



MINNESOTA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY

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

STATUS: COMPLETED
INTERMEDIATE AUCTION - SALE #2
ORAL BID

Notice is hereby given that I offered for sale at public auction in Chisholm, MN at 9:15 AM on Thursday, June 2, 2016, timber belonging to the State of Minnesota. All tracts were offered at the Minnesota Discovery Center (Ironworld) in Chisholm, 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
HIBBING AREA

9:15 AM on June 2, 2016
Minnesota Discovery Center (Ironworld) in Chisholm, 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 June 2, 2017, at the following Area Headquarters: Hibbing 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: ST. LOUIS

AREA: HIBBING AREA

ACRES: 90.7

Permit Number: X015041
Expiration Date: 05/31/2019

Purchased By: Douglas Hustad Logging Inc.
Address: 4566 W Raymond Rd, Gilbert, MN 55741

NENW,NWNW,NWSE,NWSW,SESW,SWNW,SWSE,SWSW of Section 36 - Township 57, Range 14W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 126	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ MIXED SPRUCE	WOODSRUN CORDWOOD	620.00	Cd	14.96	9,275.20	33.81	20,962.20
+ TREMBLING ASPEN	WOODSRUN CORDWOOD	565.00	Cd	23.85	13,475.25	53.90	30,453.50
+ BALSAM FIR	WOODSRUN CORDWOOD	320.00	Cd	14.03	4,489.60	31.71	10,147.20
+ PINE SPECIES	WOODSRUN MIXED PRODUCTS	158.00	Cd	20.34	3,213.72	45.97	7,263.26
PAPER BIRCH	WOODSRUN CORDWOOD	127.00	Cd	11.22	1,424.94	11.22	1,424.94
TAMARACK	WOODSRUN CORDWOOD	60.00	Cd	5.61	336.60	5.61	336.60
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$32,215.31	BID TOTAL = \$	70,587.70
				ADVANCE PAYMENT =	\$4,832.30		

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

ANY LISTED SPECIES BIOMASS 913.42 Tons 1.00 913.42

Mixed Species Description:

Mixed Spruce Woodsrun Cordwood includes: Black Spruce 87%; White Spruce 13%.
Pine Species Woodsrun Mixed Products includes: Jack Pine 96%; Norway Pine 2%; White Pine 2%.

Mixed Product Description:

Pine Species Woodsrun Mixed Products includes: Bolts 25%; Pulpwood 75%.

Cutting and Felling:

- Broadcast, full tree skidding required across entire site to kill brush and scarify the site for regeneration.

Season of Operations:

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

Sale Conditions:

- Access is across County and State land.
- Permission to cross County land land must be obtained by permittee.

Marketing Conditions:

Sale consists of 3 cutting units. Access into unit #1 will require a short spur of new road across County land. Alternate access is winter access across stream on State land.
Sale is possible dry summer chance.
Aspen DBH = 9" - 20", 4 to 7 stick, 50% have visible conks.
Mixed spruce DBH = 5" to 18", 3 to 7 stick.
Lite to moderate blow down is present in unit #1.
Shiver Creek Gravel pit may be used for landing wood.

Price Adjustments:

- Road Construction Costs: +5%
- Haul Distance to Nearest Mill: +5%
- Stand Density: 0%
- Operational Constraints: 0%
- Other Price Factor: 0%

Appraiser:

Thomas R. Nikolanci

(Appraisal ID 12037-0; Cutting Block ID 13967-0)

TRACT X2

COUNTY: ST. LOUIS

AREA: HIBBING AREA

ACRES: 72.5

Permit Number: X015042
Expiration Date: 05/31/2019

Purchased By:
Address:

UNSOLD

GL01, GL02, SENE, SENW, SWNE of Section 5 - Township 57, Range 15W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID: _____	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TAMARACK	WOODSRUN CORDWOOD	575.00	Cd	3.32	1,909.00	3.32	1,909.00
+ BLACK SPRUCE	WOODSRUN MIXED PRODUCTS	450.00	Cd	9.95	4,477.50	9.95	4,477.50
PAPER BIRCH	WOODSRUN CORDWOOD	20.00	Cd	6.63	132.60	6.63	132.60
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$6,519.10	BID TOTAL = \$ 6,519.10
				ADVANCE PAYMENT =		\$977.87	

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

ANY LISTED SPECIES BIOMASS 425.00 Tons 0.65 276.25

Mixed Product Description:

Black Spruce Woodsrun Mixed Products includes: Bolts 10%; Pulpwood 90%.

