



MINNESOTA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY

NOTICE OF SALE OF STUMPAGE ON STATE LANDS IN THE FOLLOWING AREAS:
BACKUS AREA, DEER RIVER AREA

STATUS: COMPLETED
INTERMEDIATE AUCTION - SALE #4
ORAL BID

Notice is hereby given that I offered for sale at public auction in Bigfork, MN at 9:15 AM on Wednesday, June 8, 2016, timber belonging to the State of Minnesota. All tracts were offered at the Bigfork Town Hall in Bigfork, 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
BACKUS AREA, DEER RIVER AREA

9:15 AM on June 8, 2016
Bigfork Town Hall in Bigfork, 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 8, 2017, at the following Area Headquarters: Backus Area, Deer River 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: ITASCA

AREA: DEER RIVER AREA

ACRES: 31.5

Permit Number: X015092
Expiration Date: 05/31/2019

Purchased By: M & R Chips Inc.
Address: 28688 Underwood Road, Grand Rapids, MN 55744

NENE of Section 28 - Township 54, Range 25W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TAMARACK	WOODSRUN CORDWOOD	460.00	Cd	4.34	1,996.40	4.34	1,996.40
BLACK SPRUCE	WOODSRUN CORDWOOD	20.00	Cd	11.56	231.20	11.56	231.20
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$2,227.60	BID TOTAL = \$ 2,227.60
				ADVANCE PAYMENT =		\$334.14	

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

ANY LISTED SPECIES	BIOMASS	200.00 Tons	0.85	170.00
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Cutting and Felling:

- 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.

Sale Conditions:

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

Marketing Conditions:

Tamarack size is 6-8" DBH, 3-4 sticks.
Black spruce size is 6-7" DBH, 3-4 sticks.

Sale is 15 cds/acre.

Stumpage prices reduced 15% for re-offer of permit.
Optional biomass includes 30 cords standing dead tamarack.

Permittee must contact TSA 5 days prior to sale entry.

Price Adjustments:

- Road Construction Costs: 0%
- Haul Distance to Nearest Mill: 0%
- Stand Density: 0%
- Operational Constraints: 0%
- Other Price Factor: -15% (Re-offer)

Appraiser:

Christopher J. Bergquist

TRACT X2

COUNTY: ITASCA

AREA: DEER RIVER AREA

ACRES: 85.0

Permit Number: X015093
Expiration Date: 05/31/2019

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

GL02,NWSE,SENE,SENW,SWNE of Section 16 - Township 57, Range 26W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	WOODSRUN CORDWOOD	1,772.00	Cd	23.81	42,191.32	23.81	42,191.32
PAPER BIRCH	WOODSRUN CORDWOOD	187.00	Cd	11.22	2,098.14	11.22	2,098.14
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$44,289.46	BID TOTAL = \$ 44,289.46
				ADVANCE PAYMENT =		\$6,643.42	

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

ANY LISTED SPECIES BIOMASS 897.00 Tons 1.00 897.00

Season of Operations:

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

Sale Conditions:

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

Marketing Conditions:

Aspen = 10" DBH, 5 sticks
Birch = 8" DBH, 4 sticks

Rolling terrain could be difficult for some equipment.

Price Adjustments:

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

Appraiser:

Ryan K. Brubaker

TRACT X3

COUNTY: ITASCA

AREA: DEER RIVER AREA

ACRES: 119.7

Permit Number: X015094
Expiration Date: 05/31/2018

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

NESW,NWSW,SENW,SESE,SWNW of Section 36 - Township 58, Range 25W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 75	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	WOODSRUN CORDWOOD	2,140.00	Cd	20.60	44,084.00	36.05	77,147.00
RED MAPLE	WOODSRUN CORDWOOD	160.00	Cd	9.69	1,550.40	9.69	1,550.40
PAPER BIRCH	WOODSRUN CORDWOOD	80.00	Cd	9.69	775.20	9.69	775.20
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$46,409.60	BID TOTAL = \$ 79,472.60
				ADVANCE PAYMENT =		\$6,961.44	

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

ANY LISTED SPECIES BIOMASS 1,406.00 Tons 1.00 1,406.00

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 State land.
- Provisions of access and /or water crossing permits will become part of sale terms and conditions for this sale.

