

MINNESOTA DEPARTMENT OF NATURAL RESOURCES DIVISION OF FORESTRY

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

STATUS: COMPLETED REGULAR AUCTION - SALE #1 ORAL BID

Notice is hereby given that I offered for sale at public auction in Onamia, MN at 9:30 AM on Thursday, June 9, 2016, timber belonging to the State of Minnesota. All tracts were offered at the Onamia Forestry Field Station in Onamia, 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.





MINNESOTA DEPARTMENT OF NATURAL RESOURCES DIVISION OF FORESTRY

REGULAR AUCTION
ORAL BID TIMBER SALE
LITTLE FALLS AREA

9:30 AM on June 9, 2016 Onamia Forestry Field Station in Onamia, 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 the responsible bidder who bids the highest price for all timber species advertised for bidding on each tract. Bidding above 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 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)].

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 9, 2017, at the following Area Headquarters: Little Falls Area.

TRACT B1 **COUNTY: MILLE LACS AREA: LITTLE FALLS AREA ACRES: 63.7**

Permit Number: B013331 Expiration Date: 05/31/2019 Purchased Over-the-Counter Date: 06/10/2016

Purchased By: Rum River Timber Harvesting Inc. Address: 34452 140th Ave, Onamia, MN 56359

NWSE, SENW, SWNE of Section 21 - Township 40, Range 26W.

NESW, NWSW, SENW, SWNW of Section 21 - Township 40, Range 26W.

					APPR	AISED	BID	%: 0
					UNIT		UNIT	
SI	PECIES	PRODUCT	VOLUME	UNIT	PRICE	\$ VALUE	PRICE	\$ VALUE
	ASPEN SPECIES	WOODSRUN CORDWOOD	300.00	Cd	13.73	4,119.00	13.73	4,119.00
	RED OAK	WOODSRUN MIXED PRODUCTS	269.00	Cd	14.14	3,803.66	14.14	3,803.66
	RED MAPLE	WOODSRUN CORDWOOD	195.00	Cd	8.67	1,690.65	8.67	1,690.65
•	BASSWOOD	WOODSRUN MIXED PRODUCTS	174.00	Cd	7.89	1,372.86	7.89	1,372.86
	SUGAR MAPLE	WOODSRUN CORDWOOD	77.00	Cd	8.67	667.59	8.67	667.59
	BUR OAK	WOODSRUN CORDWOOD	57.00	Cd	13.01	741.57	13.01	741.57
	ASH	WOODSRUN MIXED PRODUCTS	37.00	Cd	5.20	192.40	5.20	192.40
-	PAPER BIRCH	WOODSRUN CORDWOOD	7.00	Cd	8.67	60.69	8.67	60.69
+	BID SPECIES *	SOLD ON APPRAISED VOLUME		APPRAIS	SED TOTAL =	\$12,648.42	BID TOTA	_ = \$ 12,648.42
			Α	DVANCE	E PAYMENT =	\$1,897.26		

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

ANY LISTED SPECIES **BIOMASS** 592.00 Tons 0.85 503.20

Mixed Species Description:

Aspen Species Woodsrun Cordwood includes: Largetooth Aspen 27%; Trembling Aspen 73%.

Mixed Product Description:

Ash Woodsrun Mixed Products includes: Bolts 2%; Pulpwood 98%.

Basswood Woodsrun Mixed Products includes: Bolts 11%; Pulpwood 89%.

Red Oak Woodsrun Mixed Products includes: Bolts 20%; Pulpwood 80%.

Cutting and Felling:

- Harvest all trees marked with orange paint. Harvest all aspen species unless marked with a green ring, Harvest all stems greater than 2 inches diameter except for oaks, hickory, butternut, elm, birch and conifers (Cutting Block 1).
- Harvest all unmarked trees. Harvest all stems greater than 2 inches in diameter except for oak, birch, hickory, butternut, conifers, elm, and all species not listed for harvest (Cutting Block 2).
- Reserve all species marked with green paint, reserve all hickory, butternut, conifers, cherry and elm. Reserve all snags (Cutting Block 2).
- Reserve all unmarked trees, oak, aspen, maple, ash, birch and basswood marked with a green ring, reserve all hickory, butternut, conifers, cherry and elm. Reserve all snags, and trees not listed for harvest (Cutting Block 1).