Cutting and Felling:

- Harvest all black spruce, tamarack, and paper birch.
- Fell all live black spruce equal to or greater than 5 feet tall.

Season of Operations:

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

Slash Disposal:

- Biomass is allowed on this permit. If biomass is purchased with an Added Timber Agreement, 20% of the tops and limbs must be left on the site or hauled back from the landing and redistributed in the general harvest area.

Sale Conditions:

- Access is across private land.
- Permission to cross private land must be obtained by permittee.

Marketing Conditions:

Spruce: ave. 3 sticks, 5"-9" DBH;
average 6.5 cds/ac; with areas up to 20 cds/ac

Tamarack: ave. 3 sticks, 6"-8" DBH;
average 8 cds/ac; with areas up to 15 cds/ac

Volume per acre is variable due to mistletoe infestation and multiple age classes within stand.

Stumpage reduced 10% due to stand density and an additional 10% for amount of felling due to mistletoe. Reduced an additional 15% for re-offer.

Potential for adjacent private timber harvest. Contact appraiser for more information.

Price Adjustments:

Road Construction Costs: 0%
Haul Distance to Nearest Mill: 0%
Stand Density: -10%

Operational Constraints: -10%
Other Price Factor: -15% (re-offer)

Appraiser:

Megan J. Eiting

(Appraisal ID 10625-0; Cutting Block ID 12796-0)

TRACT X3

COUNTY: ST. LOUIS

AREA: HIBBING AREA

ACRES: 52.0

Permit Number: X015043
Expiration Date: 05/31/2019

Purchased By: John Rolle Logging Inc.
Address: 1200 - 5th Ave. NW, Chisholm, MN 55719

NENE of Section 16; SESE of Section 9 - Township 59, Range 21W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 121	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ MIXED SPRUCE	WOODSRUN MIXED PRODUCTS	680.00	Cd	17.85	12,138.00	39.45	26,826.00
+ TREMBLING ASPEN	WOODSRUN CORDWOOD	640.00	Cd	22.76	14,566.40	50.30	32,192.00
BALSAM FIR	WOODSRUN MIXED PRODUCTS	80.00	Cd	16.73	1,338.40	16.73	1,338.40
TAMARACK	WOODSRUN CORDWOOD	15.00	Cd	5.35	80.25	5.35	80.25
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$28,123.05	BID TOTAL = \$ 60,436.65
				ADVANCE PAYMENT =		\$4,218.46	

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

ANY LISTED SPECIES BIOMASS 715.00 Tons 1.00 715.00

Mixed Species Description:

Mixed Spruce Woodsrun Mixed Products includes: Black Spruce 97%; White Spruce 3%.

Mixed Product Description:

Balsam Fir Woodsrun Mixed Products includes: Bolts 25%; Pulpwood 75%.
Mixed Spruce Woodsrun Mixed Products includes: Bolts 20%; Pulpwood 80%.

Cutting and Felling:

- Harvest Aspen, Mixed Spruce, Balsam Fir and Tamarack.
- Fell all live black spruce equal to or greater than 5 feet tall.

Season of Operations:

- Conduct sale operations on frozen soil conditions only, except with written permission from State.
- Frozen ground access across State land, approx. 1/4 mile new winter road needed. Alternate access on existing upland road across Hibbing Taconite land.

Sale Conditions:

- Permission to cross Hibbing Taconite land must be obtained by permittee.

Marketing Conditions:

Aspen: 4-6 stick & 11" Dbh
Mixed Spruce: 3-6 stick & 7-8" Dbh

Price Adjustments:

Road Construction Costs: 0%
Haul Distance to Nearest Mill: 0%
Stand Density: +5%
Operational Constraints: 0%
Other Price Factor: 0%

Appraiser:

Jonathon T. Splinter

TRACT X4

COUNTY: ITASCA

AREA: HIBBING AREA

ACRES: 41.1

Permit Number: X015044
 Expiration Date: 05/31/2019

Purchased By: Scheff Logging & Trucking Inc.
Address: 49301 Chokecherry Lane, Marcell, MN 56657

