
TWO HARBORS AREA

9:45 AM on January 14, 2016
Tettegouche State Park Visitor Center in Silver Bay, MN

TERMS OF SALE

- This auction sale will be held according to Minnesota Statutes Sections 90.101 and 90.14. Timber shall be offered and sold by the same unit of measure as it was appraised. Sale shall be made to whoever bids the highest price for all timber species advertised for bidding on each tract. Bidding over the appraised price shall be by increments of one (1) percent or more. The percent bid up will be added to the appraised price of each species indicated as a bid species by a plus symbol (+) on the Notice of Sale. Any or all bids may be rejected and sales canceled for good and sufficient reasons.

REGISTRATION AND ELIGIBLE BIDDERS

- Interested persons must be registered at least four (4) business days prior to the auction by submitting an *Annual Timber Sales Purchaser Registration* form. No bid will be accepted from anyone having a delinquent timber sale account or trespass account or a willful timber trespass with any public agency in Minnesota, or from anyone who does not qualify as a Responsible Bidder as defined in Minnesota Statutes § 90.01 (12), or from anyone who has been debarred for cause by any public agency [M.S. § 90.041 (11)]. Purchase is limited to registered persons or companies with 30 or fewer employees. No bidder may purchase more than twenty-five (25) percent of the tracts offered on the first round of bidding. Purchases or attempts to purchase tracts beyond the twenty-five (25) percent limit will result in the forfeiture of the down payment and loss of the tract.

DOWN PAYMENT

- Purchasers of timber must pay a down payment of fifteen (15) percent of the appraised value of the timber at the time the purchaser's bid is approved. The down payment will be kept on deposit by the State and applied against any billings for timber. The purchaser may elect to have the down payment refunded if they post security for one hundred (100) percent of the bid price of the timber (see Security Required). If the purchaser does not sign the permit document within 45 days of sale, the down payment will forfeit to the State. A permit signature extension of 10 business days may be granted, provided the purchaser pays a \$200 penalty.

BID GUARANTEE

- For any bid increase in excess of \$10,000 of the appraised price, a bid guarantee equal to fifteen (15) percent of the total bid price of the timber less the down payment amount is required at the time the permit is signed. If the bid guarantee is not submitted with the signed permit, the permit cancels, and the down payment forfeits to the State. If the permit holder fails to execute an effective permit, the bid guarantee payment forfeits to the State.

PURCHASER AND LOGGER QUALIFICATIONS AND OPERATIONS REQUIREMENTS

- The purchaser or the purchaser's agents, employees, subcontractors, and assigns conducting logging operations on a timber permit must comply with the general industry safety standards for logging (e.g., LogSafe) adopted by the Commissioner of Labor and Industry and provide proof of compliance with these standards. The purchaser or the purchaser's agents, employees, subcontractors, and assigns conducting logging operations on a timber permit must comply with the State of Minnesota mandatory insurance requirements before harvest operations begin. A *Certification of Compliance with the Minnesota Workers' Compensation Law* form must be submitted each year. Before the start of harvest operations, the purchaser must certify that a designated foreperson, who will be supervising active logging operations, has a current certificate of completion from a logger education program (e.g., MLEP or FISTA) approved by the Commissioner of Natural Resources.

SECURITY REQUIRED

- The purchaser must furnish security equal to the total bid value of the permit, LESS the amount paid as a down payment and bid guarantee. Security can be furnished in the following forms: Corporate surety bond, Letter of Credit, certified check, cashier's check, personal check, money order, or by signing a Cutting Block Payment Agreement for individual cutting blocks, at least one business day prior to the start of any permit operations. If the purchaser elects to receive a refund of the down payment and bid guarantee, they must furnish security in a form described above, for one hundred (100) percent of the total bid value of the timber purchased. If the deferred cash payment for cutting blocks is selected, the down payment and bid guarantee WILL NOT be refunded. If the purchaser elects to secure a permit by prepayment of cutting block(s), they must make a written request on a form provided by the state. No harvesting is permitted until proper security has been furnished to and approved by the Commissioner of Natural Resources or his agent.

