

MINNESOTA DEPARTMENT OF NATURAL RESOURCES DIVISION OF FORESTRY

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

TOWER AREA

STATUS: COMPLETED INTERMEDIATE AUCTION - SALE #4 ORAL BID

Notice is hereby given that I offered for sale at public auction in Orr, MN at 9:15 AM on Tuesday, June 14, 2016, timber belonging to the State of Minnesota. All tracts were offered at the Orr American Legion in Orr, 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).



MINNESOTA DEPARTMENT OF NATURAL RESOURCES

DIVISION OF FORESTRY INTERMEDIATE AUCTION ORAL BID TIMBER SALE TOWER AREA

9:15 AM on June 14, 2016 Orr American Legion in Orr, 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 *Cerfification 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 14, 2017, at the following Area Headquarters: Tower 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.

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TRACT X1 COUNTY: ST. LOUIS

AREA: TOWER AREA

Permit Number: X015161 Expiration Date: 05/31/2019

Purchased By: Mike Nielsen Logging

Address: 1979 Sotlich Road, Ely, MN 55731

NENE,SENE,SWNE of Section 29; NWSW,SWSW of Section 16; NESE,SESE,SWSE of Section 20; NWSW,SWSW of Section 21 - Township 59, Range 13W.

					APPR	AISED	BID) %: 0
5	PECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	MIXED SPRUCE	WOODSRUN MIXED PRODUCTS	1,105.00	Cd	12.75	14,088.75	12.75	14,088.75
+	TREMBLING ASPEN	WOODSRUN CORDWOOD	485.00	Cd	16.26	7,886.10	16.26	7,886.10
+	JACK PINE	WOODSRUN MIXED PRODUCTS	465.00	Cd	16.83	7,825.95	16.83	7,825.95
	BALSAM FIR	WOODSRUN CORDWOOD	170.00	Cd	9.56	1,625.20	9.56	1,625.20
	PAPER BIRCH	WOODSRUN CORDWOOD	85.00	Cd	7.65	650.25	7.65	650.25
	TAMARACK	WOODSRUN CORDWOOD	85.00	Cd	3.83	325.55	3.83	325.55
+	BID SPECIES * SOLD) ON APPRAISED VOLUME			SED TOTAL = PAYMENT =	\$32,401.80 \$4,860.27	BID TOTA	L = \$ 32,401.80

Mixed Species Description:

Mixed Spruce Woodsrun Mixed Products includes: Black Spruce 75%; White Spruce 25%.

Mixed Product Description:

Jack Pine Woodsrun Mixed Products includes: Bolts 40%; Pulpwood 60%. Mixed Spruce Woodsrun Mixed Products includes: Bolts 20%; Pulpwood 80%.

Season of Operations:

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

Sale Conditions:

- Access is across USFS and Allete Inc. land.
- Permission to cross Allete Inc. land must be obtained by permittee.
- Provisions of access and /or water crossing permits will become part of sale terms and conditions for this sale.

Marketing Conditions:

Spruce averages 6-12" DBH, 3-5 sticks Jack pine averages 10-14" DBH, 5-6 sticks Aspen averages 10-14" DBH, 5-6 sticks 25% discount due to partial re-offer and road construction

Price Adjustments:

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

Appraiser:

Brody J. Geiselman

(Appraisal ID 10812-0; Cutting Block ID 12721-0)

Purchased Over-the-Counter Date: 08/22/2016

TRACT X2

X2 COUNTY: ST. LOUIS

AREA: TOWER AREA

ACRES: 32.3

Permit Number: X015162 Expiration Date: 05/31/2019

Purchased By:

Address:

NESE, SENE of Section 28 - Township 62, Range 13W.

							AISED	BID:	
	SPECIES		PRODUCT	VOLUME	UNIT		\$ VALUE	UNIT PRICE	\$ VALUE
+	- NORWAY PINE		WOODSRUN MIXED PRODUCTS	85.00	Cd	42.28	3,593.80	42.28	3,593.80
_	+ BID SPECIES	*	SOLD ON APPRAISED VOLUME	۵		ED TOTAL = PAYMENT =	\$3,593.80 \$539.07	BID TOTA	AL = \$ 3,593.80

Mixed Product Description:

Norway Pine Woodsrun Mixed Products includes: Bolts 50%; Pulpwood 25%; Sawtimber 25%.