Season of Operations:

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

Site, Soil and Water Protection:

- Wetlands requiring filter strips occur on this permit (Cutting Blocks 1 and 2).

Landings Roads and Trails:

- Post "Trucks Hauling" signs 200 feet beyond either end of road/trail section being used (Cutting Blocks 1 and 2).

Landings Roads and Trails (Continued):

- A minimum of four inches of snow must be left on the recreation trail from Dec. 1 - March 31 (Cutting Blocks 1 and 2).

Sale Conditions:

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

Marketing Conditions:

Red Oak Averages: 14" DBH, 6 sticks/tree, 22 TPA, 20% bolts. Basswood Averages: 12" DBH, 6 sticks/tree, 26 TPA, 12% bolts.

Aspen Averages: 14" DBH. 7.5 sticks/tree, 6 TPA, 73% quaking, 27% big tooth.

Red Maple Averages: 11" DBH, 4.5 sticks/tree, 30 TPA. Sugar Maple Averages: 11" DBH, 3.5 sticks/tree, 15 TPA. Bur Oak Averages: 10" DBH, 4.5 sticks/tree, 16 TPA. Northern Hardwoods: 87% black ash, 13% paper birch.

Price Adjustments:

Road Construction Costs: +5% Haul Distance to Nearest Mill: -10%

Stand Density: 0%

Operational Constraints: -10%

Other Price Factor: 0%

Appraiser:

Stephen Hafvenstein

(Appraisal ID 12106-0; Cutting Block ID 14035-0, 14034-0)

TRACT B2 COUNTY: MILLE LACS AREA: LITTLE FALLS AREA ACRES: 67.8

Permit Number: B013332 Expiration Date: 05/31/2019

Purchased By: Nelson Forest Products Inc.

Address: 9533 367th Street, Mora, MN 55056

NESW, NWSE, SENW, SWSE of Section 12 - Township 41, Range 25W.

					AISED	BID %: 0		
S	PECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	RED MAPLE	WOODSRUN MIXED PRODUCTS	365.00	Cd	10.01	3,653.65	10.01	3,653.65
+	BASSWOOD	WOODSRUN MIXED PRODUCTS	300.00	Cd	8.91	2,673.00	8.91	2,673.00
+	ASPEN SPECIES	WOODSRUN CORDWOOD	250.00	Cd	15.34	3,835.00	15.34	3,835.00
+	SUGAR MAPLE	WOODSRUN CORDWOOD	222.00	Cd	9.69	2,151.18	9.69	2,151.18
+	ASH	WOODSRUN CORDWOOD	80.00	Cd	5.65	452.00	5.65	452.00
+	BID SPECIES * SOL	D ON APPRAISED VOLUME		APPRAIS	SED TOTAL =	\$12,764.83	BID TOTAL	_ = \$ 12,764.83
			А	DVANCE	PAYMENT =	\$1,914.72		

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

ANY LISTED SPECIES BIOMASS 750.00 Tons 0.95 712.50

Mixed Species Description:

Aspen Species Woodsrun Cordwood includes: Largetooth Aspen 45%; Trembling Aspen 55%.

Mixed Product Description:

Basswood Woodsrun Mixed Products includes: Bolts 13%; Pulpwood 87%. Red Maple Woodsrun Mixed Products includes: Bolts 5%; Pulpwood 95%.

Cutting and Felling:

- Harvest all stems greater than 2 inches DBH, except, oak, birch, hickory, butternut, conifers and all other species not listed for harvest.
- Reserve all species marked with a green ring, oak, birch, hickory, butternut, conifers and all other species not listed for harvest.

Season of Operations:

- Conduct all harvest operations on frozen/dry soil conditions only, except with written permission from State.
- Operate during non-rutting soil conditions. Refer to DNR rutting guidelines.