PERMIT TERMS

- A permit to harvest and remove the timber from state lands will be issued to the purchaser. NO permit shall be issued to anyone other than the purchaser in whose name the bid was made. All timber purchased on the permit must be harvested prior to the permit expiration date. All permits provide for the continuous identification of timber from the time of cutting until delivery to the consumer. Failure to continuously identify the timber as specified in the permit shall constitute trespass. Also, please note all harvest specifications on each tract being sold. Only one Regular Extension is permitted for exceptional circumstances. An annual interest rate of 5 percent may be charged on a regular extension for the period of the extension.

UNSOLD TRACTS

- On the next regular business day (8:00 AM - 4:30 PM, Monday - Friday, except holidays) after the date of the auction sale, unsold tracts may be available for over-the-counter purchase at the appraised price for a period of no more than one year. Unless canceled for reoffer at an earlier date, unsold tracts will be available until January 14, 2017, at the following Area Headquarters: Two Harbors Area. Beginning 30 days after the auction date, an unsold intermediate auction tract may be purchased by any registered responsible bidder, i.e., purchase is no longer limited to businesses with 30 or fewer employees.

TRACT X1

COUNTY: LAKE

AREA: TWO HARBORS AREA

ACRES: 63.3

Permit Number: X014959
Expiration Date: 05/31/2019

Purchased By: Fjeran's Forest Prod.
Address: 1801 Hwy 3, Two Harbors, MN 55616

SESW,SWSW of Section 21; NENW,NWNW of Section 28 - Township 57, Range 7W.
NENE,NWNE of Section 20 - Township 57, Range 7W.
NENW,NWSE,SESW,SWNE of Section 28 - Township 57, Range 7W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 55	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	WOODSRUN CORDWOOD	411.00	Cd	17.63	7,245.93	27.33	11,232.63
+ BALSAM FIR	WOODSRUN CORDWOOD	163.00	Cd	10.84	1,766.92	16.80	2,738.40
+ MIXED SPRUCE	WOODSRUN CORDWOOD	132.00	Cd	11.56	1,525.92	17.92	2,365.44
NORTHERN HARDWOODS	WOODSRUN CORDWOOD	82.00	Cd	8.67	710.94	8.67	710.94
ASH	WOODSRUN CORDWOOD	25.00	Cd	5.06	126.50	5.06	379.50

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$11,376.21
ADVANCE PAYMENT = \$1,706.43
BID TOTAL = \$ 17,426.91

Optional Timber (may be purchased with an Added Timber Agreement):

ANY LISTED SPECIES BIOMASS 282.00 Tons 0.85 239.70

Mixed Species Description:

Aspen Species Woodsrun Cordwood includes: Balm of Gilead 24%; Trembling Aspen 76%.
Mixed Spruce Woodsrun Cordwood includes: Black Spruce 5%; White Spruce 95%.
Northern Hardwoods Woodsrun Cordwood includes: Paper Birch 62%; Red Maple 6%; Sugar Maple 32%.

Cutting and Felling:

- Harvest aspen, paper birch, balsam fir, and spruce 9+ inches DBH (Cutting Block 2).
- Harvest aspen, paper birch, balsam fir, ash, and maple (Cutting Block 1).
- Harvest white spruce, balsam fir, paper birch, and aspen (Cutting Block 3).

Season of Operations:

- Conduct sale operations on dry or frozen soil conditions only, except with written permission from State (Cutting Blocks 1, 2, and 3).

Sale Conditions:

- Access is across private, county, and state land (Cutting Blocks 1 and 2).
- Access is across state land (Cutting Block 3).
- Permission to cross private and county land must be obtained by permittee (Cutting Blocks 1 and 2).