Marketing Conditions:

Norway pine averages 16-18" DBH and 7-8 sticks Seed tree harvest Summer chance

Price Adjustments:

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

Appraiser:

Brody J. Geiselman

(Appraisal ID 12056-2; Cutting Block ID 14137-3)

TRACT X3

Permit Number: X015163

COUNTY: ST. LOUIS

AREA: TOWER AREA

ACRES: 137.0

Expiration Date: 05/31/2019

Purchased By: Address:

GL03, GL04, NESW, SENW, SWNW of Section 3 - Township 63, Range 18W. GL01,GL02,GL03,NWSE,SENE,SENW,SWNE of Section 4 - Township 63, Range 18W.

					APPR	RAISED	BID:	
S	PECIES	PRODUCT	VOLUME		UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	NORWAY PINE	WOODSRUN MIXED PRODUCTS	760.00	Cd	12.15	9,234.00	12.15	9,234.00
+	MIXED SPRUCE	WOODSRUN CORDWOOD	260.00	Cd	10.20	2,652.00	10.20	2,652.00
	BALSAM FIR	WOODSRUN CORDWOOD	55.00	Cd	9.50	522.50	9.50	522.50
	NORTHERN HARDWOODS	WOODSRUN CORDWOOD	15.00	Cd	7.65	114.75	7.65	114.75
	TREMBLING ASPEN	WOODSRUN CORDWOOD	10.00	Cd	16.26	162.60	16.26	162.60
	JACK PINE	WOODSRUN CORDWOOD	5.00	Cd	8.93	44.65	8.93	44.65
+	BID SPECIES * SOL	D ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$12,730.50 \$1,909.58	BID TOTA	L = \$ 12,730.50

Mixed Species Description:

Mixed Spruce Woodsrun Cordwood includes: Black Spruce 1%; White Spruce 99%. Northern Hardwoods Woodsrun Cordwood includes: Paper Birch 77%; Red Maple 23%.

Mixed Product Description:

Norway Pine Woodsrun Mixed Products includes: Bolts 12%; Pulpwood 88%.

Marketing Conditions:

Cutting block 1: DBH averages 9in and 5 sticks tall. WS averages 6 inches DBH with 3 sticks.

Cutting block2: DBH averages 8in and 5 stick average trees.

Price Adjustments:

Road Construction Costs: 0% Haul Distance to Nearest Mill: 0% Stand Density: 0% **Operational Constraints: 0%** Other Price Factor: -25%

Appraiser:

Christine Ann Martin

(Appraisal ID 11899-1; Cutting Block ID 13731-5, 13734-4)

TRACT X4 COUNTY: ST. LOUIS

Permit Number: X015164

AREA: TOWER AREA

ACRES: 10.0

Expiration Date: 05/31/2019 Purchased By:

Address:

NWNW of Section 23; SESW of Section 14 - Township 63, Range 20W.

						AISED	BID:	
	SPECIES	PRODUCT	VOLUME			\$ VALUE	UNIT PRICE	\$ VALUE
+	BLACK SPRUCE	WOODSRUN CORDWOOD	170.00	Cd	8.85	1,504.50	8.85	1,504.50
	TAMARACK	WOODSRUN CORDWOOD	15.00	Cd	3.30	49.50	3.30	49.50
	TREMBLING ASPEN	WOODSRUN CORDWOOD	5.00	Cd	14.10	70.50	14.10	70.50
	* BALSAM FIR	WOODSRUN CORDWOOD	1.00	Cd	8.30	8.30	8.30	8.30
	ANY LISTED SPECIES	BIOMASS	155.00	Tons	1.00	155.00	1.00	155.00
_	+ BID SPECIES * SOLD	APPRAISED TOTAL = ADVANCE PAYMENT =			\$1,787.80 \$268.17	BID TOTA	L = \$ 1,787.80	

