

MINNESOTA DEPARTMENT OF NATURAL RESOURCES DIVISION OF FORESTRY

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

STATUS: COMPLETED REGULAR AUCTION - SALE #1 ORAL BID

Notice is hereby given that I offered for sale at public auction in Hill City, MN at 9:00 AM on Tuesday, August 23, 2016, timber belonging to the State of Minnesota. All tracts were offered at the Hill City Forestry Office in Hill City, 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
AITKIN AREA

9:00 AM on August 23, 2016 Hill City Forestry Office in Hill City, 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 August 23, 2017, at the following Area Headquarters: Aitkin Area.

TRACT B1 COUNTY: AITKIN AREA: AITKIN AREA ACRES: 24.4

Permit Number: B013385 Expiration Date: 08/23/2017

Purchased By: Thomas W. Anderson

Address: 1459 Kalli Road, Cromwell, MN 55726

NENW,NWNW of Section 16; NENE,NWNE of Section 17 - Township 51, Range 22W.

		APPRAISED					BID %: 155			
	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE		
+	▶ MIXED SPRUCE	WOODSRUN MIXED PRODUCTS	440.00	Cd	6.12	2,692.80	15.61	6,868.40		
_	+ BID SPECIES * SOLD C	ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$2,692.80 \$403.92	BID TOTA	AL = \$ 6,868.40		
Optional Timber (may be purchased with an Added Timber Agreement):										
	ANY LISTED SPECIES	BIOMASS	244.00	Tons	1.00	244.00				

Mixed Species Description:

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

Mixed Product Description:

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

Season of Operations:

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

Sale Conditions:

- Access is across state land.

Marketing Conditions:

This is a blow down salvage appraisal from a storm on July 21st. Spruce species products may have a limited timeframe for marketability due to damage to wood fibers. Approximately 50% of this spruce plantation was damaged from the wind storm. The diameter of the spruce ranges from 7-12 inches. The price has been reduced by 60%.

Price Adjustments:

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

Stand Density: 0%

Operational Constraints: 0% Other Price Factor: 0%

Appraiser:

Michael Ryan Kobberdahl

(Appraisal ID 12242-0; Cutting Block ID 14315-0)

TRACT B2 COUNTY: AITKIN AREA: AITKIN AREA ACRES: 45.0

Permit Number: B013386 Expiration Date: 08/23/2017

Purchased By: Thomas W. Anderson

Address: 1459 Kalli Road, Cromwell, MN 55726

SESW, SWSE of Section 28 - Township 51, Range 23W.

					APPR	AISED	BID %: 185		
SF	PECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE	
+	NORWAY PINE	WOODSRUN MIXED PRODUCTS	750.00	Cd	5.82	4,365.00	16.59	12,442.50	
+ [BID SPECIES * SOLD (ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$4,365.00 \$654.75	BID TOTA	L = \$ 12,442.50	
Optional Timber (may be purchased with an Added Timber Agreement):									
	ANY LISTED SPECIES	BIOMASS	395.00	Tons	1.00	395.00			

Mixed Product Description:

Norway Pine Woodsrun Mixed Products includes: Bolts 10%; Pulpwood 90%.

Season of Operations:

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

Sale Conditions:

- Access is across county and state land.

Marketing Conditions:

This is a blow down salvage appraisal from a storm on July 21st. The pine price has been reduced 60%. Red pine species and products may have a limited time frame for marketability due to blue stain or damage to wood fibers. Operate this permit promptly for best utilization and reduction of insect and disease concerns.

This red pine stand is 35 years old and was thinned in August of 2014 from a basal area of 160 sq ft to a basal area of 100 sq ft.

Price Adjustments:

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

Stand Density: 0%

Operational Constraints: 0% Other Price Factor: 0%

Appraiser:

Michael Ryan Kobberdahl

(Appraisal ID 12239-0; Cutting Block ID 14309-0)

TRACT B3 COUNTY: AITKIN AREA: AITKIN AREA ACRES: 12.0

Permit Number: B013387 Expiration Date: 08/23/2017

Purchased By: Potlatch Land & Lumber, LLC

Address: 50518 County Rd 45, Bemidji, MN 56601

SWNE of Section 30; SWSW of Section 20 - Township 51, Range 23W.