Marketing Conditions:

Averages:
Aspen - 10" DBH, 4.5 stick
Balsam fir - 9" DBH, 3.5 stick
Spruce - 12" DBH, 4.5 stick
Maple - 10" DBH, 3 stick
Paper birch - 9" DBH, 3.5 stick
Ash - 8" DBH, 3 stick

Price Adjustments:

Road Construction Costs: 0%
Haul Distance to Nearest Mill: 0%
Stand Density: 0%

Operational Constraints: -5%
Other Price Factor: -10% (Lake County Reduction)

Appraiser:

Jason A. Bushmaker

(Appraisal ID 11588-0; Cutting Block ID 13295-0, 13557-0, 13555-0)

TRACT X2

COUNTY: LAKE

AREA: TWO HARBORS AREA

ACRES: 43.0

Permit Number: X014960
Expiration Date: 05/31/2019

Purchased By: Futurewood Corp
Address: 9676 N Kruger Rd, Hayward, WI 54843

SWSW of Section 3; NWNW,NWSW,SENE,SWNE,SWNW of Section 10; NENE,NESE,SENE of Section 9 - Township 57, Range 8W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 90	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ PAPER BIRCH	WOODSRUN MIXED PRODUCTS	450.00	Cd	7.29	3,280.50	13.85	6,232.50
+ NORWAY PINE	WOODSRUN MIXED PRODUCTS	200.00	Cd	10.00	2,000.00	19.00	3,800.00
+ ASPEN SPECIES	WOODSRUN CORDWOOD	160.00	Cd	14.07	2,251.20	26.73	4,276.80
+ MIXED SPRUCE	WOODSRUN MIXED PRODUCTS	90.00	Cd	8.31	747.90	15.79	1,421.10
	BALSAM FIR	75.00	Cd	6.38	478.50	6.38	478.50
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$8,758.10	BID TOTAL = \$	16,208.90
				ADVANCE PAYMENT =	\$1,313.72		

Optional Timber (may be purchased with an Added Timber Agreement):

ANY LISTED SPECIES BIOMASS 225.00 Tons 0.65 146.25

Mixed Species Description:

Aspen Species Woodsrun Cordwood includes: Balm of Gilead 1%; Trembling Aspen 99%.
Mixed Spruce Woodsrun Mixed Products includes: Black Spruce 5%; White Spruce 95%.

Mixed Product Description:

Mixed Spruce Woodsrun Mixed Products includes: Bolts 15%; Pulpwood 85%.
Norway Pine Woodsrun Mixed Products includes: Bolts 25%; Pulpwood 75%.
Paper Birch Woodsrun Mixed Products includes: Bolts 15%; Pulpwood 85%.

Cutting and Felling:

- Harvest birch, aspen species, balsam fir, spruce, and Norway pine. Stand "A"- is a birch and aspen clearcut with reserves area. Within the RMZ thin down to approximately 60 basal area. Stand "B"- is a strip thinning. Harvest 15ft wide skid trails and then thin the 30ft wide leave strips. Favor reserving the Norway by first removing all non pine species. Secondly thin/remove the balsam and spruce. Lastly thin the Norway pine to allow for even crown spacing, effectively removing between 40-50% of the overall volume within the stand. Stand "C"- is a Norway pine single tree selection thinning. Start by removing the aspen. Second remove and thin the balsam fir and spruce as needed. Third evenly thin the Norway pine by removing every other tree to create even crown spacing for future growth of the stand.
- Reserve 3-5 yellow birch per acre in birch clear cut area. Also reserve individual yellow birch in pine thinning areas when not a constraint to operations.

Season of Operations:

- Conduct sale operations on dry/ frozen soil conditions only, except with written permission from State.

Sale Conditions:

- Access is across state land.

Marketing Conditions:

This sale is located off the Heffelfinger Forest Road halfway between Finland and the Cloquet lake Road. Most all of the sale has good dry summer operability, access to stand B has one low spot to get to the stand.

The wood is of good quality. The birch averages 9-12 inches and 5 sticks. The Norway pine mostly consists of 8-12 inch

trees with some trees being 16 inch diameter and 4-6 sticks. The aspen averages 9-12 inch trees with an average height of 5 sticks.

Price Adjustments:

Road Construction Costs: 0%

Haul Distance to Nearest Mill: 0%

Stand Density: 0%

Operational Constraints: 0%

Other Price Factor: -35% (Lake County Reduction)

Appraiser:

Steven Anthony Sovinski

(Appraisal ID 11362-0; Cutting Block ID 13309-0)

TRACT X3

COUNTY: LAKE

AREA: TWO HARBORS AREA

ACRES: 43.2

Permit Number: X014961

Expiration Date: 05/31/2019

Purchased By: Jule Foster Logging

Address: 10502 Hwy 1, Isabella, MN 55607

NENE of Section 12 - Township 57, Range 11W.