SOAV Option:

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

Marketing Conditions:

BS 3-4 stick, 7-9" 18 cds/acre . another 10% for road construction. This Sale is a reoffer and is reduced 25% and

Price Adjustments:

Road Construction Costs: 0% Haul Distance to Nearest Mill: 0% Stand Density: 0% **Operational Constraints: -10%** Other Price Factor: -25%

Appraiser:

Terry R. Bergstrom

(Appraisal ID 11525-3; Cutting Block ID 13499-5)

TRACT X5 COUNTY: ST. LOUIS

AREA: TOWER AREA

ACRES: 54.0

Permit Number: X015165 Expiration Date: 05/31/2019

Purchased By: Sokoloski Logging Inc.

Address: PO Box 146, Orr, MN 55771-0146

NESW, SESW, SWSE of Section 10 - Township 63, Range 20W.

					APPR	AISED	BID	%: 125
					UNIT		UNIT	
	SPECIES	PRODUCT	VOLUME	UNIT	PRICE	\$ VALUE	PRICE	\$ VALUE
	F TREMBLING ASPEN	WOODSRUN CORDWOOD	920.00	Cd	21.68	19,945.60	48.78	44,877.60
	 NORTHERN HARDWOODS 	WOODSRUN CORDWOOD	115.00	Cd	10.20	1,173.00	22.95	2,639.25
	BALSAM FIR	WOODSRUN CORDWOOD	35.00	Cd	12.75	446.25	12.75	446.25
_	+ BID SPECIES * SOLD	ON APPRAISED VOLUME			SED TOTAL = E PAYMENT =	\$21,564.85 \$3,234.73	BID TOTA	L = \$ 47,963.10

Mixed Species Description:

Northern Hardwoods Woodsrun Cordwood includes: Paper Birch 75%; Red Maple 25%.

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:

Aspen average 11" dbh, 6 sticks tall.

Price Adjustments:

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

Appraiser:

Christine Ann Martin

(Appraisal ID 11898-0; Cutting Block ID 13963-0)

TRACT X6 COUNTY: ST. LOUIS

AREA: TOWER AREA

ACRES: 78.2

Expiration Date: 05/31/2019

Permit Number: X015166

Purchased By: Address:

NESE, SESE, SESW, SWSE of Section 24 - Township 64, Range 18W.

					APPR UNIT	AISED	BID:	
5	SPECIES	PRODUCT	VOLUME			\$ VALUE	PRICE	\$ VALUE
+	PINE SPECIES	WOODSRUN MIXED PRODUCTS	780.00	Cd	20.80	16,224.00	20.80	16,224.00
+	TREMBLING ASPEN	WOODSRUN CORDWOOD	160.00	Cd	16.25	2,600.00	16.25	2,600.00
	MIXED SPRUCE	WOODSRUN CORDWOOD	70.00	Cd	10.20	714.00	10.20	714.00
	BALSAM FIR	WOODSRUN CORDWOOD	25.00	Cd	9.55	238.75	9.55	238.75
	NORTHERN HARDWOODS	WOODSRUN CORDWOOD	15.00	Cd	7.65	114.75	7.65	114.75
-	BID SPECIES * SOLD	ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$19,891.50 \$2,983.73	BID TOTA	_ = \$ 19,891.50

Mixed Species Description:

Mixed Spruce Woodsrun Cordwood includes: Black Spruce 80%; White Spruce 20%. Northern Hardwoods Woodsrun Cordwood includes: Paper Birch 73%; Red Maple 27%. Pine Species Woodsrun Mixed Products includes: Jack Pine 37%; Norway Pine 62%; White Pine 1%.

Mixed Product Description:

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

Marketing Conditions:

Norway Pine 10-12"dbh, 5-6 stick. Prices reduced 25% for first year thinning. in some areas to reduce damage to residuals. Jack Pine 12" 5-6 stick avg. Some limbing of trees before skidding may be required

Price Adjustments:

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

Appraiser:

Terry R. Bergstrom

(Appraisal ID 12082-1; Cutting Block ID 14153-2)

TRACT X7 COUNTY: ST. LOUIS

AREA: TOWER AREA

Permit Number: X015167 Expiration Date: 05/31/2019

> Purchased By: Address:

NESE of Section 17; GL02,NENW,NESW,NWNW,NWSW,SENW,SWNW,SWSW of Section 16 - Township 64, Range 18W.