				APPR	AISED	BID %: 0				
SPECIES	PRODUCT	VOLUME	UNIT	PRICE	\$ VALUE	PRICE	\$ VALUE			
+ NORWAY PINE	WOODSRUN MIXED PRODUCTS	135.00	Cd	3.96	534.60	3.96	534.60			
+ BID SPECIES * SOLD (ON APPRAISED VOLUME			SED TOTAL = PAYMENT =	\$534.60 \$80.19	BID TOT	TAL = \$ 534.60			
Optional Timber (may be purchased with an Added Timber Agreement):										
ANY LISTED SPECIES	BIOMASS	71.00	Tons	1.00	71.00					

Mixed Product Description:

Norway Pine Woodsrun Mixed Products includes: Bolts 15%; Pulpwood 85%.

Season of Operations:

- The Timber Sale Administrator (TSA) can allow or stop permit operations to minimize rutting, root damage, bark slippage, beetle infestations or wildfire risk. If excessive damage is occurring, the TSA will stop operations until site conditions improve. For pine thinning operations the following restrictions apply to cut pine greater than 3 inch diameter:

December 1 to May 31: Pine cut in this period must be hauled or destroyed by June 1.

June 1 to August 31: Pine cut in this period must be hauled or destroyed within 3 weeks.

September 1 to November 30: No special restrictions for pine cut in this period.

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

Sale Conditions:

- Access is across state land.

Marketing Conditions:

This timber sale is a salvage operation to salvage Red Pine damaged by storms on 7/21/16. The degree of damage varies from 1 acre patches of 100% damage, to areas of scattered individual trees. The NE part of the sale as depicted on the timber sale map, is a 1 acre area to have all pine removed, including standing timber. Mats must be used to cross approximately 50 ft of low area to get to the NE part of the sale. Most of the pine is 8-10" diameter.

Price Adjustments:

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

Stand Density: 0%

Operational Constraints: 0%

Other Price Factor: -75% (Salvage Timber)

Appraiser:

Troy D. Holcomb

TRACT B4 COUNTY: AITKIN AREA: AITKIN AREA ACRES: 75.0

Permit Number: B013388 Expiration Date: 08/23/2017

Purchased By: Potlatch Land & Lumber, LLC

Address: 50518 County Rd 45, Bemidji, MN 56601

NESE of Section 32; GL04 of Section 31; NESW,NWSW,SESW,SWSW of Section 33 - Township 52, Range

25W.

GL02.GL03.SWNE of Section 4: GL04 of Section 6 - Township 51, Range 25W.

	GLUZ,GLUJ,SVVINL UI J									
					APPR	AISED	BID UNIT	%: 0		
	SPECIES	PRODUCT	VOLUME	UNIT	PRICE	\$ VALUE	PRICE	\$ VALUE		
	+ MIXED CONIFERS	WOODSRUN MIXED PRODUCTS	1,700.00	Cd	4.40	7,480.00	4.40	7,480.00		
•	+ WHITE SPRUCE	WOODSRUN MIXED PRODUCTS	258.00	Cd	4.60	1,186.80	4.60	1,186.80		
_	+ BID SPECIES * SOLD			ED TOTAL = PAYMENT =	\$8,666.80 \$1,300.02	BID TOTA	L = \$ 8,666.80			
	Optional Timber (may be purchased with an Added Timber Agreement):									
	ANY LISTED SPECIES	BIOMASS	1,000.00	Tons	1.00	1,000.00				

Mixed Species Description:

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

Mixed Product Description:

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

Season of Operations:

- The Timber Sale Administrator (TSA) can allow or stop permit operations to minimize rutting, root damage, bark slippage, beetle infestations or wildfire risk. If excessive damage is occurring, the TSA will stop operations until site conditions improve. For pine thinning operations the following restrictions apply to cut pine greater than 3 inch diameter:

December 1 to May 31: Pine cut in this period must be hauled or destroyed by June 1.

June 1 to August 31: Pine cut in this period must be hauled or destroyed within 3 weeks.

September 1 to November 30: No special restrictions for pine cut in this period.

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

Sale Conditions:

- Access is across county and state land.

Marketing Conditions:

This timber sale is a salvage operation to salvage Red Pine, Jack Pine and White Spruce damaged by storms on 7/21/16. The degree of damage varies from small pockets of damage to whole stands blown over. Pine averages 9-14" DBH. More detailed map will be provided at presale meeting.