NESW,SESE,SESW,SWSE of Section 27 - Township 59, Range 23W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 35	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ PINE SPECIES	WOODSRUN MIXED PRODUCTS	1,170.00	Cd	37.77	44,190.90	50.99	59,658.30
+ MIXED SPRUCE	WOODSRUN CORDWOOD	430.00	Cd	15.64	6,725.20	21.11	9,077.30
TAMARACK	WOODSRUN CORDWOOD	50.00	Cd	5.86	293.00	5.86	293.00
TREMBLING ASPEN	WOODSRUN CORDWOOD	25.00	Cd	24.93	623.25	24.93	623.25
BALSAM FIR	WOODSRUN CORDWOOD	15.00	Cd	14.66	219.90	14.66	219.90
PAPER BIRCH	WOODSRUN CORDWOOD	5.00	Cd	11.73	58.65	11.73	58.65
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$52,110.90	BID TOTAL = \$	69,930.40
				ADVANCE PAYMENT =	\$7,816.64		

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

ANY LISTED SPECIES	BIOMASS	750.00 Tons	1.00	750.00
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Mixed Species Description:

Mixed Spruce Woodsrun Cordwood includes: Black Spruce 99%; White Spruce 1%.
 Pine Species Woodsrun Mixed Products includes: Jack Pine 96%; Norway Pine 4%.

Mixed Product Description:

Pine Species Woodsrun Mixed Products includes: Bolts 70%; Pulpwood 20%; Sawtimber 10%.

Cutting and Felling:

- Harvest merchantable jack pine, black spruce, white spruce, tamarack, aspen, paper birch and balsam fir. Harvest Norway pine marked with orange paint.
- Reserve Norway pine which are not marked with orange paint. Reserve all white pine.
- Full tree harvest with conventional equipment is preferred for scarification and seeding of JP areas. If CTL equipment is used operator will need to work with forester to provide site scarification and scatter jack pine slash to distribute cones.

Season of Operations:

- Conduct sale operations on dry or frozen soil conditions only, except with written permission from State.
- The following restrictions apply to cut pine greater than 3 inch diameter: December 1 to May 31: Pine cut in this period must be hauled or destroyed by June 1. June 1 to August 31: Pine cut in this period must be hauled or destroyed within 3 weeks. September 1 to November 30: No special restrictions for pine cut in this period.

Sale Conditions:

- Access is across Itasca county land.
- Permission to cross Itasca county land must be obtained by permittee.
- Approximately 50% of the sale area is dry summer chance. The remainder needs frozen soil conditions or CTL equipment using slash mats.

Marketing Conditions:

Average DBH & sticks: jack pine -11" - 7 sticks, Norway pine - 12" - 7 sticks, black spruce - 8"-4 sticks, aspen -12" - 6 sticks, tamarack - 11" -5 sticks, balsam - 9" - 5 sticks, birch - 8" - 3 sticks.

Price Adjustments:

Road Construction Costs: +5%

Haul Distance to Nearest Mill: 0%
Stand Density: +10%
Operational Constraints: 0%
Other Price Factor: 0%

Appraiser:

Robb D. Maki

(Appraisal ID 11756-0; Cutting Block ID 13738-0)

TRACT X5

COUNTY: ST. LOUIS

AREA: HIBBING AREA

ACRES: 51.0

Permit Number: X015045
Expiration Date: 05/31/2019

Purchased By: Rasmusson Forest Fuels Inc.
Address: 6913 Taylor Road, Virginia, MN 55792

SESW,SWSE of Section 22; SWNW of Section 33; NENE,NWNE,SENE,SWNE of Section 28; NWSE of Section 27 - Township 60, Range 17W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	WOODSRUN CORDWOOD	790.00	Cd	21.68	17,127.20	21.68	17,127.20
+ BALSAM FIR	WOODSRUN CORDWOOD	157.00	Cd	12.75	2,001.75	12.75	2,001.75
+ PINE SPECIES	WOODSRUN MIXED PRODUCTS	146.00	Cd	22.44	3,276.24	22.44	3,276.24
NORTHERN HARDWOODS	WOODSRUN CORDWOOD	57.00	Cd	8.24	469.68	8.24	469.68
MIXED SPRUCE	WOODSRUN CORDWOOD	39.00	Cd	13.60	530.40	13.60	530.40
TAMARACK	WOODSRUN CORDWOOD	8.00	Cd	5.10	40.80	5.10	40.80

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$23,446.07 BID TOTAL = \$ 23,446.07
ADVANCE PAYMENT = \$3,516.91

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

ANY LISTED SPECIES BIOMASS 541.09 Tons 1.00 541.09

Mixed Species Description:

Mixed Spruce Woodsrun Cordwood includes: Black Spruce 80%; White Spruce 20%.
Northern Hardwoods Woodsrun Cordwood includes: Ash 46%; Paper Birch 54%.
Pine Species Woodsrun Mixed Products includes: Jack Pine 92%; Norway Pine 7%; White Pine 1%.