NWNE of Section 7 - Township 57, Range 10W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ MIXED SPRUCE	WOODSRUN MIXED PRODUCTS	242.00	Cd	12.26	2,966.92	12.26	2,966.92
+ PAPER BIRCH	WOODSRUN CORDWOOD	171.00	Cd	6.63	1,133.73	6.63	1,133.73
+ BALSAM FIR	WOODSRUN CORDWOOD	131.00	Cd	8.29	1,085.99	8.29	1,085.99
+ ASPEN SPECIES	WOODSRUN CORDWOOD	80.00	Cd	14.07	1,125.60	14.07	1,125.60
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$6,312.24	BID TOTAL = \$	6,312.24
				ADVANCE PAYMENT =	\$946.84		

Optional Timber (may be purchased with an Added Timber Agreement):

ANY LISTED SPECIES	BIOMASS	280.00	Tons	0.65	182.00
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Mixed Species Description:

Aspen Species Woodsrun Cordwood includes: Balm of Gilead 1%; Trembling Aspen 99%.
Mixed Spruce Woodsrun Mixed Products includes: Black Spruce 60%; White Spruce 40%.

Mixed Product Description:

Mixed Spruce Woodsrun Mixed Products includes: Bolts 33%; Pulpwood 67%.

Cutting and Felling:

- Harvest all aspen species, black spruce, balsam fir and paper birch. Thin white spruce plantation to 80-100 residual basal area.

Season of Operations:

- Conduct sale operations on frozen soil conditions only, except with written permission from State.
- Frozen ground access across state.

Sale Conditions:

- Access is across state land.

Marketing Conditions:

Mixed spruce: 9-12" DBH, 4 stick average
Aspen species: 10-14" DBH, 4-5 stick average
Paper birch: 8-10" DBH, 2-3 stick average
Balsam fir: 6-8" DBH, 2-3 stick average

Price Adjustments:

Road Construction Costs: 0%
Haul Distance to Nearest Mill: 0%
Stand Density: 0%
Operational Constraints: 0%
Other Price Factor: -35% (Lake County discount)

Appraiser:

Trevor Karl Poyhonen

TRACT X4

COUNTY: LAKE

AREA: TWO HARBORS AREA

ACRES: 40.0

Permit Number: X014962
Expiration Date: 05/31/2019

Purchased By: Fjeran's Forest Prod.
Address: 1801 Hwy 3, Two Harbors, MN 55616

NESW,NWNW,NWSE,SWNE of Section 35 - Township 58, Range 9W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ NORWAY PINE	WOODSRUN MIXED PRODUCTS	830.00	Cd	16.12	13,379.60	16.12	13,379.60
+ BALSAM FIR	WOODSRUN CORDWOOD	230.00	Cd	5.10	1,173.00	5.10	1,173.00
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$14,552.60	BID TOTAL = \$ 14,552.60
				ADVANCE PAYMENT =		\$2,182.89	

Mixed Product Description:

Norway Pine Woodsrun Mixed Products includes: Bolts 40%; Pulpwood 60%.

Cutting and Felling:

- Harvest Norway pine by thinning to 100 BA/acre. Harvest all merchantable Balsam Fir. Minimize damage to all other species on the site.
- Reserve white pine, cedar, birch, spruce and aspen.
- Trees must be processed at the stump and cut products forwarded to the landing.
- The unit south of the Heffelfinger road will require VERY dry or frozen ground to access.

Season of Operations:

- Conduct sale operations on frozen or dry soil conditions only, except with written permission from State.

Sale Conditions:

- Access is across state land.