Price Adjustments:

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

Stand Density: 0%

Operational Constraints: 0% Other Price Factor: -70% (Salvage)

Appraiser:

Matthew P. Huseby

(Appraisal ID 12253-0; Cutting Block ID 14330-0)

TRACT B5 COUNTY: AITKIN AREA: AITKIN AREA ACRES: 38.5

Permit Number: B013389 Expiration Date: 08/23/2017

Purchased By: Michael H. Rieger

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

NENE of Section 27; NESE, NWSE, SENE, SESW, SWSE, SWSW of Section 23; NENW, NWNW, SWNW of

Section 24; NENE, NESE, SENE of Section 21 - Township 52, Range 24W.

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				APPR	AISED	BID %: 30			
				UNIT		UNIT			
	SPECIES	PRODUCT	VOLUME	UNIT	PRICE	\$ VALUE	PRICE	\$ VALUE	
	+ MIXED CONIFERS	WOODSRUN MIXED PRODUCTS	675.00	Cd	7.92	5,346.00	10.30	6,952.50	
	WHITE SPRUCE	WOODSRUN MIXED PRODUCTS	25.00	Cd	7.48	187.00	7.48	187.00	
	+ BID SPECIES * SOLD ON APPRAISED VOLUME			_	ED TOTAL = PAYMENT =	\$5,533.00 \$829.95	BID TOTA	L = \$ 7,139.50	
Optional Timber (may be purchased with an Added Timber Agreement):									
	ANY LISTED SPECIES	BIOMASS	150.00	Tons	1.00	150.00			

Mixed Species Description:

Mixed Conifers Woodsrun Mixed Products includes: Jack Pine 14%; Norway Pine 86%.

Mixed Product Description:

Mixed Conifers Woodsrun Mixed Products includes: Bolts 30%; Pulpwood 70%. White Spruce Woodsrun Mixed Products includes: Bolts 30%; Pulpwood 70%.

Season of Operations:

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

Sale Conditions:

- Access is across state land.

Marketing Conditions:

This sale is located along the Elliot Forest Road, 8 miles east of Hill City.

The sale consists of a couple small harvest gaps, some scattered harvest along the roadway, and 3 clear cut areas. The clearcut areas are 3 acres, 10 acres, and 12 acres.

Total damage within the harvest area ranges from 30-60% with a mixture of leaning and tipped over trees. The sites are being clearcut due to potential for disease and regeneration efforts.

The average tree ranges from 8-12 inches and 6 sticks. With good quality timber included on sale.

The price has been reduced by 60% due to the presence of wind damage from the July wind storm.

One year sale due to salvaged timber.

Price Adjustments:

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

Stand Density: 0%

Operational Constraints: 0%

Other Price Factor: -60% (Storm damage July 2016)

Appraiser:

Matthew P. Huseby

(Appraisal ID 12241-0; Cutting Block ID 14312-0)

TRACT B6 COUNTY: AITKIN AREA: AITKIN AREA ACRES: 36.9

Permit Number: B013390 Expiration Date: 08/23/2017

Purchased By: Michael H. Rieger

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

NENE, NESE, NWSE, SENE, SESE, SWSE of Section 23; NESE, SESE of Section 14; NESW, SENW, SESW, SWNW, SWSE of Section 24 - Township 52, Range 25W.

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					APPR	APPRAISED		BID %: 30	
					UNIT		UNIT		
5	PECIES	PRODUCT	VOLUME	UNIT	PRICE	\$ VALUE	PRICE	\$ VALUE	
+	NORWAY PINE	WOODSRUN MIXED PRODUCTS	585.00	Cd	7.92	4,633.20	10.30	6,025.50	
+	NORTHERN HARDWOODS	WOODSRUN CORDWOOD	250.00	Cd	8.49	2,122.50	11.04	2,760.00	
	MIXED CONIFERS	WOODSRUN MIXED PRODUCTS	75.00	Cd	5.85	438.75	5.85	438.75	
+	BID SPECIES * SOLD	ON APPRAISED VOLUME		APPRAIS	ED TOTAL =	\$7,194.45	BID TOTA	L = \$ 9,224.25	
			Α	DVANCE	PAYMENT =	\$1,079.17			
Optional Timber (may be purchased with an Added Timber Agreement):									
	ANY LISTED SPECIES	BIOMASS	420.00	Tons	1.00	420.00			

Mixed Species Description:

Mixed Conifers Woodsrun Mixed Products includes: Jack Pine 7%; White Pine 80%; White Spruce 13%. Northern Hardwoods Woodsrun Cordwood includes: Paper Birch 4%; Trembling Aspen 96%.