Sale Conditions:

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

Marketing Conditions:

Red Maple Averages: 9" DBH, 4 sticks/tree, 68 TPA, 3% bolts.

Sugar Maple Averages: 8" DBH, 3 sticks/tree, 62 TPA.

Basswood Averages: 12" DBH, 6 sticks/tree, 25 TPA, 13% bolts.

Aspen Averages: 16" DBH, 7.5 sticks/tree, 3 TPA, 55% trembling, 45% big tooth.

Ash Species Averages: 10" DBH, 5 sticks/tree, 6 TPA, 5% bolts.

Price Adjustments:

Road Construction Costs: +5% Haul Distance to Nearest Mill: -10%

Stand Density: 0%

Operational Constraints: 0%

06/09/2016 REGULAR AUCTION - SALE #1

Other Price Factor: 0%

Appraiser:

Stephen Hafvenstein

(Appraisal ID 12107-0; Cutting Block ID 14033-0)

TRACT B3 COUNTY: MILLE LACS AREA: LITTLE FALLS AREA ACRES: 43.6

Permit Number: B013333 Purchased Over-the-Counter Date: 06/13/2016

Expiration Date: 05/31/2019

Purchased By: Rum River Timber Harvesting Inc.

Address: 34452 140th Ave, Onamia, MN 56359

NESE of Section 22; NWSW of Section 23 - Township 41, Range 26W. SENE of Section 22; SWNW of Section 23 - Township 41, Range 26W.

NESE, SENE of Section 22; NWSW, SWNW of Section 23 - Township 41, Range 26W.

NWSE,SWNE of Section 22 - Township 41, Range 26W.

					APPRAISED		%: 0
SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+* BASSWOOD	WOODSRUN MIXED PRODUCTS	305.00	Cd	10.08	3,074.40	10.08	3,074.40
+* ASPEN SPECIES	WOODSRUN CORDWOOD	200.00	Cd	16.15	3,230.00	16.15	3,230.00
+* RED OAK	WOODSRUN MIXED PRODUCTS	160.00	Cd	17.68	2,828.80	17.68	2,828.80
+* RED MAPLE	WOODSRUN CORDWOOD	120.00	Cd	10.20	1,224.00	10.20	1,224.00
* ASH	WOODSRUN MIXED PRODUCTS	99.00	Cd	7.73	765.27	7.73	765.27
* SUGAR MAPLE	WOODSRUN MIXED PRODUCTS	55.00	Cd	10.91	600.05	10.91	600.05
* BUR OAK	WOODSRUN MIXED PRODUCTS	44.00	Cd	17.77	781.88	17.77	781.88
* PAPER BIRCH	WOODSRUN CORDWOOD	6.00	Cd	10.20	61.20	10.20	61.20
+ BID SPECIES *	SOLD ON APPRAISED VOLUME			SED TOTAL = E PAYMENT =	\$12,565.60 \$1,884.84	BID TOTA	L = \$ 12,565.60

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 50%; Trembling Aspen 50%.

Mixed Product Description:

Ash Woodsrun Mixed Products includes: Bolts 23%; Pulpwood 77%.

Basswood Woodsrun Mixed Products includes: Bolts 23%; Pulpwood 77%.

Bur Oak Woodsrun Mixed Products includes: Bolts 36%; Pulpwood 64%.

Red Oak Woodsrun Mixed Products includes: Bolts 35%; Pulpwood 65%.

Sugar Maple Woodsrun Mixed Products includes: Bolts 10%; Pulpwood 90%.

Cutting and Felling:

- Harvest aspen, maple and trees marked with "orange" paint (Cutting Blocks 2 and 4).
- Harvest stems larger than 2 inches except conifers, butternut, cherry and hickory and the reserve island located north of permit area (Cutting Block 1).
- Harvest stems larger than 2 inches except conifers, butternut, cherry and hickory. There are 2 reserve islands marked into the east side of the permit area (Cutting Block 3).
- Full tree skidding will be evaluated, if excessive damage is occuring a 25" miximum skid length will be imposed (Cutting Blocks 2 and 4).