					APPR	AISED	BID:	
-	SPECIES	PRODUCT	VOLUME		UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	ASPEN SPECIES	WOODSRUN CORDWOOD	1,240.00	Cd	21.68	26,883.20	21.68	26,883.20
+	MIXED SPRUCE	WOODSRUN MIXED PRODUCTS	350.00	Cd	19.42	6,797.00	19.42	6,797.00
+	NORTHERN HARDWOODS	WOODSRUN CORDWOOD	305.00	Cd	9.81	2,992.05	9.81	2,992.05
+	PINE SPECIES	WOODSRUN MIXED PRODUCTS	270.00	Cd	26.12	7,052.40	26.12	7,052.40
	+ BID SPECIES * SOL	D ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$43,724.65 \$6,558.70	BID TOTA	L = \$ 43,724.65

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

ANY LISTED SPECIES BIOMASS 1,065.00 Tons 1.00 1,065.00
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Mixed Species Description:

Aspen Species Woodsrun Cordwood includes: Largetooth Aspen 23%; Trembling Aspen 77%. Mixed Spruce Woodsrun Mixed Products includes: Black Spruce 71%; White Spruce 29%. Northern Hardwoods Woodsrun Cordwood includes: Ash 9%; Paper Birch 25%; Red Maple 65%; Sugar Maple 1%. Pine Species Woodsrun Mixed Products includes: Jack Pine 89%; Norway Pine 11%.

Mixed Product Description:

Mixed Spruce Woodsrun Mixed Products includes: Bolts 34%; Pulpwood 66%. Pine Species Woodsrun Mixed Products includes: Bolts 45%; Pulpwood 50%; Sawtimber 5%.

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:

Sale can be accessed through the Elbow Lake Forest Rd. and then proceeding down the South Ban Lake Spur Rd, continuing on the Arrowhead State Trail.

Trembling aspen averages 10" DBH 4 sticks Largetooth aspen averages 12" DBH 5 sticks Norway pine averages 20" DBH 7 sticks Jack pine averages 12" DBH 5 sticks

Price Adjustments:

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

Appraiser:

Andrew J. Erickson

(Appraisal ID 12009-0; Cutting Block ID 14087-0)

TRACT X8 COUNTY: ST. LOUIS

AREA: TOWER AREA

ACRES: 22.0

Permit Number: X015168 Expiration Date: 05/31/2019

Purchased By: Wagner Logging LLC

Address: 3151 Hwy 53 Suite 1, International Falls, MN 56649

NESE of Section 22 - Township 64, Range 20W.

				APPR	AISED	BID) %: 0
SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	WOODSRUN CORDWOOD	360.00	Cd	20.60	7,416.00	20.60	7,416.00
BALSAM FIR	WOODSRUN CORDWOOD	35.00	Cd	12.11	423.85	12.11	423.85
NORTHERN HARDWOODS	WOODSRUN MIXED PRODUCTS	10.00	Cd	8.59	85.90	8.59	85.90
WHITE CEDAR	WOODSRUN CORDWOOD	5.00	Cd	4.85	24.25	4.85	24.25
+ BID SPECIES * SOL	D ON APPRAISED VOLUME			SED TOTAL = PAYMENT =	\$7,950.00 \$1,192.50	BID TOTA	AL = \$ 7,950.00

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

ANY LISTED SPECIES	BIOMASS	191.00 Tons	0.95	181.45

Mixed Species Description:

Northern Hardwoods Woodsrun Mixed Products includes: Ash 80%; Paper Birch 20%.

Mixed Product Description:

Northern Hardwoods Woodsrun Mixed Products includes: Bolts 30%; Pulpwood 70%.

Season of Operations:

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

Sale Conditions:

- Access is across State land.