Marketing Conditions:

Aspen averages 6-9" DBH and 4-6 sticks.
Red Maple averages 7-10" DBH and 3-4 sticks.
Paper Birch averages 9-11" DBH and 3-5 sticks.

Price Adjustments:

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

Appraiser:

Joshua Matthew Tomlin

TRACT X4

COUNTY: ITASCA

AREA: DEER RIVER AREA

ACRES: 58.5

Permit Number: X015095
Expiration Date: 05/31/2019

Purchased By: Forseen Logging LLC
Address: 64055 Co Rd 26, Northome, MN 56661

NESE,NWSE,SENE of Section 11 - Township 58, Range 25W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 105	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	WOODSRUN CORDWOOD	905.00	Cd	22.52	20,380.60	46.17	41,783.85
+ MIXED CONIFERS	WOODSRUN MIXED PRODUCTS	288.00	Cd	22.24	6,405.12	45.59	13,129.92
	BALSAM FIR	45.00	Cd	13.39	602.55	13.39	602.55
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$27,388.27	
				ADVANCE PAYMENT =		\$4,108.24	
						BID TOTAL = \$ 55,516.32	

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

ANY LISTED SPECIES BIOMASS 800.00 Tons 1.00 800.00

Mixed Species Description:

Aspen Species Woodsrun Cordwood includes: Paper Birch 2%; Trembling Aspen 98%.
Mixed Conifers Woodsrun Mixed Products includes: Jack Pine 20%; Norway Pine 80%.

Mixed Product Description:

Mixed Conifers Woodsrun Mixed Products includes: Bolts 62%; Pulpwood 38%.

Season of Operations:

- Conduct sale operations on dry/frozen soil conditions only, except with written permission from State.
- High probability of summer access.

Sale Conditions:

- Access is across State and USFS land land.
- Provisions of access and /or water crossing permits will become part of sale terms and conditions for this sale.

Marketing Conditions:

Aspen averages 8" DBH and 4-6 sticks.
Paper birch averages 7" DBH and 4-5 sticks.
Norway pine average 7-9" DBH and 4-6 sticks.
Jack pine averages 9-11" DBH and 5-7 sticks.
Balsam Fir averages 6-9" DBH and 4-6 sticks.

Price Adjustments:

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

Appraiser:

Joshua Matthew Tomlin

TRACT X5

COUNTY: ITASCA

AREA: DEER RIVER AREA

ACRES: 101.0

Permit Number: X015096
Expiration Date: 05/31/2019

Purchased By:
Address:

UNSOLD

NWNE of Section 36 - Township 59, Range 25W.
GL03 of Section 19 - Township 59, Range 24W.
GL01 of Section 31; GL05 of Section 30 - Township 59, Range 24W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID: _____	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TAMARACK	WOODSRUN CORDWOOD	750.00	Cd	4.34	3,255.00	4.34	3,255.00
+ BLACK SPRUCE	WOODSRUN CORDWOOD	565.00	Cd	11.56	6,531.40	11.56	6,531.40
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$9,786.40	BID TOTAL = \$ 9,786.40
				ADVANCE PAYMENT =		\$1,467.96	

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

ANY LISTED SPECIES BIOMASS 650.00 Tons 0.85 552.50

Cutting and Felling:

- Fell all live black spruce equal to or greater than 5 feet tall (Cutting Blocks 1 and 2).

Season of Operations:

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

Sale Conditions:

- Access is across private, Itasca County and State land (Cutting Block 1).
- Permission to cross private and Itasca County land must be obtained by permittee (Cutting Block 1).

Marketing Conditions:

Black Spruce size is 5-8" DBH, 3-5 sticks.
Tamarack size is 6-12" DBH, 4-6 sticks.

Stumpage prices reduced 15% for re-offer of permit.

Possible stumpage available on adjacent parcel to North of block 1 through private sale.

Possible stumpage available on adjacent county ownership to North of block 2.