Marketing Conditions:

Norway pine is 4-5 stick and 9-11" dbh.
Balsam Fir is 3-5 stick and 7-10" dbh

Price Adjustments:

Road Construction Costs: 0%
Haul Distance to Nearest Mill: 0%
Stand Density: 0%
Operational Constraints: 0%
Other Price Factor: -60% (first thin and Lake Co. discount)

Appraiser:

Robert O. Fasteland

TRACT X5

COUNTY: LAKE

AREA: TWO HARBORS AREA

ACRES: 59.0

Permit Number: X014963

Purchased Over-the-Counter Date: 02/05/2016

Expiration Date: 05/31/2019

Purchased By: Ernest Timber & Trucking LLC

Address: 6367 Hotop Ln, Saginaw, MN 55779

NENE,NWNE,SENE,SWNE of Section 13 - Township 59, Range 9W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ BLACK SPRUCE	WOODSRUN CORDWOOD	462.00	Cd	5.44	2,513.28	5.44	2,513.28
PAPER BIRCH	WOODSRUN CORDWOOD	55.00	Cd	4.08	224.40	4.08	224.40
TAMARACK	WOODSRUN CORDWOOD	38.00	Cd	2.04	77.52	2.04	77.52
BALSAM FIR	WOODSRUN CORDWOOD	10.00	Cd	5.10	51.00	5.10	51.00

+ BID SPECIES

* SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$2,866.20

BID TOTAL = \$ 2,866.20

ADVANCE PAYMENT = \$429.93

Optional Timber (may be purchased with an Added Timber Agreement):

ANY LISTED SPECIES	BIOMASS	311.00 Tons	0.40	124.40
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Cutting and Felling:

- Harvest all black spruce, white birch, balsam fir, and tamarack.
- Reserve northern white cedar, ash, white pine, red pine, and aspen.

Season of Operations:

- Conduct sale operations on frozen soil conditions only, except with written permission from State.
- Frozen ground access across State, USFS.

Marketing Conditions:

Black Spruce: 4-5 stick, 7-10 in. DBH
 White Birch: 1-2 stick, 6 in. DBH
 Balsam Fir: 1-2 stick, 6 in. DBH
 Tamarack: 4-5 stick, 7-10 in. DBH

Prices reduced 60% due to location (Lake County) and re-offer.

Price Adjustments:

Road Construction Costs: 0%
 Haul Distance to Nearest Mill: 0%
 Stand Density: 0%
 Operational Constraints: 0%
 Other Price Factor: -60% (location and re-offer)

Appraiser:

Trevor Karl Poyhonen

TRACT X6

COUNTY: COOK

AREA: TWO HARBORS AREA

ACRES: 52.4

Permit Number: X014964
Expiration Date: 05/31/2019

Purchased By: Ronald D. Clement
Address: 60 Garden Drive, Silver Bay, MN 55614

NESE,NWSE of Section 16 - Township 61, Range 1W.
NESE,NESW,NWSE,SESW,SWSE of Section 16 - Township 61, Range 1W.
SESW,SWSW of Section 16 - Township 61, Range 1W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	WOODSRUN CORDWOOD	326.00	Cd	7.51	2,448.26	7.51	2,448.26
+ PAPER BIRCH	WOODSRUN CORDWOOD	262.00	Cd	3.57	935.34	3.57	935.34
+ SUGAR MAPLE	WOODSRUN CORDWOOD	142.00	Cd	3.57	506.94	3.57	506.94
+ MIXED SPRUCE	WOODSRUN MIXED PRODUCTS	97.00	Cd	7.79	755.63	7.79	755.63

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$4,646.17 BID TOTAL = \$ 4,646.17
ADVANCE PAYMENT = \$696.93

Optional Timber (may be purchased with an Added Timber Agreement):

ANY LISTED SPECIES BIOMASS 468.00 Tons 0.35 163.80

Mixed Species Description:

Aspen Species Woodsrun Cordwood includes: Balm of Gilead 6%; Trembling Aspen 94%.
Mixed Spruce Woodsrun Mixed Products includes: Black Spruce 24%; White Spruce 76%.

Mixed Product Description:

Mixed Spruce Woodsrun Mixed Products includes: Bolts 51%; Pulpwood 49%.

Cutting and Felling:

- Harvest aspen, paper birch, and spruce greater than 2 sticks (Cutting Block 3).
- Harvest aspen, paper birch, and white spruce greater than 4 sticks (Cutting Block 2).
- Harvest maple, paper birch, and aspen in 20 foot wide strips and leave 40 feet in-between strips. Location of strips will be agreed upon by timber sale administrator and contractor. Harvest all birch, and aspen along north edge of sale between natural maple boundary and painted blue boundary (Cutting Block 1).
- Multiple cutting block sale, see individual cutting blocks for specifications (Cutting Blocks 1, 2, and 3).