Marketing Conditions:

Access is clay trail. Existing approach off CR23 Nett Lake Rd. Aspen- 14 acre avg 10" dbh @ 6 stick Age 68; 12 acre avg 7" dbh @ 4-5 stick Age 36. Visual BMP along CR23. Areas of heavy reserves require care when operating.

Price Adjustments:

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

Appraiser:

David T. Sopoci

(Appraisal ID 11891-0; Cutting Block ID 13862-0)

TRACT X9 COUNTY: ST. LOUIS

AREA: TOWER AREA

ACRES: 24.7

Permit Number: X015169 Expiration Date: 05/31/2019

> Purchased By: Sokoloski Logging Inc. Address: PO Box 146, Orr, MN 55771-0146

NWSW of Section 17 - Township 65, Range 17W.

					APPR	AISED	BID	%: 80
	SPECIES	PRODUCT	VOLUME	UNIT	UNIT	\$ VALUE	UNIT PRICE	\$ VALUE
								VALUE
+	 TREMBLING ASPEN 	WOODSRUN CORDWOOD	420.00	Cd	23.85	10,017.00	42.93	18,030.60
+	- BALSAM FIR	WOODSRUN CORDWOOD	95.00	Cd	14.03	1,332.85	25.25	2,398.75
	NORTHERN HARDWOODS	WOODSRUN CORDWOOD	25.00	Cd	10.85	271.25	10.85	271.25
	WHITE SPRUCE	WOODSRUN MIXED PRODUCTS	5.00	Cd	22.44	112.20	22.44	112.20
	+ BID SPECIES * SOLD	ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$11,733.30 \$1,760.00	BID TOTA	L = \$ 20,812.80

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

ANY LISTED SPECIES	BIOMASS	250.00	Tons	1.10	275.00

Mixed Species Description:

Northern Hardwoods Woodsrun Cordwood includes: Ash 8%; Paper Birch 58%; Red Maple 34%.

Mixed Product Description:

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

Season of Operations:

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

Sale Conditions:

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

Marketing Conditions:

Aspen averages 12" dbh and 6 sticks. Base price increased 10% for proximity to system road.

Price Adjustments:

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

Appraiser:

Karen L. Updegraff

(Appraisal ID 11732-0; Cutting Block ID 13708-0)

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TRACT X10 COUNTY: ST. LOUIS

AREA: TOWER AREA

ACRES: 155.8

Permit Number: X015170 Expiration Date: 05/31/2019

> Purchased By: Address:

NESE, SENE, SWNE of Section 1 - Township 65, Range 21W.

GL01,GL02,GL07 of Section 6 - Township 65, Range 20W.

SESE of Section 3; GL05,GL06,GL07,GL12,NWSW of Section 4 - Township 65, Range 20W.

NESW,NWSE,SENW,SESW,SWNE,SWSE of Section 32 - Township 66, Range 20W.

					APPR	AISED	BID:	
	SPECIES	PRODUCT	VOLUME		UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	ASPEN SPECIES	WOODSRUN CORDWOOD	1,680.00	Cd	21.68	36,422.40	21.68	36,422.40
	NORWAY PINE	WOODSRUN MIXED PRODUCTS	250.00	Cd	10.00	2,500.00	10.00	2,500.00
	NORTHERN HARDWOODS	WOODSRUN CORDWOOD	120.00	Cd	10.20	1,224.00	10.20	1,224.00
	BALSAM FIR	WOODSRUN CORDWOOD	35.00	Cd	12.75	446.25	12.75	446.25
	+ BID SPECIES *	SOLD ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$40,592.65 \$6,088.90	BID TOTAI	_ = \$ 40,592.65

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

ANY LISTED SPECIES	BIOMASS	950.00 Tons	1.00	950.00

Mixed Species Description:

Aspen Species Woodsrun Cordwood includes: Balm of Gilead 5%; Trembling Aspen 95%. Northern Hardwoods Woodsrun Cordwood includes: Paper Birch 54%; Red Maple 47%.

Mixed Product Description:

Norway Pine Woodsrun Mixed Products includes: Bolts 5%; Pulpwood 95%.