Price Adjustments:

Road Construction Costs: 0%
Haul Distance to Nearest Mill: 0%
Stand Density: 0%
Operational Constraints: 0%
Other Price Factor: -15% (re-offer of permit X014463)

Appraiser:

Darren W. Neuman

TRACT X6

COUNTY: ITASCA

AREA: DEER RIVER AREA

ACRES: 123.1

Permit Number: X015097
 Expiration Date: 05/31/2019

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

GL01, GL04, NESE of Section 25 - Township 59, Range 25W.
 NESE, SESE of Section 30 - Township 59, Range 24W.
 NESW, NWNE, NWSE, SWNE, SWSE of Section 30 - Township 59, Range 24W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 105	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	WOODSRUN CORDWOOD	2,090.00	Cd	23.85	49,846.50	48.89	102,180.10
+ WHITE SPRUCE	WOODSRUN MIXED PRODUCTS	380.00	Cd	17.77	6,752.60	36.43	13,843.40
+ PAPER BIRCH	WOODSRUN MIXED PRODUCTS	176.00	Cd	13.84	2,435.84	28.37	4,993.12
BALSAM FIR	WOODSRUN MIXED PRODUCTS	35.00	Cd	18.23	638.05	18.23	638.05
RED MAPLE	WOODSRUN CORDWOOD	35.00	Cd	11.22	392.70	11.22	392.70
BASSWOOD	WOODSRUN MIXED PRODUCTS	15.00	Cd	15.33	229.95	15.33	229.95

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$60,295.64 BID TOTAL = \$ 122,277.32
 ADVANCE PAYMENT = \$9,044.35

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

ANY LISTED SPECIES BIOMASS 1,610.00 Tons 1.00 1,610.00

Mixed Product Description:

Balsam Fir Woodsrun Mixed Products includes: Bolts 30%; Pulpwood 70%.
 Basswood Woodsrun Mixed Products includes: Bolts 80%; Pulpwood 20%.
 Paper Birch Woodsrun Mixed Products includes: Bolts 31%; Pulpwood 69%.
 White Spruce Woodsrun Mixed Products includes: Bolts 15%; Pulpwood 85%.

Season of Operations:

- Conduct sale operation on frozen soil conditions only, except with written permission from State (Cutting Block 2).
- Conduct sale operations on dry/frozen soil conditions only, except with written permission from State (Cutting Block 1).
- Likely summer access (Cutting Block 1).

Sale Conditions:

- Access is across State land (Cutting Block 2).
- Access is across State and private land land (Cutting Block 1).

Marketing Conditions:

Aspen averages 7-9" DBH and 4-6 sticks.
 Paper birch averages 8-11" DBH and 3-6 sticks.
 White pruce averages 6-8" DBH and 3-6 sticks.
 Red maple averages 7-10" DBH and 3-5 sticks.
 Basswood averages 10-16" DBH and 4-6 sticks.
 Balsam fir averages 8-10" DBH and 4-6 sticks.

Price Adjustments:

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

Other Price Factor: 0%

Appraiser:

Joshua Matthew Tomlin

(Appraisal ID 11926-0; Cutting Block ID 13713-0, 13703-0)

TRACT X7

COUNTY: ITASCA

AREA: DEER RIVER AREA

ACRES: 166.5

Permit Number: X015098
Expiration Date: 05/31/2019

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

NENE,NWNE,SENE,SWNE of Section 36 - Township 59, Range 26W.
NENE,NESW,NWNE,NWNW,NWSW,SENW,SWNE,SWNW of Section 36 - Township 59, Range 26W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	WOODSRUN CORDWOOD	2,025.00	Cd	17.34	35,113.50	17.34	35,113.50
+ PAPER BIRCH	WOODSRUN MIXED PRODUCTS	428.00	Cd	8.98	3,843.44	8.98	3,843.44
+ NORWAY PINE	WOODSRUN MIXED PRODUCTS	289.80	Cd	43.16	12,507.77	43.16	12,507.77
RED MAPLE	WOODSRUN CORDWOOD	164.00	Cd	8.16	1,338.24	8.16	1,338.24

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$52,802.95
ADVANCE PAYMENT = \$7,920.44
BID TOTAL = \$ 52,802.95

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

ANY LISTED SPECIES BIOMASS 1,753.00 Tons 0.80 1,402.40

Mixed Species Description:

Aspen Species Woodsrun Cordwood includes: Largetooth Aspen 15%; Trembling Aspen 85%.