Mixed Product Description:

Mixed Conifers Woodsrun Mixed Products includes: Bolts 10%; Pulpwood 90%. Norway Pine Woodsrun Mixed Products includes: Bolts 30%; Pulpwood 70%.

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 located East of Hill City on the Washburn Lake State Forest Road.

The sale consists of clear cut Norway pine stands, some scattered harvest along the roadway, and some areas with only removing damaged trees throughout the stand.

The sites are being clear cut due to potential for disease and regeneration efforts.

Average Norway is 10" DBH and 6 sticks, with some good quality timber throughout.

Price reduced 60% due to the presence of wind damage from the July wind storm.

One year sale due to salvaged timber.

Price Adjustments:

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

Stand Density: 0%

Operational Constraints: 0%

08/23/2016 REGULAR AUCTION - SALE #1

Other Price Factor: -60% (Storm damage July 2016)

Appraiser:

Krista M. Starn

(Appraisal ID 12247-0; Cutting Block ID 14319-0)

TRACT B7 COUNTY: AITKIN AREA: AITKIN AREA ACRES: 26.2

Permit Number: B013391 Expiration Date: 08/23/2017

Purchased By: Scheff Logging & Trucking Inc.

Address: 49301 Chokecherry Lane, Marcell, MN 56657

SWSE of Section 21; NENW,NWNE,NWNW,SWNW of Section 28 - Township 52, Range 25W.

				UNIT	AAISED	UNIT	%: 40		
SPECIES	PRODUCT	VOLUME	UNIT	PRICE	\$ VALUE	PRICE	\$ VALUE		
+ NORWAY PINE	WOODSRUN MIXED PRODUCTS	835.00	Cd	7.00	5,845.00	9.80	8,183.00		
WHITE SPRUCE	WOODSRUN MIXED PRODUCTS	195.00	Cd	4.75	926.25	4.75	926.25		
+ BID SPECIES * SOLI	O ON APPRAISED VOLUME			SED TOTAL = PAYMENT =	\$6,771.25 \$1,015.69	BID TOTA	AL = \$ 9,109.25		
Optional Timber (may be purchased with an Added Timber Agreement):									
* ANY LISTED SPECIES	BIOMASS	248.00	Tons	1.00	248.00				

Mixed Product Description:

Norway Pine Woodsrun Mixed Products includes: Bolts 35%; Pulpwood 65%. White Spruce Woodsrun Mixed Products includes: Bolts 10%; Pulpwood 90%.

Season of Operations:

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

Marketing Conditions:

This sale is located along the Annie Dagle Forest Road east of Hill City.

The sale consists of 3 salvage areas along the road.

Damage in these locations vary from total blowdown to 60% blowdown.

White Spruce averages 6-7 sticks and 12" in diameter. Est. 25 cds/ac. before the storm.

Norway Pine averages 7 sticks and 12" to 13" in diameter. Est. 40-45 cds/ac before the storm.

Annie Dagle road is also an ATV trail in the summer and a snowmobile trail in the winter. Use caution and follow any trail regulations when hauling on this road.

Summer Access

Price Adjustments:

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

Stand Density: 0%

Operational Constraints: 0% Other Price Factor: 0%

Appraiser:

Matthew P. Huseby

(Appraisal ID 12246-0; Cutting Block ID 14320-0)

TRACT B8 COUNTY: AITKIN AREA: AITKIN AREA ACRES: 4.0

Permit Number: B013392 Expiration Date: 08/23/2017

Purchased By: Potlatch Land & Lumber, LLC

Address: 50518 County Rd 45, Bemidji, MN 56601

NWSW of Section 16 - Township 52, Range 25W.