Season of Operations:

- No weekend sale operation allowed between September 15 and December 15, without written permission from State (Cutting Blocks 1, 2, 3, and 4).
- No sale operations allowed during firearms / muzzleloader deer seasons (Cutting Blocks 1, 2, 3, and 4).

Site, Soil and Water Protection:

Site, Soil and Water Protection (Continued):

- Wetlands requiring filter strips occur on this permit (Cutting Blocks 1, 2, 3, and 4).

Marketing Conditions:

Averaged volume per acre for area, high percentage of maple less then 10" DBH. High percentage of Basswood on sale with less then 25% bolts. Average timber 5 to 6 stick average.

Price Adjustments:

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

Stand Density: +10%

Operational Constraints: -10%

Other Price Factor: -10% (High amount basswood pulp on sale.)

Appraiser:

Mark A. Anderson

(Appraisal ID 12129-0; Cutting Block ID 14181-0, 14179-0, 14180-0, 14169-0)

TRACT B4 COUNTY: MILLE LACS AREA: LITTLE FALLS AREA ACRES: 44.5

Expiration Date: 05/31/2019

Purchased By: Rum River Timber Harvesting Inc.Address: 34452 140th Ave, Onamia, MN 56359

NENE, NWNE of Section 27 - Township 41, Range 26W.

NENW, NWNE, NWNW, SENW, SWNE of Section 27 - Township 41, Range 26W.

		APPRAISED		BID %: 0				
S	PECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	BASSWOOD	WOODSRUN MIXED PRODUCTS	251.00	Cd	6.81	1,709.31	6.81	1,709.31
+	TREMBLING ASPEN	WOODSRUN CORDWOOD	135.00	Cd	12.11	1,634.85	12.11	1,634.85
+	NORTHERN HARDWOODS	WOODSRUN CORDWOOD	121.00	Cd	7.64	924.44	7.64	924.44
	ASH	WOODSRUN MIXED PRODUCTS	104.00	Cd	4.97	516.88	4.97	516.88
	OAK SPECIES	WOODSRUN MIXED PRODUCTS	37.00	Cd	13.29	491.73	13.29	491.73
+	BID SPECIES * SOLE	O ON APPRAISED VOLUME		_	ED TOTAL = PAYMENT =	\$5,277.21 \$791.58	BID TOTA	L = \$ 5,277.21

Mixed Species Description:

Northern Hardwoods Woodsrun Cordwood includes: American Elm 0%; Paper Birch 6%; Red Maple 29%; Sugar Maple 65%. Oak Species Woodsrun Mixed Products includes: Bur Oak 37%; Red Oak 63%.

Mixed Product Description:

Ash Woodsrun Mixed Products includes: Bolts 9%; Pulpwood 91%.
Basswood Woodsrun Mixed Products includes: Bolts 9%; Pulpwood 91%.
Oak Species Woodsrun Mixed Products includes: Bolts 36%; Pulpwood 64%.

Cutting and Felling:

- Harvest all aspen and maple larger than 2" DBH and all trees marked with orange paint (Cutting Block 2).
- Harvest all aspen, maple, basswood, ash, elm and birch over 2" DBH unless marked with green paint. Oaks marked with orange paint are also to be cut (Cutting Block 1).
- Reserve all conifers, butternut hickory and unmarked oak and basswood (Cutting Block 2).
- Reserve all unmarked oak, trees marked with green paint and butternut, cherry and white pine (Cutting Block 1).
- Cut areas are not to be reentered after a growing season (Cutting Blocks 1 and 2).

Season of Operations:

- No weekend sale operations allowed between September 15 and December 15, without written permission from State (Cutting Blocks 1 and 2).
- No sale operations allowed during firearms / muzzleloader deer seasons (Cutting Blocks 1 and 2).
- Conduct sale operations on frozen or dry soil conditions only, except with written permission from State (Cutting Blocks 1 and 2).
- Frozen ground access only (Cutting Blocks 1 and 2).