Mixed Product Description:

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

Cutting and Felling:

- Broadcast, full tree skid preferred in the east 1/2 of unit #1 to prepare site for planting.

Season of Operations:

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

Sale Conditions:

- Access is across State land.

Marketing Conditions:

Sale consists of 4 cutting units in 4 different sections.
Access into unit #1 will require a short spur of new road across State land. Alternate access is across private land.
Access into unit #2 is approximately 3/4 mile of winter road.
Access into units 3 & 4 are excellent right off county road.
Aspen DBH = 7" to 20" 4 to 8 stick, 10% have visible conks.
Mixed pine DBH = 10" to 25", 5 to 8 stick.

Price Adjustments:

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

Other Price Factor: 0%

Appraiser:

Thomas R. Nikolanci

(Appraisal ID 12068-0; Cutting Block ID 14100-0)

TRACT X6

COUNTY: ST. LOUIS

AREA: HIBBING AREA

ACRES: 43.0

Permit Number: X015046
 Expiration Date: 05/31/2018

Purchased By: Scheff Logging & Trucking Inc.
Address: 49301 Chokecherry Lane, Marcell, MN 56657

NESE of Section 26; SESE of Section 34; SWSE of Section 35; NENW, SENW, SWNW of Section 36 -
 Township 60, Range 19W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	WOODSRUN CORDWOOD	560.00	Cd	16.26	9,105.60	16.26	9,105.60
+ PINE SPECIES	WOODSRUN MIXED PRODUCTS	225.00	Cd	15.84	3,564.00	15.84	3,564.00
BALSAM FIR	WOODSRUN CORDWOOD	25.00	Cd	9.56	239.00	9.56	239.00
NORTHERN HARDWOODS	WOODSRUN CORDWOOD	10.00	Cd	7.65	76.50	7.65	76.50
BLACK SPRUCE	WOODSRUN CORDWOOD	5.00	Cd	10.20	51.00	10.20	51.00
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$13,036.10	BID TOTAL = \$ 13,036.10
				ADVANCE PAYMENT =		\$1,955.42	

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

* ANY LISTED SPECIES BIOMASS 526.00 Tons 0.75 394.50

SOAV Option:

Sold on Appraised Volume (SOAV) option is available. If elected, Permittee must sign option agreement on date of permit purchase.

Mixed Species Description:

Northern Hardwoods Woodsrun Cordwood includes: Paper Birch 50%; Red Maple 50%.
 Pine Species Woodsrun Mixed Products includes: Jack Pine 45%; Norway Pine 55%.

Mixed Product Description:

Pine Species Woodsrun Mixed Products includes: Bolts 35%; Pulpwood 65%.

Season of Operations:

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

Landings Roads and Trails:

- Road right of way crossing approval from St. Louis Co. may be required.

Sale Conditions:

- Access is across State and Potlatch land.
- Permission to cross Potlatch land must be obtained by permittee.
- Two year sale due to blowdown.

Marketing Conditions:

Sale has 30 - 40% blowdown. 3 years old
 Sale includes 6 acres of first entry pine thinning
 Aspen - 6 sticks - 10" dia.
 Jack pine - 6 sticks - 12" dia.
 Norway pine - 6 sticks - 10" dia.

2 year sale due to blowdown

Price Adjustments:

Road Construction Costs: +5%
Haul Distance to Nearest Mill: 0%
Stand Density: -5%
Operational Constraints: 0%
Other Price Factor: -25% (blowdown)

Appraiser:

Roger A. Nelson

(Appraisal ID 11932-0; Cutting Block ID 13978-0)

TRACT X7

COUNTY: ITASCA

AREA: HIBBING AREA

ACRES: 18.1

Permit Number: X015047
 Expiration Date: 05/31/2019

Purchased By: Greg Cook Logging Inc.
Address: 35367 Cty Rd 237, Bigfork, MN 56628

GL07 of Section 21 - Township 60, Range 23W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 21	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ PINE SPECIES	WOODSRUN MIXED PRODUCTS	430.00	Cd	44.64	19,195.20	54.01	23,224.30
+ TREMBLING ASPEN	WOODSRUN CORDWOOD	65.00	Cd	23.85	1,550.25	28.86	1,875.90
	PAPER BIRCH	55.00	Cd	11.22	617.10	11.22	617.10
+ WHITE SPRUCE	WOODSRUN MIXED PRODUCTS	50.00	Cd	27.12	1,356.00	32.82	1,641.00
	BALSAM FIR	20.00	Cd	14.03	280.60	14.03	280.60
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$22,999.15	BID TOTAL = \$ 27,638.90
				ADVANCE PAYMENT =		\$3,449.87	

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

ANY LISTED SPECIES BIOMASS 253.00 Tons 1.00 253.00

Mixed Species Description:

Pine Species Woodsrun Mixed Products includes: Norway Pine 69%; White Pine 31%.