Season of Operations:

- Conduct sale operations on dry/frozen soil conditions only, except with written permission from State (Cutting Blocks 1, 2, and 3).

Landings Roads and Trails:

- Block haul road as directed by the State when leaving the site for more than two weeks and / or upon completion of operations (Cutting Block 2).

Sale Conditions:

- Access is across private and state land (Cutting Blocks 1, 2, and 3).
- Permission to cross private land must be obtained by permittee (Cutting Blocks 1, 2, and 3).

Marketing Conditions:

Cutting Block 1:
Maple 9" avg; 2-3 sticks
Birch 10" avg; 3-5 sticks
Aspen 15" avg; 4-5 sticks

Cutting Block 2:

Aspen 15" avg; 4-6 sticks

Birch 13" avg; 3-5 sticks

Maple 10" avg; 1-3 sticks

Cutting Block 3:

Birch 12" avg; 3 sticks avg

Aspen 15" avg; 4-5 sticks avg

Price Adjustments:

Road Construction Costs: 0%

Haul Distance to Nearest Mill: 0%

Stand Density: 0%

Operational Constraints: 0%

Other Price Factor: -65% (Cook County Discount)

Appraiser:

Anna K. Heruth

(Appraisal ID 11651-0; Cutting Block ID 13615-0, 13619-0, 13616-0)

TRACT X7

COUNTY: LAKE

AREA: TWO HARBORS AREA

ACRES: 44.3

Permit Number: X014965
Expiration Date: 05/31/2019

Purchased By: Jule Foster Logging
Address: 10502 Hwy 1, Isabella, MN 55607

NENE,NESE,SENE,SWNE of Section 35 - Township 61, Range 7W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 60	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	WOODSRUN CORDWOOD	550.00	Cd	14.07	7,738.50	22.51	12,380.50
+ PAPER BIRCH	WOODSRUN CORDWOOD	145.00	Cd	6.63	961.35	10.61	1,538.45
JACK PINE	WOODSRUN CORDWOOD	40.00	Cd	7.74	309.60	7.74	309.60
BALSAM FIR	WOODSRUN CORDWOOD	20.00	Cd	8.29	165.80	8.29	165.80
MIXED SPRUCE	WOODSRUN CORDWOOD	20.00	Cd	8.84	176.80	8.84	176.80
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$9,352.05	BID TOTAL = \$ 14,571.15
				ADVANCE PAYMENT =		\$1,402.81	

Optional Timber (may be purchased with an Added Timber Agreement):

ANY LISTED SPECIES BIOMASS 365.00 Tons 0.65 237.25

Mixed Species Description:

Aspen Species Woodsrun Cordwood includes: Balm of Gilead 1%; Trembling Aspen 99%.
Mixed Spruce Woodsrun Cordwood includes: Black Spruce 99%; White Spruce 1%.

Cutting and Felling:

- Harvest all aspen, paper birch, jack pine, spruce and balsam fir 2 sticks or greater.
- Reserve patches are flagged.

Season of Operations:

- Conduct sale operations on frozen or summer dry soil conditions only, except with written permission from State.

Sale Conditions:

- Access is across USFS and state land.
- A USFS haul permit is required and is the responsibility of the permittee.

Marketing Conditions:

Averages:
aspen 11" dbh, 4.5 sticks; birch 10" dbh, 3.5 sticks; jack pine 9" dbh, 3.5 sticks; black spruce 6" dbh, 2 sticks; balsam 8" dbh, 3.5 sticks

Price Adjustments:

Road Construction Costs: 0%
Haul Distance to Nearest Mill: 0%
Stand Density: 0%
Operational Constraints: 0%
Other Price Factor: -35% (Lake County Discount)

Appraiser:

Elizabeth J. McCarthy

TRACT X8

COUNTY: COOK

AREA: TWO HARBORS AREA

ACRES: 35.0

Permit Number: X014966
Expiration Date: 05/31/2019

Purchased By: Johnson Brothers Firewood
Address: P.O. Box 41, Hovland, MN 55606

GL04 of Section 27; GL07, GL08 of Section 28 - Township 62, Range 1W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 281	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	WOODSRUN CORDWOOD	850.00	Cd	7.59	6,451.50	28.92	24,582.00
+ PAPER BIRCH	WOODSRUN CORDWOOD	145.00	Cd	3.57	517.65	13.60	1,972.00
MIXED SPRUCE	WOODSRUN CORDWOOD	70.00	Cd	4.76	333.20	4.76	333.20
BALSAM FIR	WOODSRUN CORDWOOD	50.00	Cd	4.46	223.00	4.46	223.00
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$7,525.35	BID TOTAL = \$	27,110.20
				ADVANCE PAYMENT =	\$1,128.80		

Optional Timber (may be purchased with an Added Timber Agreement):

ANY LISTED SPECIES BIOMASS 530.00 Tons 0.35 185.50

Mixed Species Description:

Mixed Spruce Woodsrun Cordwood includes: Black Spruce 20%; White Spruce 80%.

Cutting and Felling:

- Harvest all aspen, birch, spruce, and balsam fir.

Season of Operations:

- Conduct sale operations on dry/frozen soil conditions only, except with written permission from State.

Sale Conditions:

- Access is across USFS and Private land.
- Permission to cross Private land must be obtained by permittee.

Marketing Conditions:

Aspen-ave 6 stks, 13" DBH
Birch-ave 4-5 stks, 10" DBH

Price Adjustments:

- Road Construction Costs: 0%
- Haul Distance to Nearest Mill: 0%
- Stand Density: 0%
- Operational Constraints: 0%
- Other Price Factor: -65% (Cook County Discount)

Appraiser:

Aaron J. Mielke

TRACT X9

COUNTY: COOK

AREA: TWO HARBORS AREA

ACRES: 103.0

Permit Number: X014967

Purchased Over-the-Counter Date: 01/15/2016

Expiration Date: 05/31/2019

Purchased By: K. Anderson Logging

Address: 984 Cutoff Rd, Grand Marais, MN 55604

SESE, SESW, SWSE of Section 34; SWSW of Section 35 - Township 64, Range 4E.

GL01, GL02, GL03 of Section 3; GL04 of Section 2 - Township 63, Range 4E.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ NORWAY PINE	WOODSRUN MIXED PRODUCTS	850.00	Cd	4.95	4,207.50	4.95	4,207.50
WHITE SPRUCE	WOODSRUN CORDWOOD	65.00	Cd	3.40	221.00	3.40	221.00
BALSAM FIR	WOODSRUN CORDWOOD	25.00	Cd	3.19	79.75	3.19	79.75

+ BID SPECIES

* SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$4,508.25
 ADVANCE PAYMENT = \$676.24

BID TOTAL = \$ 4,508.25

Optional Timber (may be purchased with an Added Timber Agreement):

ANY LISTED SPECIES	BIOMASS	400.00 Tons	0.25	100.00
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Mixed Product Description:

Norway Pine Woodsrun Mixed Products includes: Bolts 30%; Pulpwood 70%.

Cutting and Felling:

- Harvest red pine, spruce, and balsam fir as logger select thinning with a goal to reduce average spacing within the stand to 18'x18' with residual merchantable red pine and spruce evenly spaced as possible.

Season of Operations:

- Conduct sale operations on frozen/dry soil conditions only, except with written permission from State.

Sale Conditions:

- Access is across State land.

Marketing Conditions:

Red Pine ave 10" DBH, 4 stks
Ave BA 150

Access roads will be limiting factor for dry summer chance.

Price Adjustments:

Road Construction Costs: 0%
 Haul Distance to Nearest Mill: 0%
 Stand Density: 0%
 Operational Constraints: -10%
 Other Price Factor: -65% (Cook County Discount)

Appraiser:

Aaron J. Mielke

TRACT X10

COUNTY: COOK

AREA: TWO HARBORS AREA

ACRES: 87.2

Permit Number: X014968
Expiration Date: 05/31/2019

Purchased By: Stanley A. Nelson Jr.