Mixed Product Description:

Norway Pine Woodsrun Mixed Products includes: Bolts 5%; Pulpwood 1%; Sawtimber 94%.

Paper Birch Woodsrun Mixed Products includes: Bolts 15%; Pulpwood 85%.

Season of Operations:

- Conduct sale operations on dry/frozen soil conditions only, except with written permission from State (Cutting Blocks 1 and 2).
- Summer harvest likely with use of portable bridges/culverts (Cutting Block 2).
- Summer harvest likely (Cutting Block 1).

Sale Conditions:

- Access is across State and USFS land (Cutting Block 2).
- Access is across county land land (Cutting Block 1).
- Permission to cross county land must be obtained by permittee (Cutting Block 1).
- Provisions of access and /or water crossing permits will become part of sale terms and conditions for this sale (Cutting Block 2).

Marketing Conditions:

Aspen species averages 6-9" DBH and 4-6 sticks.
Paper Birch averages 7-11" DBH and 4-6 sticks.
Red Maple averages 7-12" DBH and 3-6 sticks.
Norway Pine averages 11-17" DBH and 2-4 logs.

Price Adjustments:

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

Appraiser:

Joshua Matthew Tomlin

(Appraisal ID 11874-0; Cutting Block ID 13806-0, 13813-0)

TRACT X8

COUNTY: ITASCA

AREA: DEER RIVER AREA

ACRES: 64.7

Permit Number: X015099
Expiration Date: 05/31/2019

Purchased By: Forseen Logging LLC
Address: 64055 Co Rd 26, Northome, MN 56661

SENE of Section 36 - Township 60, Range 24W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ PINE SPECIES	WOODSRUN MIXED PRODUCTS	575.00	Cd	20.88	12,006.00	20.88	12,006.00
+ TREMBLING ASPEN	WOODSRUN CORDWOOD	350.00	Cd	23.85	8,347.50	23.85	8,347.50
+ SPRUCE-BALSAM	WOODSRUN CORDWOOD	170.00	Cd	14.34	2,437.80	14.34	2,437.80
* PAPER BIRCH	WOODSRUN CORDWOOD	5.00	Cd	11.22	56.10	11.22	56.10
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$22,847.40	BID TOTAL = \$ 22,847.40
				ADVANCE PAYMENT =		\$3,427.11	

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

* ANY LISTED SPECIES BIOMASS 550.00 Tons 1.00 550.00

Mixed Species Description:

Pine Species Woodsrun Mixed Products includes: Jack Pine 10%; Norway Pine 90%.
Spruce-Balsam Woodsrun Cordwood includes: Balsam Fir 66%; White Spruce 34%.

Mixed Product Description:

Pine Species Woodsrun Mixed Products includes: Bolts 27%; Pulpwood 73%.

Season of Operations:

- Conduct sale operations on dry/frozen soil conditions only, except with written permission from State (Cutting Block 1).
- Operate during non-rutting soil conditions. Refer to DNR rutting guidelines (Cutting Blocks 1 and 2).

Marketing Conditions:

CB1 is a first thin Norway plantation.
CB2 is 1 first thin white spruce stand and 2 second thin Norway plantations.
Norway contain approx. 10% Jack Pine in both CBs.
Access via Wasson State Forest Road and existing trails.
Logger select in all stands, thin from above in Norway stands.
Potential dry season chance.