Season of Operations:

- Conduct sale operations on dry/frozen soil conditions only, except with written permission from State (Cutting Block 1).
- Frozen ground access only (Cutting Block 2).
- Rare bird territory; no sales operations between February 1st and August 30th in the Pine Thinning stands (Cutting Block 1).

Landings Roads and Trails:

- Good existing access across state and county lands (Cutting Blocks 1 and 2).

Sale Conditions:

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

Marketing Conditions:

Cutting Block 001: Norway Pine 7" DBH 2-2.5 sticks in thinning, 11' 6 sticks in clearcut stand. Aspen averages 10" DBH 5-6 sticks Norway Pine price reduced 25% to reflect first time thinning.

Cutting Block 002: Aspen 10-11" DBH 4-5 stick

Price Adjustments:

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

06/14/2016 INTERMEDIATE AUCTION - SALE #4

Other Price Factor: 0%

Appraiser:

Joseph Weflen

(Appraisal ID 12079-0; Cutting Block ID 14144-0, 14141-0)

NSOLD

TRACT X11 COUNTY: ST. LOUIS

AREA: TOWER AREA

Expiration Date: 05/31/2019

Permit Number: X015171

Purchased By: Address:

SESE of Section 16 - Township 66, Range 18W.

						APPR	AISED	BID:	
	SPECIES		PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	NORWAY PINE		WOODSRUN MIXED PRODUCTS	80.00	Cd	19.00	1,520.00	19.00	1,520.00
	+ BID SPECIES	*	SOLD ON APPRAISED VOLUME			SED TOTAL = E PAYMENT =	\$1,520.00 \$228.00	BID TOTA	AL = \$ 1,520.00

Mixed Product Description:

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

Season of Operations:

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

Sale Conditions:

- Access is across USFS Road 601, County, State land.

Marketing Conditions:

Plantation thinning second entry. #0077A established 1970. Thinned 2005. NPine 31cd/ac; Avg DBH 9" (range 8-12") @ 4-5 sticks. Total Basal Area 130 sqft (110 is NP). 30% basal area reduction at 10cd/ac. FSR 601 groomed in winter. Snowmobile trail use terms and signage apply.

Price Adjustments:

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

Appraiser:

David T. Sopoci

(Appraisal ID 11948-0; Cutting Block ID 14018-0)

AREA: TOWER AREA

TRACT X12 COUNTY: ST. LOUIS

Purchased Over-the-Counter Date: 06/15/2016

ACRES: 48.0

COMPLETED - DATA AS OF 12/26/2017

Permit Number: X015172 Expiration Date: 05/31/2019

Purchased Over-the-Counter Date: 06/15/2010

Purchased By: Sokoloski Logging Inc. Address: PO Box 146, Orr, MN 55771-0146

GL04, GL06, GL07, SWSW of Section 34 - Township 66, Range 19W.

	APPRAISED		BID %: 0					
					UNIT		UNIT	
	SPECIES	PRODUCT	VOLUME	UNIT	PRICE	\$ VALUE	PRICE	\$ VALUE
+	BLACK SPRUCE	WOODSRUN CORDWOOD	850.00	Cd	10.90	9,265.00	10.90	9,265.00
+	ASPEN SPECIES	WOODSRUN CORDWOOD	50.00	Cd	17.05	852.50	17.05	852.50
	TAMARACK	WOODSRUN CORDWOOD	25.00	Cd	4.10	102.50	4.10	102.50
	* BALSAM FIR	WOODSRUN CORDWOOD	10.00	Cd	10.20	102.00	10.20	102.00
	+ BID SPECIES *	SOLD ON APPRAISED VOLUME			ISED TOTAL = E PAYMENT =	\$10,322.00 \$1,548.30	BID TOTA	L = \$ 10,322.00

Mixed Species Description:

Aspen Species Woodsrun Cordwood includes: Balm of Gilead 10%; Trembling Aspen 90%.

Cutting and Felling:

- Fell all live black spruce equal to or greater than 5 feet tall.

Season of Operations:

- Frozen ground access only.

Sale Conditions:

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

Marketing Conditions:

Access is off of County Rd. 180 and arrowhead snowmobile trail. Due to the smaller size wood and access this sale will reduced 20%.