	SPECIES	PRODUCT	VOLUME	<u>UNIT</u>	APPRA UNIT PRICE	\$ VALUE	BID %: UNIT PRICE \$	0 VALUE		
4	• WHITE SPRUCE	WOODSRUN MIXED PRODUCTS	145.00	Cd	6.12	887.40	6.12	887.40		
	NORTHERN HARDWOODS	WOODSRUN CORDWOOD	25.00	Cd	6.84	171.00	6.84	171.00		
+ BID SPECIES * SOLD ON APPRAISED VOLUME					ED TOTAL = PAYMENT =	\$1,058.40 \$158.76	BID TOTAL =	\$ 1,058.40		
(Optional Timber (may be purchased with an Added Timber Agreement):									
	ANY LISTED SPECIES	BIOMASS	70.00	Tons	1.00	70.00				

Mixed Species Description:

Northern Hardwoods Woodsrun Cordwood includes: Paper Birch 15%; Red Maple 25%; Trembling Aspen 60%.

Mixed Product Description:

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

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:

Sale is located 3 miles East of Hill City then 0.4 miles South on the Brower Minimum Maintenance Road.

The sale consists of one spruce stand that is 90% blown over or snapped off. The access and two parking areas will also have minimal clearing of down trees.

White spruce average 10" DBH and 6 stick at 32 and 36 cd/acre pre wind event.

Price reduced 60% due to the presence of wind damage from the July wind storm.

Sale expires in 1 year due to salvaged timber.

Price Adjustments:

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

Stand Density: 0%

Operational Constraints: 0%

Other Price Factor: -60% ((storm damage July 2016))

Appraiser:

Krista M. Starn

TRACT B9 COUNTY: AITKIN AREA: AITKIN AREA ACRES: 25.0

Permit Number: B013393 Expiration Date: 05/31/2018 Purchased Over-the-Counter Date: 08/24/2016

Purchased By: Travis Hall Logging

Address: 26194 Mud Creek Rd, Mass City, MI 49948

NESW, SENE, SENW, SWNE of Section 36 - Township 52, Range 26W.

				APPR	AISED	BID %: 0				
SPECIES	PRODUCT	VOLUME	UNIT	PRICE	\$ VALUE	PRICE	\$ VALUE			
	WOODSRUN MIXED PRODUCTS	80.00	Cd	6.87	549.60	6.87	549.60			
+ BID SPECIES * SOLD C	ON APPRAISED VOLUME			SED TOTAL = PAYMENT =	\$549.60 \$82.44	BID TO	TAL = \$ 549.60			
Optional Timber (may be purchased with an Added Timber Agreement):										
ANY LISTED SPECIES	BIOMASS	40.00	Tons	1.00	40.00					

Mixed Product Description:

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

Cutting and Felling:

- Harvest all damaged pine in clearcut area, small pockets, and scattered throughout the stands.
- Storm damaged trees will be defined as any tree that has been uprooted, snapped off, or leaning. Non-storm damaged trees will be defined as any residual tree that is still standing relatively straight. Bent tree removal will be determined by TSA during pre-sale meeting.

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 Location: South of Hill City on 169, 2.5 miles, then east on 645th lane 1 mile to state forest MMR 1860. Sale is directly off MMR and Northwoods ATV trail.

All timber to be cut is wind damaged. Approximately 50% snapped off, 50% standing bent/leaning.

Dry summer/fall wood.

Average tree 11", 7 stick.

Price Adjustments:

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

Stand Density: 0%

Operational Constraints: 0%

Other Price Factor: -60% (July 2016 blowdown)

Appraiser:

Matthew P. Huseby

08/23/2016 REGULAR AUCTION - SALE #1

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

AITKIN 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: August 23, 2016

AITKIN AREA

	SUMMARY FOR <u>SOLD</u> TRACTS											
PRODUCT	SPECIES	TOTAL VOLUME UNIT		SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE							
WOODSRUN MIXED	NORWAY PINE	2,385.00	Cd	11.63	27,735.20							
PRODUCTS	WHITE SPRUCE	623.00	Cd	5.12	3,187.45							
	MIXED SPRUCE	440.00	Cd	15.61	6,868.40							
	MIXED CONIFERS	2,450.00	Cd	6.07	14,871.25							
WOODSRUN CORDWOOD	NORTHERN HARDWOODS	275.00	Cd	11.44	3,146.50							
BIOMASS	ANY LISTED SPECIES (optional)	2,638.00	Tons	-	0.00							

TOTAL SOLD TRACTS CONVERTED TO CORDS: 6,173.00
TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS: \$ 37,365.90
TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS: \$ 57,227.50
TOTAL ACRES SOLD: 287.0

TOTAL NUMBER OF TRACTS SOLD: 9