Mixed Product Description:

Pine Species Woodsrun Mixed Products includes: Bolts 60%; Pulpwood 5%; Sawtimber 35%.
 White Spruce Woodsrun Mixed Products includes: Bolts 65%; Pulpwood 35%.

Cutting and Felling:

- Broadcast full tree skidding required across entire site to kill hazel brush and scarify site for regeneration.

Season of Operations:

- No sale operations allowed between 5:00 PM to 8:00 AM and no weekend operations , without written permission from State.
 - Conduct sale operations on dry non-frozen soil conditions only, except with written permission from State.

Landings Roads and Trails:

- Recreation trail may be used as access.

Sale Conditions:

- Preferred days of harvest would be before Memorial weekend and after Labor Day weekend due to the harvest area near seasonal cabins.

Marketing Conditions:

Excellent summer access across state land.

Hours of sale operations and weekends restricted, due to harvest being adjacent to seasonal cabins.

Pine species averages 8 sticks; 14" DBH

Price Adjustments:

Road Construction Costs: 0%
 Haul Distance to Nearest Mill: 0%
 Stand Density: +10%

Operational Constraints: 0%
Other Price Factor: 0%

Appraiser:

Jeff J. Sirjord

(Appraisal ID 11902-0; Cutting Block ID 13637-0)

TRACT X8

COUNTY: ST. LOUIS

AREA: HIBBING AREA

ACRES: 13.0

Permit Number: X015048
Expiration Date: 05/31/2019

Purchased By: John Rolle Logging Inc.
Address: 1200 - 5th Ave. NW, Chisholm, MN 55719

NESE of Section 17 - Township 61, Range 21W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ NORWAY PINE	WOODSRUN MIXED PRODUCTS	650.00	Cd	54.14	35,191.00	54.14	35,191.00
BALSAM FIR	WOODSRUN CORDWOOD	5.00	Cd	12.75	63.75	12.75	63.75
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$35,254.75	BID TOTAL = \$ 35,254.75
				ADVANCE PAYMENT =		\$5,288.21	

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

ANY LISTED SPECIES BIOMASS 260.00 Tons 1.00 260.00

Mixed Product Description:

Norway Pine Woodsrun Mixed Products includes: Bolts 10%; Pulpwood 10%; Sawtimber 80%.

Cutting and Felling:

- Harvest all Norway Pine and merchantable Balsam Fir. Removing all Norway Pine is required due to severe Diplodia infection on this site.
- Broadcast, full tree skidding required across entire site to kill hazelnut brush and scarify site for regeneration.

Season of Operations:

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

Sale Conditions:

- Access is across old County Highway 5 and on state and private land.

Marketing Conditions:

Norway Pine is 12 to 20" DBH, 7 to 8 sticks
Price adjustments +10% for Stand Density of 50 cords per acre

Price Adjustments:

Road Construction Costs: 0%
Haul Distance to Nearest Mill: 0%
Stand Density: +10%
Operational Constraints: 0%
Other Price Factor: 0%

Appraiser:

Timothy C. Russ

TRACT X9 COUNTY: ITASCA AREA: HIBBING AREA ACRES: 18.9
 Permit Number: X015049
 Expiration Date: 05/31/2019

Purchased By: Michael H. Rieger
Address: 61559 Co. Road 26, Northome, MN 56661

NENW,NWNW,NWSE,SENW,SWNW,SWSE of Section 36 - Township 61, Range 22W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 45	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ PINE SPECIES	WOODSRUN MIXED PRODUCTS	365.00	Cd	32.98	12,037.70	47.82	17,454.30
+ SPRUCE-BALSAM	WOODSRUN CORDWOOD	164.00	Cd	13.26	2,174.64	19.23	3,153.72
+ TREMBLING ASPEN	WOODSRUN CORDWOOD	125.00	Cd	21.68	2,710.00	31.44	3,930.00
NORTHERN HARDWOODS	WOODSRUN CORDWOOD	22.00	Cd	10.20	224.40	10.20	224.40
TAMARACK	WOODSRUN CORDWOOD	14.00	Cd	5.10	71.40	5.10	71.40
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$17,218.14	BID TOTAL = \$ 24,833.82
				ADVANCE PAYMENT =		\$2,582.72	