Price Adjustments:

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

Appraiser:

Terry R. Bergstrom

BS- dbh 7", 3 stick avg., 100 yrs. old 19 cds./acre. Frozen ground only

(Appraisal ID 12042-0; Cutting Block ID 14110-0)

AREA: TOWER AREA

TRACT X13 COUNTY: KOOCHICHING

Purchased Over-the-Counter Date: 03/16/2017

ACRES: 30.0

Permit Number: X015173 Expiration Date: 05/31/2019

Purchased By: Bill Taylor Logging LLC Address: 39469 County 36, Laporte, MN 56461

NESW,NWSE,NWSW,SWSW of Section 36 - Township 67, Range 22W.

					APPRAISED		BID) %: 0
	SPECIES	PRODUCT	VOLUME			\$ VALUE	UNIT PRICE	\$ VALUE
+	NORWAY PINE	WOODSRUN MIXED PRODUCTS	330.00	Cd	17.75	5,857.50	17.75	5,857.50
	BALSAM FIR	WOODSRUN CORDWOOD	10.00	Cd	10.20	102.00	10.20	102.00
	NORTHERN HARDWOODS	WOODSRUN CORDWOOD	10.00	Cd	8.15	81.50	8.15	81.50
	TREMBLING ASPEN	WOODSRUN CORDWOOD	10.00	Cd	17.25	172.50	17.25	172.50
	+ BID SPECIES ★ SOLD	ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$6,213.50 \$932.03	BID TOTA	L = \$ 6,213.50

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

ANY LISTED SPECIES	BIOMASS	140.00	Tons	1.00	140.00

Mixed Species Description:

Northern Hardwoods Woodsrun Cordwood includes: Paper Birch 80%; Red Maple 20%.

Mixed Product Description:

Norway Pine Woodsrun Mixed Products includes: Bolts 50%; Pulpwood 25%; Sawtimber 25%.

Sale Conditions:

- Access is across Molpus, and state land.

Marketing Conditions:

Norway pine averages 15 inch Dbh, and 7 sticks in clear cut area. Norway pine in thinning averages. 7 inch, and 2.5 sticks. The state will be responsible for getting access across Molpus property.

Some gravel, and additional roadwork needed to make access to sale summer operable.

Prices reduced 20% due to first thin, and road construction costs.

Price Adjustments:

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

Appraiser:

Steven W. Horndt

(Appraisal ID 12047-0; Cutting Block ID 14123-0)

TRACT X14 COUNTY: ST. LOUIS

AREA: TOWER AREA

Permit Number: X015174 Expiration Date: 05/31/2019

Purchased By: DeLack Logging Inc.

Address: PO Box 354, Littlefork, MN 56653

NENW, NESW, NWNE, NWNW, NWSW, SENW, SWNW of Section 36 - Township 68, Range 21W.

					APPR	AISED	BID %: 141	
	SPECIES	PRODUCT	VOLUME		UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
-	ASPEN SPECIES	WOODSRUN CORDWOOD	2,450.00	Cd	22.08	54,096.00	53.21	130,364.50
	NORTHERN HARDWOODS	WOODSRUN CORDWOOD	150.00	Cd	7.68	1,152.00	7.68	1,152.00
	BALSAM FIR	WOODSRUN CORDWOOD	70.00	Cd	13.39	937.30	13.39	937.30
	NORWAY PINE	WOODSRUN CORDWOOD	4.00	Cd	12.50	50.00	12.50	50.00
	MIXED SPRUCE	WOODSRUN CORDWOOD	1.00	Cd	14.28	14.28	14.28	14.28
_	+ BID SPECIES * SOLD	ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$56,249.58 \$8,437.44	BID TOTAL	. = \$ 132,518.08

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

ANY LISTED SPECIES	BIOMASS	1,260.00	Tons	1.05	1,323.00

Mixed Species Description:

Aspen Species Woodsrun Cordwood includes: Balm of Gilead 17%; Trembling Aspen 83%. Mixed Spruce Woodsrun Cordwood includes: Black Spruce 34%; White Spruce 66%. Northern Hardwoods Woodsrun Cordwood includes: Ash 68%; Paper Birch 32%.