Address: 180 County Rd 48, Grand Marais, MN 55604

NENE,NENW,NWNE,SENW of Section 29 - Township 64, Range 4E.
NWNW,SWNW of Section 33; NENE,SENE of Section 32 - Township 64, Range 4E.
NENW,SENW of Section 33 - Township 64, Range 4E.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 260	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	WOODSRUN CORDWOOD	2,061.00	Cd	7.59	15,642.99	27.32	56,306.52
PAPER BIRCH	WOODSRUN CORDWOOD	224.00	Cd	3.57	799.68	3.57	799.68
BALSAM FIR	WOODSRUN CORDWOOD	201.00	Cd	4.46	896.46	4.46	896.46
+ MIXED SPRUCE	WOODSRUN CORDWOOD	197.00	Cd	4.76	937.72	17.14	3,376.58

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$18,276.85 BID TOTAL = \$ 61,379.24
ADVANCE PAYMENT = \$2,741.53

Optional Timber (may be purchased with an Added Timber Agreement):

ANY LISTED SPECIES BIOMASS 1,617.00 Tons 0.35 565.95

Mixed Species Description:

Mixed Spruce Woodsrun Cordwood includes: Black Spruce 34%; White Spruce 66%.

Cutting and Felling:

- Harvest Aspen, Paper Birch, Balsam Fir, White Spruce, Black Spruce (Cutting Blocks 1, 2, and 3).

Season of Operations:

- Conduct sale operations on frozen or dry soil conditions only, except with written permission from State (Cutting Blocks 1, 2, and 3).

Sale Conditions:

- Access is across USFS land (Cutting Block 3).
- Access is across state land (Cutting Blocks 1 and 2).
- Provisions of access and /or water crossing permits will become part of sale terms and conditions for this sale (Cutting Block 3).

Marketing Conditions:

Avg DBH 11"; Avg # sticks 6. Cook county discount 35% of base price. Access road to block # 3 will need brushing.

Price Adjustments:

- Road Construction Costs: 0%
- Haul Distance to Nearest Mill: 0%
- Stand Density: 0%
- Operational Constraints: 0%
- Other Price Factor: -65% (Cook County Discount)

Appraiser:

Benjamin J. Mattsen

Harvest specifications and additional information about each tract may be obtained upon request from the following
DNR Area Forestry Office:

TWO HARBORS AREA

The right is reserved to reject any and all bids.

For the Commissioner
MINNESOTA DEPARTMENT OF NATURAL RESOURCES

By: _____

Authorized Signature

Division Of Forestry

Dated: January 14, 2016

- SUMMARY SHEET -

01/14/2016 INTERMEDIATE AUCTION - SALE #1

COMPLETED - DATA AS OF 12/26/2017

TWO HARBORS AREA

SUMMARY FOR SOLD TRACTS

PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE
WOODSRUN MIXED PRODUCTS	PAPER BIRCH	450.00	Cd	13.85	6,232.50
	NORWAY PINE	1,880.00	Cd	11.38	21,387.10
	MIXED SPRUCE	429.00	Cd	11.99	5,143.65
WOODSRUN CORDWOOD	ASH	25.00	Cd	15.18	379.50
	ASPEN SPECIES	1,527.00	Cd	20.60	31,463.79
	TREMBLING ASPEN	2,911.00	Cd	27.79	80,888.52
	PAPER BIRCH	1,002.00	Cd	6.68	6,688.60
	NORTHERN HARDWOODS	82.00	Cd	8.67	710.94
	SUGAR MAPLE	142.00	Cd	3.57	506.94
	JACK PINE	40.00	Cd	7.74	309.60
	WHITE SPRUCE	65.00	Cd	3.40	221.00
	BALSAM FIR	905.00	Cd	7.62	6,891.90
	BLACK SPRUCE	462.00	Cd	5.44	2,513.28
	TAMARACK	38.00	Cd	2.04	77.52
MIXED SPRUCE	419.00	Cd	15.27	6,396.52	
BIOMASS	ANY LISTED SPECIES (optional)	4,478.00	Tons	-	0.00

TOTAL SOLD TRACTS CONVERTED TO CORDS: 10,377.00
TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS: \$ 88,174.02
TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS: \$ 183,468.21
TOTAL ACRES SOLD: 570.4
TOTAL NUMBER OF TRACTS SOLD: 10