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

ANY LISTED SPECIES BIOMASS 129.00 Tons 1.00 129.00

Mixed Species Description:

Northern Hardwoods Woodsrun Cordwood includes: Paper Birch 65%; Red Maple 35%.
 Pine Species Woodsrun Mixed Products includes: Jack Pine 65%; Norway Pine 35%.
 Spruce-Balsam Woodsrun Cordwood includes: Balsam Fir 40%; Black Spruce 55%; White Spruce 5%.

Mixed Product Description:

Pine Species Woodsrun Mixed Products includes: Bolts 80%; Pulpwood 20%.

Cutting and Felling:

- Broadcast, full tree skidding required across entire site to kill hazel brush and scarify the site for regeneration.

Season of Operations:

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

Sale Conditions:

- Access is across state land.

Marketing Conditions:

Averages
 Jack Pine 9" DBH and 7 Sticks
 Red Pine 9" DBH and 7 Sticks
 Spruce 6-7 DBH and 4 Sticks
 Aspen 8-9' DBH and 7 Sticks
 Balsam Fir 6" DBH and 4 Sticks

No sale operations allowed from 5 PM to 8 AM on sale blocks adjacent to Stoney Brook Horse Camp, except with written permission from the State.

Price Adjustments:

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

Other Price Factor: 0%

Appraiser:

Andrew E. Carlson

(Appraisal ID 11962-0; Cutting Block ID 13722-0)

TRACT X10

COUNTY: ITASCA

AREA: HIBBING AREA

ACRES: 63.3

Permit Number: X015050

Purchased Over-the-Counter Date: 06/03/2016

Expiration Date: 05/31/2019

Purchased By: Scheff Logging & Trucking Inc.

Address: 49301 Chokecherry Lane, Marcell, MN 56657

NESE of Section 35; NWSW,SESW,SWSE,SWSW of Section 36 - Township 62, Range 23W.

GL03,NESE,NESW,SENE,SENW of Section 1 - Township 61, Range 23W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ PINE SPECIES	WOODSRUN MIXED PRODUCTS	690.00	Cd	19.39	13,379.10	19.39	13,379.10
NORTHERN HARDWOODS	WOODSRUN CORDWOOD	35.00	Cd	15.38	538.30	15.38	538.30
BALSAM FIR	WOODSRUN CORDWOOD	10.00	Cd	11.47	114.70	11.47	114.70
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$14,032.10	BID TOTAL = \$	14,032.10
				ADVANCE PAYMENT =	\$2,104.82		

Mixed Species Description:

Northern Hardwoods Woodsrun Cordwood includes: Paper Birch 40%; Trembling Aspen 60%.

Pine Species Woodsrun Mixed Products includes: Jack Pine 19%; Norway Pine 79%; White Pine 2%.

Mixed Product Description:

Pine Species Woodsrun Mixed Products includes: Bolts 30%; Pulpwood 66%; Sawtimber 4%.

Cutting and Felling:

- Harvest by Operator Select Thinning to 100 sq. ft. Basal Area. Always remove Aspen, Birch, Balsam fir, and Jack pine to reach desired Basal Area before taking any Norway pine. Remove poorly formed, damaged and suppressed pine before well formed trees. Cut all Aspen/Birch within 10 ft. of a dominant/codominant Pine. Equipment lanes no wider than 14 ft maximum; leave 30-40 ft. between equipment lanes. In Marked Pine Thinning area, harvest only orange painted trees. In Clearcut Area, harvest Aspen, Jack Pine, Paper Birch and Balsam Fir.
- Trees must be processed at the stump and cut products forwarded to the landing.

Season of Operations:

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

Slash Disposal:

- Lop and scatter slash evenly over the harvest site to within 2 feet of the ground.

Sale Conditions:

- Access is across State, and Molpus land.
- Permission to cross Molpus land must be obtained by permittee.