Season of Operations:

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

Sale Conditions:

- Access is across state land.

Marketing Conditions:

Aspen averages 8-12" dbh and 5-6 sticks. sale cruised by Ed Schoon & Lars Helleloid

Price Adjustments:

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

Appraiser:

Lars E. Helleloid

(Appraisal ID 11982-0; Cutting Block ID 14052-0)

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

TOWER AREA - ORR FIELD STATION

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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 14, 2016

TOWER AREA

	SUMMARY FOR SUMMARY	<u>OLD</u> TRACTS			
PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE
WOODSRUN MIXED	NORTHERN HARDWOODS	10.00	Cd	8.59	85.90
PRODUCTS	NORWAY PINE	330.00	Cd	17.75	5,857.50
	JACK PINE	465.00	Cd	16.83	7,825.95
	WHITE SPRUCE	5.00	Cd	22.44	112.20
	MIXED SPRUCE	1,105.00	Cd	12.75	14,088.75
WOODSRUN CORDWOOD	ASPEN SPECIES	2,500.00	Cd	52.49	131,217.00
	TREMBLING ASPEN	2,195.00	Cd	35.71	78,382.80
	PAPER BIRCH	85.00	Cd	7.65	650.25
	NORTHERN HARDWOODS	300.00	Cd	13.81	4,144.00
	NORWAY PINE	4.00	Cd	12.50	50.00
	BALSAM FIR	425.00	Cd	14.20	6,035.35
	BLACK SPRUCE	850.00	Cd	10.90	9,265.00
	TAMARACK	110.00	Cd	3.89	428.05
	WHITE CEDAR	5.00	Cd	4.85	24.25
	MIXED SPRUCE	1.00	Cd	14.28	14.28
BIOMASS	ANY LISTED SPECIES (optional)	1,841.00	Tons	-	0.00
TOTAL	SOLD TRACTS CONVERTED TO CORDS	5: 8,390.00			

TOTAL SOLD TRACTS CONVERTED TO CORDS: 8,390.00 TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS: \$ 146,435.03 TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS: \$ 258,181.28 TOTAL ACRES SOLD: 388.4 SOLD TRACT NUMBERS: 1, 5, 8, 9, 12, 13, 14 TOTAL NUMBER OF TRACTS SOLD: 7

	SUMMARY FOR UNS	OLD TRACTS			
PRODUCT	SPECIES	TOTAL VOLUME	UNIT	APPRAISED AVERAGE UNIT PRICE	APPRAISED \$ VALUE
WOODSRUN MIXED	PINE SPECIES	1,050.00	Cd	22.17	23,276.40
PRODUCTS	NORWAY PINE	1,175.00	Cd	14.34	16,847.80
	MIXED SPRUCE	350.00	Cd	19.42	6,797.00
WOODSRUN CORDWOOD	ASPEN SPECIES	2,920.00	Cd	21.68	63,305.60
	TREMBLING ASPEN	175.00	Cd	16.19	2,833.10
	NORTHERN HARDWOODS	455.00	Cd	9.77	4,445.55
	JACK PINE	5.00	Cd	8.93	44.65
	BALSAM FIR	116.00	Cd	10.48	1,215.80
	BLACK SPRUCE	170.00	Cd	8.85	1,504.50
	TAMARACK	15.00	Cd	3.30	49.50
	MIXED SPRUCE	330.00	Cd	10.20	3,366.00
BIOMASS	ANY LISTED SPECIES	155.00	Tons	1.00	155.00
	ANY LISTED SPECIES (optional)	2,015.00	Tons	1.00	2,015.00
	SOLD TRACTS CONVERTED TO CORDS: D DOLLAR VALUE OF UNSOLD TRACTS: TOTAL ACRES UNSOLD: UNSOLD TRACT NUMBERS:	\$ 123,840.90 569.1 2, 3, 4, 6, 7, 1	0, 11		

TOTAL NUMBER OF TRACTS UNSOLD: 7