Price Adjustments:

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

Appraiser:

Allissa Corrow

TRACT X9

COUNTY: ITASCA

AREA: DEER RIVER AREA

ACRES: 87.3

Permit Number: X015100
Expiration Date: 05/31/2019

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

GL01, GL02, GL03, GL04 of Section 33 - Township 60, Range 25W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 90	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	WOODSRUN CORDWOOD	2,050.00	Cd	27.05	55,452.50	51.40	105,370.00
BALSAM FIR	WOODSRUN CORDWOOD	45.00	Cd	15.95	717.75	15.95	717.75
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$56,170.25	BID TOTAL = \$ 106,087.75
				ADVANCE PAYMENT =		\$8,425.54	

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

* ANY LISTED SPECIES BIOMASS 942.00 Tons 1.00 942.00

Mixed Species Description:

Aspen Species Woodsrun Cordwood includes: Balm of Gilead 1%; Largetooth Aspen 49%; Trembling Aspen 50%.

Cutting and Felling:

- Full tree skidding required.

Season of Operations:

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

Site, Soil and Water Protection:

- If harvested during snow free conditions, filter strips will be required adjacent to imbedded wetlands.

Marketing Conditions:

Aspen 7-12" dbh, 5-7 sticks.
Good dry weather mid to late summer chance.

Price Adjustments:

Road Construction Costs: +10%
Haul Distance to Nearest Mill: 0%
Stand Density: +5%
Operational Constraints: 0%
Other Price Factor: +10% (season of operation)

Appraiser:

Steven A. Moberg

TRACT X10

COUNTY: ITASCA

AREA: DEER RIVER AREA

ACRES: 96.4

Permit Number: X015101
 Expiration Date: 05/31/2019

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

SESE of Section 19; GL01, GL02, NENE, NESE, NWNE, NWSE, SENE, SWNE of Section 30; NWNW of Section 29; SWSW of Section 20 - Township 60, Range 25W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 61	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ NORWAY PINE	WOODSRUN MIXED PRODUCTS	1,225.00	Cd	29.10	35,647.50	46.85	57,391.25
BALSAM FIR	WOODSRUN CORDWOOD	100.00	Cd	13.39	1,339.00	13.39	1,339.00
WHITE SPRUCE	WOODSRUN CORDWOOD	60.00	Cd	14.28	856.80	14.28	856.80
JACK PINE	WOODSRUN CORDWOOD	15.00	Cd	12.50	187.50	12.50	187.50
TREMBLING ASPEN	WOODSRUN CORDWOOD	15.00	Cd	22.76	341.40	22.76	341.40
PAPER BIRCH	WOODSRUN CORDWOOD	5.00	Cd	10.71	53.55	10.71	53.55

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$38,425.75 BID TOTAL = \$ 60,169.50
 ADVANCE PAYMENT = \$5,763.86

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

ANY LISTED SPECIES BIOMASS 620.00 Tons 1.00 620.00

Mixed Product Description:

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

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:

First Entry Thin: Norway pine averages 4 sticks, 8" DBH.
 Second Entry Thin: Norway pine averages 6 sticks, 10-12" DBH.
 Third Entry Thin: Norway pine averages 7 sticks, 12" DBH.
 Sale is located 2 miles down the Cameron Lake SFR.
 Price increased 5% for wood quality.

Price Adjustments:

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

Appraiser:

Garrett Mann

TRACT X11

COUNTY: CASS

AREA: BACKUS AREA

ACRES: 72.7

Permit Number: X015102
Expiration Date: 05/31/2019

Purchased By: Dukek Logging Inc.

Address: 23873 Timber Trail Drive, Bemidji, MN 56601

NENE,NWSW,SENW,SESE,SWNE,SWSE,SWSW of Section 16 - Township 142, Range 25W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 121	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	WOODSRUN MIXED PRODUCTS	855.00	Cd	23.85	20,391.75	52.71	45,067.05
+ PAPER BIRCH	WOODSRUN MIXED PRODUCTS	140.00	Cd	12.34	1,727.60	27.27	3,817.80
+ PINE SPECIES	WOODSRUN MIXED PRODUCTS	140.00	Cd	18.89	2,644.60	41.75	5,845.00
BALSAM FIR	WOODSRUN MIXED PRODUCTS	30.00	Cd	15.42	462.60	15.42	462.60
RED MAPLE	PULPWOOD	25.00	Cd	11.22	280.50	11.22	280.50
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$25,507.05	BID TOTAL = \$ 55,472.95
				ADVANCE PAYMENT =		\$3,826.06	

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

ANY LISTED SPECIES BIOMASS 670.00 Tons 1.00 670.00

Mixed Species Description:

Pine Species Woodsrun Mixed Products includes: Jack Pine 10%; Norway Pine 90%.