Slash Disposal:

- Biomass harvest is not allowed on this permit (Cutting Blocks 1 and 2).

Site, Soil and Water Protection:

- A limited number of skid trails will be allowed through the reserve area. They are to be approved by the TSA (Cutting Block 1).

Sale Conditions:

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

Marketing Conditions:

Biomass is not available due to wildlife management considerations.

Aspen averages 6 sticks Other species are 4-5 sticks tall.

Price Adjustments:

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

Other Price Factor: 0%

Appraiser:

Peter R. Willis

(Appraisal ID 12092-0; Cutting Block ID 14098-0, 14119-0)

TRACT B5 COUNTY: MORRISON AREA: LITTLE FALLS AREA ACRES: 83.4

Permit Number: B013335 Expiration Date: 05/31/2019

> Purchased By: Great Northern Logging Inc. Address: 33403 - 143rd St, Pierz, MN 56364

NENW, NESE, NESW, NWNW, NWSE, SENE, SENW, SWNE, SWNW of Section 30 - Township 41, Range 31W.

						AISED		%: 0
					UNIT		UNIT	
3	SPECIES	PRODUCT	_ VOLUME_	UNIT	PRICE	\$ VALUE	PRICE	\$ VALUE
+	ASPEN SPECIES	WOODSRUN CORDWOOD	600.00	Cd	9.70	5,820.00	9.70	6,984.00
+	OAK SPECIES	WOODSRUN MIXED PRODUCTS	380.00	Cd	10.00	3,800.00	10.00	3,980.00
	+ BID SPECIES * SO	LD ON APPRAISED VOLUME		APPRAIS	SED TOTAL =	\$9,620.00	BID TOTA	L = \$ 10,964.00
			А	DVANCE	PAYMENT =	\$1,443.00		

ANY LISTED SPECIES BIOMASS 610.00 Tons 1.00 610.00

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 5%; Trembling Aspen 95%.

Oak Species Woodsrun Mixed Products includes: Bur Oak 10%; Red Oak 90%.

Mixed Product Description:

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

Cutting and Felling:

- Trees must be processed at the stump and cut products forwarded to the landing.

Season of Operations:

- No sale operations allowed between April 1 to July 15 due to oak wilt concerns, without written permission from State.
- No sale operations allowed during firearms / muzzleloader deer seasons.
- Conduct all sale operations on frozen soil conditions only, except with written permission from State.
- Frozen ground access only.
- Frozen ground access across private and state lands.

Landings Roads and Trails:

- Recreation trail may be used as access.

Sale Conditions:

- Access is across state but best access for some blocks is across private land.
- Permission to cross private land must be obtained by permittee.

Marketing Conditions:

All of the stands are all moderately to heavily infested with buckthorn.

Aspen Species - 7.7 cords/acre, DBH range 5"-20"

Oak Species - 4.3 cords/acre, DBH range 7"-28", majority is firewood quality

The site had a prescribed burn occur on the southeast stand in April 2016. Minimal damage occurred to the bottom of the stems of no more than 15% of trees.

Price Adjustments:

Road Construction Costs: 0%

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Haul Distance to Nearest Mill: 0%

Stand Density: -10%

Operational Constraints: -10%

Other Price Factor: -20% (Part of the sale is reoffered and burned.)

Appraiser:

Andrew J. McGuire

(Appraisal ID 11877-0; Cutting Block ID 9695-0)

TRACT B6 COUNTY: TODD AREA: LITTLE FALLS AREA ACRES: 15.0

Permit Number: B013336 Expiration Date: 05/31/2019

Purchased By: Sappi Cloquet LLC

Address: 20 N. 22nd StWood Fiber & Fuel Proc, Cloquet, MN 55720

NENE, SENE, SWNE of Section 25 - Township 131, Range 32W.