Marketing Conditions:

First and Second Entry Logger Select
Norway Pine Avg DBH: 8", 3-4 Sticks

Marked Pine Thinning
Norway Pine Avg DBH: 15", 7-8 Sticks

Sale includes 1.8 Acres of Jack Pine and Aspen Clearcut

Price Adjustments:

Road Construction Costs: 0%
Haul Distance to Nearest Mill: 0%
Stand Density: -10%

Operational Constraints: 0%
Other Price Factor: 0%

Appraiser:

Kirby B. Budrow

(Appraisal ID 11958-0; Cutting Block ID 14028-0)

TRACT X11

COUNTY: ITASCA

AREA: HIBBING AREA

ACRES: 21.3

Permit Number: X015051

Expiration Date: 05/31/2019

Purchased By: Michael H. Rieger

Address: 61559 Co. Road 26, Northome, MN 56661

SESE of Section 3; NWSW,SWSW of Section 2 - Township 61, Range 23W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 70	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	WOODSRUN CORDWOOD	270.00	Cd	21.68	5,853.60	36.86	9,952.20
+ PINE SPECIES	WOODSRUN MIXED PRODUCTS	140.00	Cd	25.84	3,617.60	43.93	6,150.20
+ SPRUCE-BALSAM	WOODSRUN CORDWOOD	50.00	Cd	13.29	664.50	22.59	1,129.50
NORTHERN HARDWOODS	WOODSRUN CORDWOOD	10.00	Cd	10.20	102.00	10.20	102.00

+ BID SPECIES

* SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$10,237.70

BID TOTAL = \$ 17,333.90

ADVANCE PAYMENT = \$1,535.66

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

ANY LISTED SPECIES	BIOMASS	150.00 Tons	1.00	150.00
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Mixed Species Description:

Northern Hardwoods Woodsrun Cordwood includes: Paper Birch 60%; Red Maple 40%.

Pine Species Woodsrun Mixed Products includes: Jack Pine 11%; Norway Pine 82%; White Pine 7%.

Spruce-Balsam Woodsrun Cordwood includes: Balsam Fir 36%; Black Spruce 18%; White Spruce 46%.

Mixed Product Description:

Pine Species Woodsrun Mixed Products includes: Bolts 20%; Pulpwood 60%; Sawtimber 20%.

Cutting and Felling:

- Harvest all trees marked w/Orange paint in Thinning Blocks. In Clearcut Blocks harvest Aspen, Norway Pine, Jack Pine, Maple, Birch, & Spruce/Balsam larger than 2 sticks.
- Trees must be processed at the stump and cut products forwarded to the landing.

Season of Operations:

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

Slash Disposal:

- Lop and scatter slash evenly over the harvest site to within 2 feet of the ground.

Sale Conditions:

- Access is across state land.

Marketing Conditions:

Averages:

Norway Pine 8"-15" DBH 4-8 Sticks

Aspen 10"-12" DBH 6-7 Sticks

Access to western portion of the sale may need improvements for summer hauling.

Price Adjustments:

Road Construction Costs: 0%

Haul Distance to Nearest Mill: 0%

Stand Density: 0%

Operational Constraints: 0%

Other Price Factor: 0%

Appraiser:

Kirby B. Budrow

(Appraisal ID 12044-0; Cutting Block ID 14116-0)

TRACT X12

COUNTY: KOOCHICHING

AREA: HIBBING AREA

ACRES: 28.0

Permit Number: X015052
Expiration Date: 05/31/2019

Purchased By:
Address:

UNSOLD

GL01 of Section 32 - Township 63, Range 23W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID: _____	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ NORTHERN HARDWOODS	WOODSRUN CORDWOOD	220.00	Cd	7.14	1,570.80	7.14	1,570.80
+ BALSAM FIR	WOODSRUN CORDWOOD	80.00	Cd	8.93	714.40	8.93	714.40
+ ASPEN SPECIES	WOODSRUN CORDWOOD	70.00	Cd	15.18	1,062.60	15.18	1,062.60
+ NORWAY PINE	WOODSRUN MIXED PRODUCTS	60.00	Cd	30.88	1,852.80	30.88	1,852.80
WHITE SPRUCE	WOODSRUN MIXED PRODUCTS	10.00	Cd	15.47	154.70	15.47	154.70
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$5,355.30	BID TOTAL = \$	5,355.30
				ADVANCE PAYMENT =	<u>\$803.30</u>		

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

ANY LISTED SPECIES BIOMASS 225.00 Tons 0.70 157.50

SOAV Option:

Sold on Appraised Volume (SOAV) option is available. If elected, Permittee must sign option agreement on date of permit purchase.

Mixed Species Description:

Aspen Species Woodsrun Cordwood includes: Largetooth Aspen 10%; Trembling Aspen 90%.
Northern Hardwoods Woodsrun Cordwood includes: Paper Birch 85%; Red Maple 15%.