Mixed Product Description:

Balsam Fir Woodsrun Mixed Products includes: Bolts 10%; Pulpwood 90%.

Paper Birch Woodsrun Mixed Products includes: Bolts 15%; Pulpwood 85%.

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

Trembling Aspen Woodsrun Mixed Products includes: Bolts 10%; Pulpwood 90%.

Marketing Conditions:

- Aspen 6-8" diameter 4-5 stks.
- Birch 7-9" diameter 4-5 stks.
- Norway Pine 7-8" diameter 3-4 stks.
- Jack Pine 6-7"diameter 3-4 stks.
- Balsam Fir 8-10" diameter 3-4 stks.
- Maple 7-8" diameter 3-4 stks.

Price Adjustments:

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

Appraiser:

Michael H. Aultman

TRACT X12

COUNTY: ITASCA

AREA: DEER RIVER AREA

ACRES: 98.8

Permit Number: X015103
Expiration Date: 05/31/2019

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

NESW,NWSE,NWSW,SESW,SWSE,SWSW of Section 25 - Township 150, Range 27W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 116	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	WOODSRUN CORDWOOD	1,950.00	Cd	21.68	42,276.00	46.83	91,318.50
ASH	WOODSRUN MIXED PRODUCTS	220.00	Cd	7.86	1,729.20	7.86	1,729.20
PAPER BIRCH	WOODSRUN CORDWOOD	160.00	Cd	10.20	1,632.00	10.20	1,632.00
BALSAM FIR	WOODSRUN CORDWOOD	60.00	Cd	12.75	765.00	12.75	765.00
WHITE SPRUCE	WOODSRUN MIXED PRODUCTS	30.00	Cd	20.40	612.00	20.40	612.00
RED MAPLE	WOODSRUN CORDWOOD	10.00	Cd	10.20	102.00	10.20	102.00
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$47,116.20	BID TOTAL = \$ 96,158.70
				ADVANCE PAYMENT =		\$7,067.43	

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

ANY LISTED SPECIES BIOMASS 1,137.00 Tons 1.00 1,137.00

Mixed Product Description:

Ash Woodsrun Mixed Products includes: Bolts 25%; Pulpwood 75%.
White Spruce Woodsrun Mixed Products includes: Bolts 40%; Pulpwood 60%.

Cutting and Felling:

- Harvest all aspen, balsam fir, paper birch, white spruce and red maple 2 sticks and larger. Selectively harvest black ash 9" DBH and larger to approximately 80 sq. ft. basal area.

Sale Conditions:

- Access is across USFS and State land.
- Provisions of access and /or water crossing permits will become part of sale terms and conditions for this sale.

Marketing Conditions:

Aspen averages 5.5 sticks per tree
Ash 2.7 sticks/tree
Birch 2.8 sticks/tree
Balsam Fir 3.5 sticks/tree
White spruce 4.4 sticks/tree

Approximately 0.6 miles existing USFS trail to maintain and under 300 ft. new trail needed to access at nearest point.

Price Adjustments:

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

Appraiser:

Scott A. Bergloff

TRACT X13

COUNTY: KOOCHICHING

AREA: DEER RIVER AREA

ACRES: 35.8

Permit Number: X015104
Expiration Date: 05/31/2019

Purchased By: Shull Brothers
Address: PO Box 461, Northome, MN 56661

NENE,SENE of Section 29 - Township 151, Range 25W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASH	WOODSRUN MIXED PRODUCTS	190.00	Cd	5.98	1,136.20	5.98	1,136.20
+ ASPEN SPECIES	WOODSRUN CORDWOOD	130.00	Cd	14.83	1,927.90	14.83	1,927.90
BALSAM FIR	WOODSRUN CORDWOOD	55.00	Cd	10.20	561.00	10.20	561.00
PAPER BIRCH	WOODSRUN MIXED PRODUCTS	50.00	Cd	9.25	462.50	9.25	462.50
WHITE SPRUCE	WOODSRUN MIXED PRODUCTS	20.00	Cd	16.32	326.40	16.32	326.40
RED MAPLE	WOODSRUN CORDWOOD	4.00	Cd	8.16	32.64	8.16	32.64
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$4,446.64	BID TOTAL = \$	4,446.64
				ADVANCE PAYMENT =	\$667.00		