					APPRAISED		BID %: 170	
s	PECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE _	\$ VALUE	UNIT PRICE	\$ VALUE
+	ASPEN SPECIES	WOODSRUN CORDWOOD	445.00	Cd	14.53	6,465.85	39.23	17,457.35
+*	RED OAK	WOODSRUN MIXED PRODUCTS	95.00	Cd	14.63	1,389.85	39.50	3,752.50
*	BUR OAK	WOODSRUN CORDWOOD	35.00	Cd	13.77	481.95	13.77	481.95
*	PAPER BIRCH	WOODSRUN CORDWOOD	10.00	Cd	9.18	91.80	9.18	91.80
*	RED MAPLE	WOODSRUN CORDWOOD	10.00	Cd	9.18	91.80	9.18	91.80
*	BASSWOOD	WOODSRUN CORDWOOD	6.00	Cd	7.65	45.90	7.65	45.90
*	ASH	WOODSRUN CORDWOOD	1.00	Cd	5.36	5.36	5.36	5.36
+	BID SPECIES	* SOLD ON APPRAISED VOLUME			SED TOTAL = E PAYMENT =	\$8,572.51 \$1,285.88	BID TOTA	L = \$ 21,926.66

Mixed Species Description:

Aspen Species Woodsrun Cordwood includes: Largetooth Aspen 47%; Trembling Aspen 53%.

Mixed Product Description:

Red Oak Woodsrun Mixed Products includes: Bolts 14%; Pulpwood 86%.

Cutting and Felling:

- Harvest all aspen, birch, maple, oak, ash and basswood 2" dbh and larger.
- Reserve pockets of aspen and oak trees marked with blue paint within the harvest area.

Season of Operations:

- No sale operations allowed between March 15th and December 15th, without written permission from State.
- No sale operations allowed during firearms / muzzleloader deer seasons.

Slash Disposal:

- Biomass harvest is not allowed on this permit.

Site, Soil and Water Protection:

- No operations within reserved islands.
- Wetlands requiring filter strips occur on this permit.

Landings Roads and Trails:

- Any damage to existing gates on access routes will be repaired or replaced by the permittee as approved by the State.

Sale Conditions:

- Access is across state land.

Marketing Conditions:

Biomass not being sold on this permit.

Aspen is mostly 5-6 sticks tall. Oak is mostly 4-5 sticks tall.

Price Adjustments:

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

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Stand Density: +10%

Operational Constraints: -10% Other Price Factor: 0%

Appraiser:

Peter R. Willis

(Appraisal ID 11779-0; Cutting Block ID 12540-0)

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

LITTLE FALLS 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 9, 2016

LITTLE FALLS AREA

	SUMMARY FOR SOLD TRACTS							
PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE			
WOODSRUN MIXED	ASH	240.00	Cd	6.14	1,474.55			
PRODUCTS	RED MAPLE	365.00	Cd	10.01	3,653.65			
	SUGAR MAPLE	55.00	Cd	10.91	600.05			
	BASSWOOD	1,030.00	Cd	8.57	8,829.57			
	OAK SPECIES	417.00	Cd	10.72	4,471.73			
	RED OAK	524.00	Cd	19.82	10,384.96			
	BUR OAK	44.00	Cd	17.77	781.88			
WOODSRUN CORDWOOD	ASH	81.00	Cd	5.65	457.36			
	ASPEN SPECIES	1,795.00	Cd	19.85	35,625.35			
	TREMBLING ASPEN	135.00	Cd	12.11	1,634.85			
	PAPER BIRCH	23.00	Cd	9.29	213.69			
	NORTHERN HARDWOODS	121.00	Cd	7.64	924.44			
	RED MAPLE	325.00	Cd	9.25	3,006.45			
	SUGAR MAPLE	299.00	Cd	9.43	2,818.77			
	BASSWOOD	6.00	Cd	7.65	45.90			
	BUR OAK	92.00	Cd	13.30	1,223.52			
BIOMASS	ANY LISTED SPECIES (optional)	1,952.00	Tons	-	0.00			

TOTAL SOLD TRACTS CONVERTED TO CORDS: 5,552.00
TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS: \$ 61,448.57
TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS: \$ 76,231.72

TOTAL ACRES SOLD: 318.0

TOTAL NUMBER OF TRACTS SOLD: 6