Mixed Product Description:

Norway Pine Woodsrun Mixed Products includes: Bolts 40%; Pulpwood 10%; Sawtimber 50%.
White Spruce Woodsrun Mixed Products includes: Bolts 50%; Pulpwood 50%.

Cutting and Felling:

- Reserve all White Pine, Red Pine over 24" DBH and White Spruce less than 8 inch DBH.

Season of Operations:

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

Site, Soil and Water Protection:

- Wetlands requiring filter strips occur on this permit.

Sale Conditions:

- Access is across State and private land.
- Permission to cross Molpus land must be obtained by permittee.
- Very steep terrain will dictate location of reserve areas.

Marketing Conditions:

- Northern Hardwoods 8 to 12" DBH, 3 to 6 sticks
- Aspen 11 to 14" DBH, 6 to 8 sticks
- Balsam Fir 6 to 11" DBH, 3 to 5 sticks
- White Spruce 10 to 16' DBH, 6 to 8 sticks
- Norway Pine 12 to 23" DBH, 6 to 8 sticks

Price Adjustments:

Road Construction Costs: -5%
Haul Distance to Nearest Mill: -15%
Stand Density: 0%
Operational Constraints: -10%
Other Price Factor: 0%

Appraiser:

Timothy C. Russ

(Appraisal ID 11134-0; Cutting Block ID 13004-0)

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

HIBBING 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: June 2, 2016

- SUMMARY SHEET -

06/02/2016 INTERMEDIATE AUCTION - SALE #2

COMPLETED - DATA AS OF 12/26/2017

HIBBING AREA

SUMMARY FOR SOLD TRACTS

PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE
WOODSRUN MIXED PRODUCTS	PINE SPECIES	3,324.00	Cd	40.30	133,969.70
	NORWAY PINE	650.00	Cd	54.14	35,191.00
	WHITE SPRUCE	50.00	Cd	32.82	1,641.00
	BALSAM FIR	80.00	Cd	16.73	1,338.40
	MIXED SPRUCE	680.00	Cd	39.45	26,826.00
WOODSRUN CORDWOOD	TREMBLING ASPEN	3,040.00	Cd	34.62	105,259.65
	PAPER BIRCH	187.00	Cd	11.23	2,100.69
	NORTHERN HARDWOODS	134.00	Cd	10.68	1,431.28
	SPRUCE-BALSAM	214.00	Cd	20.02	4,283.22
	BALSAM FIR	552.00	Cd	23.67	13,066.90
	BLACK SPRUCE	5.00	Cd	10.20	51.00
	TAMARACK	147.00	Cd	5.59	822.05
	MIXED SPRUCE	1,089.00	Cd	28.07	30,569.90
BIOMASS	ANY LISTED SPECIES (optional)	4,237.51	Tons	-	0.00

TOTAL SOLD TRACTS CONVERTED TO CORDS: 10,152.00
TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS: \$ 248,673.27
TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS: \$ 356,945.29
TOTAL ACRES SOLD: 412.4
SOLD TRACT NUMBERS: 1, 3, 4, 5, 6, 7, 8, 9, 10, 11
TOTAL NUMBER OF TRACTS SOLD: 10

SUMMARY FOR UNSOLD TRACTS

PRODUCT	SPECIES	TOTAL VOLUME	UNIT	APPRAISED AVERAGE UNIT PRICE	APPRAISED \$ VALUE
WOODSRUN MIXED PRODUCTS	NORWAY PINE	60.00	Cd	30.88	1,852.80
	WHITE SPRUCE	10.00	Cd	15.47	154.70
	BLACK SPRUCE	450.00	Cd	9.95	4,477.50
WOODSRUN CORDWOOD	ASPEN SPECIES	70.00	Cd	15.18	1,062.60
	PAPER BIRCH	20.00	Cd	6.63	132.60
	NORTHERN HARDWOODS	220.00	Cd	7.14	1,570.80
	BALSAM FIR	80.00	Cd	8.93	714.40
	TAMARACK	575.00	Cd	3.32	1,909.00
BIOMASS	ANY LISTED SPECIES (optional)	650.00	Tons	0.67	433.75

TOTAL UNSOLD TRACTS CONVERTED TO CORDS: 1,485.00
TOTAL APPRAISED DOLLAR VALUE OF UNSOLD TRACTS: \$ 11,874.40
TOTAL ACRES UNSOLD: 100.5
UNSOLD TRACT NUMBERS: 2, 12
TOTAL NUMBER OF TRACTS UNSOLD: 2