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

ANY LISTED SPECIES BIOMASS 300.00 Tons 0.80 240.00

Mixed Species Description:

Aspen Species Woodsrun Cordwood includes: Balm of Gilead 82%; Trembling Aspen 18%.

Mixed Product Description:

Ash Woodsrun Mixed Products includes: Bolts 20%; Pulpwood 80%.
Paper Birch Woodsrun Mixed Products includes: Bolts 20%; Pulpwood 80%.
White Spruce Woodsrun Mixed Products includes: Bolts 40%; Pulpwood 60%.

Season of Operations:

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

Sale Conditions:

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

Marketing Conditions:

Black ash averages 3.3 sticks per tree
Balm of Gilead averages 3.5 sticks per tree
Aspen averages 3.8 sticks per tree

Price reduced 20%.

Price Adjustments:

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

Appraiser:

Scott A. Bergloff

TRACT X14

COUNTY: KOOCHICHING

AREA: DEER RIVER AREA

ACRES: 19.2

Permit Number: X015105
Expiration Date: 05/31/2019

Purchased By: Shull Brothers
Address: PO Box 461, Northome, MN 56661

NENE,SENE of Section 34; SWNW of Section 35 - Township 152, Range 27W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 84	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	WOODSRUN CORDWOOD	330.00	Cd	21.26	7,015.80	39.12	12,909.60
+ BALSAM FIR	WOODSRUN CORDWOOD	170.00	Cd	12.75	2,167.50	23.46	3,988.20
PAPER BIRCH	WOODSRUN CORDWOOD	12.00	Cd	10.20	122.40	10.20	122.40
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$9,305.70	BID TOTAL = \$ 17,020.20
				ADVANCE PAYMENT =		\$1,395.86	

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

ANY LISTED SPECIES BIOMASS 262.00 Tons 1.00 262.00

Mixed Species Description:

Aspen Species Woodsrun Cordwood includes: Balm of Gilead 11%; Trembling Aspen 89%.

Cutting and Felling:

- Harvest merchantable aspen, balsam fir, birch and balm of Gilead.

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 private landowner may be required.

Sale Conditions:

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

Marketing Conditions:

Aspen avg. 8"-12" dbh @ 6 sticks

Balsam Fir avg. 5"-8" dbh @ 3-4 sticks

Price Adjustments:

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

Appraiser:

William E. Julson

TRACT X15

COUNTY: KOOCHICHING

AREA: DEER RIVER AREA

ACRES: 28.5

Permit Number: X015106
Expiration Date: 05/31/2019

Purchased By: Ziemba & Sons Inc.
Address: 6002 County Rd. 1, Littlefork, MN 56653

SWNW of Section 15; NENE,SENE of Section 16; SESE of Section 9 - Township 152, Range 29W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 90	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	WOODSRUN CORDWOOD	225.00	Cd	21.68	4,878.00	41.19	9,267.75
+ BALM OF GILEAD	WOODSRUN CORDWOOD	205.00	Cd	17.85	3,659.25	33.92	6,953.60
ASH	WOODSRUN CORDWOOD	55.00	Cd	5.95	327.25	5.95	327.25
PAPER BIRCH	WOODSRUN CORDWOOD	50.00	Cd	10.20	510.00	10.20	510.00
BALSAM FIR	WOODSRUN CORDWOOD	20.00	Cd	12.75	255.00	12.75	255.00
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$9,629.50	BID TOTAL = \$	17,313.60
				ADVANCE PAYMENT =	\$1,444.43		

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

ANY LISTED SPECIES BIOMASS 280.00 Tons 1.00 280.00

Season of Operations:

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

Sale Conditions:

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

Marketing Conditions:

Estimated volumes average 21.1 cords per acre (all appraised species).

All Price Guide Factors are average.

- Aspen average 6-7 sticks, 16" DBH.
- Balm of Gilead average 5 sticks, 14" DBH.
- Ash average 3-4 sticks, 10" DBH.
- Birch average 3-4 sticks, 10" DBH.
- Balsam fir average 5 sticks, 12" DBH.

400 tons of biomass available as optional timber.

Permit is located approximately 0.7 miles south of Flowing Well State Forest Road, access is through Koochiching County land.

Price Adjustments:

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

Appraiser:

Matthew T. Pollard

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

BACKUS AREA, DEER RIVER 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 8, 2016

- SUMMARY SHEET -

06/08/2016 INTERMEDIATE AUCTION - SALE #4

COMPLETED - DATA AS OF 12/26/2017

BACKUS AREA, DEER RIVER AREA

SUMMARY FOR SOLD TRACTS

PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE
WOODSRUN MIXED PRODUCTS	ASH	410.00	Cd	6.99	2,865.40
	TREMBLING ASPEN	855.00	Cd	-	0.00
	PAPER BIRCH	794.00	Cd	11.71	9,299.06
	BASSWOOD	15.00	Cd	15.33	229.95
	PINE SPECIES	715.00	Cd	16.79	12,006.00
	NORWAY PINE	1,514.80	Cd	46.14	69,899.02
	WHITE SPRUCE	430.00	Cd	34.38	14,781.80
	BALSAM FIR	65.00	Cd	9.82	638.05
	MIXED CONIFERS	288.00	Cd	45.59	13,129.92
WOODSRUN CORDWOOD	ASH	55.00	Cd	5.95	327.25
	ASPEN SPECIES	5,440.00	Cd	36.23	197,104.85
	TREMBLING ASPEN	8,542.00	Cd	38.73	330,793.57
	PAPER BIRCH	499.00	Cd	10.52	5,247.39
	BALM OF GILEAD	205.00	Cd	33.92	6,953.60
	RED MAPLE	373.00	Cd	9.16	3,415.98
	JACK PINE	15.00	Cd	12.50	187.50
	SPRUCE-BALSAM	170.00	Cd	14.34	2,437.80
	WHITE SPRUCE	60.00	Cd	14.28	856.80
	BALSAM FIR	495.00	Cd	16.62	8,228.50
	BLACK SPRUCE	20.00	Cd	11.56	231.20
	TAMARACK	460.00	Cd	4.34	1,996.40
	PULPWOOD	RED MAPLE	25.00	Cd	-
BIOMASS	ANY LISTED SPECIES (optional)	11,427.00	Tons	-	0.00

TOTAL SOLD TRACTS CONVERTED TO CORDS: 21,445.80
TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS: \$ 446,862.01
TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS: \$ 733,666.15
TOTAL ACRES SOLD: 1,087.7
SOLD TRACT NUMBERS: 1, 2, 3, 4, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15
TOTAL NUMBER OF TRACTS SOLD: 14

SUMMARY FOR UNSOLD TRACTS

PRODUCT	SPECIES	TOTAL VOLUME	UNIT	APPRAISED AVERAGE UNIT PRICE	APPRAISED \$ VALUE
WOODSRUN CORDWOOD	BLACK SPRUCE	565.00	Cd	11.56	6,531.40
	TAMARACK	750.00	Cd	4.34	3,255.00
BIOMASS	ANY LISTED SPECIES (optional)	650.00	Tons	0.85	552.50

TOTAL UNSOLD TRACTS CONVERTED TO CORDS: 1,315.00
TOTAL APPRAISED DOLLAR VALUE OF UNSOLD TRACTS: \$ 9,786.40
TOTAL ACRES UNSOLD: 101.0
UNSOLD TRACT NUMBER: 5
TOTAL NUMBER OF TRACTS UNSOLD: 1