



MINNESOTA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY

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

STATUS: COMPLETED
REGULAR AUCTION - SALE #1
ORAL BID

Notice is hereby given that I offered for sale at public auction in Outing, MN at 10:00 AM on Wednesday, September 7, 2016, timber belonging to the State of Minnesota. All tracts were offered at the Crooked Lake Town Hall in Outing, 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
REGULAR AUCTION
ORAL BID TIMBER SALE
BACKUS AREA

10:00 AM on September 7, 2016
Crooked Lake Town Hall in Outing, 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 September 7, 2017, at the following Area Headquarters: Backus Area.

TRACT B1 COUNTY: CASS AREA: BACKUS AREA ACRES: 25.0

Permit Number: B013410
Expiration Date: 05/31/2018

Purchased By: Sappi Cloquet LLC
Address: 20 N. 22nd Street Wood Fiber & Fuel Proc, Cloquet, MN 55720

NWNW,SENW of Section 4 - Township 139, Range 25W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	WOODSRUN CORDWOOD	540.00	Cd	8.33	4,498.20	8.33	4,498.20
MIXED HARDWOODS	WOODSRUN CORDWOOD	40.00	Cd	3.48	139.20	3.48	139.20
RED OAK	WOODSRUN CORDWOOD	10.00	Cd	6.12	61.20	6.12	61.20
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$4,698.60	BID TOTAL = \$ 4,698.60
				ADVANCE PAYMENT =		\$704.79	

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

ANY LISTED SPECIES BIOMASS 320.00 Tons 1.00 320.00

Mixed Species Description:

Mixed Hardwoods Woodsrun Cordwood includes: Ash 25%; Basswood 25%; Paper Birch 25%; Red Maple 12%; Sugar Maple 13%.

Cutting and Felling:

- Harvest all merchantable aspen, red oak, red maple, sugar maple, black ash, basswood, and paper birch..
- Reserve all non-hazardous pre-blow down snags. Reserve 3 snags of aspen per acre following the blow down event.

Season of Operations:

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

Sale Conditions:

- Access is across state land.
- The sale will expire May 31, 2018 due to blow down.

Marketing Conditions:

This is a salvage sale. At least 50% of the sale is damaged. Damage consists of 20% snapped off, 40% root tipped, and 40% leaning. This site is a wet soil site, frozen ground will be required for harvesting. Access is on the Aspen ATV loop. The trail has already been cleared to an ATV's width . Aspen 5 stick average. DBH 14-18 inches.

Price Adjustments:

- Road Construction Costs: 0%
- Haul Distance to Nearest Mill: 0%
- Stand Density: 0%
- Operational Constraints: 0%
- Other Price Factor: -60% (Salvage)

Appraiser:

Cody Crawford

TRACT B2

COUNTY: CASS

AREA: BACKUS AREA

ACRES: 36.5

Permit Number: B013411
Expiration Date: 05/31/2018

Purchased By: Sappi Cloquet LLC

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

NENW,NWNW of Section 33; SENW,SWNE of Section 34 - Township 140, Range 25W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 27	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	WOODSRUN CORDWOOD	680.00	Cd	8.33	5,664.40	10.58	7,194.40
+ MAPLE SPECIES	WOODSRUN CORDWOOD	125.00	Cd	4.08	510.00	5.18	647.50
	PAPER BIRCH	21.00	Cd	4.08	85.68	4.08	85.68
	BASSWOOD	17.00	Cd	3.40	57.80	3.40	57.80
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$6,317.88	BID TOTAL = \$ 7,985.38
				ADVANCE PAYMENT =		\$947.68	

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

ANY LISTED SPECIES BIOMASS 392.00 Tons 1.00 392.00

Mixed Species Description:

Aspen Species Woodsrun Cordwood includes: Largetooth Aspen 55%; Trembling Aspen 45%.
Maple Species Woodsrun Cordwood includes: Red Maple 9%; Sugar Maple 91%.

Cutting and Felling:

- Harvest all aspen, paper birch, maple species and basswood that is down from windthrow, snapped off or standing undamaged.

Season of Operations:

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

Sale Conditions:

- Access is across state land.

Marketing Conditions:

This is a blowdown salvage appraisal from a storm on July 21st. Some species and products may have limited timeframe 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.

Aspen averages 15" and 6-7 sticks.

Cedar Lake Loop ATV trail is cleared of storm debris.

Approximately 70% of stand is affected. 40% snapped off and 60% uprooted.

Price Adjustments:

Road Construction Costs: 0%

Haul Distance to Nearest Mill: 0%

Stand Density: 0%

Operational Constraints: 0%

Other Price Factor: -60% (salvage)

Appraiser:

Joel D. Lemberg

TRACT B3 COUNTY: CASS AREA: BACKUS AREA ACRES: 57.0

Permit Number: B013412
Expiration Date: 05/31/2018

Purchased By: Sappi Cloquet LLC
Address: 20 N. 22nd Street Wood Fiber & Fuel Proc, Cloquet, MN 55720

NESE,SESE of Section 25 - Township 140, Range 26W.
GL04 of Section 30; NESW,SESW,SWNE of Section 32 - Township 140, Range 25W.
GL04,NESE,SESE of Section 30; NWNW of Section 32; SWSW of Section 29; NENE of Section 31 - Township 140, Range 25W.
NENE,NENW,NWNW of Section 32 - Township 140, Range 25W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	WOODSRUN CORDWOOD	415.00	Cd	8.33	3,456.95	8.33	3,456.95
+ OAK SPECIES	WOODSRUN MIXED PRODUCTS	290.00	Cd	6.66	1,931.40	6.66	1,931.40
MAPLE SPECIES	WOODSRUN CORDWOOD	80.00	Cd	4.08	326.40	4.08	326.40
BASSWOOD	WOODSRUN CORDWOOD	75.00	Cd	3.40	255.00	3.40	255.00
PAPER BIRCH	WOODSRUN CORDWOOD	40.00	Cd	4.08	163.20	4.08	163.20
NORWAY PINE	WOODSRUN MIXED PRODUCTS	35.00	Cd	7.92	277.20	7.92	277.20
ASH	WOODSRUN CORDWOOD	30.00	Cd	2.38	71.40	2.38	71.40
WHITE SPRUCE	WOODSRUN MIXED PRODUCTS	20.00	Cd	6.26	125.20	6.26	125.20

+ BID SPECIES * SOLD ON APPRAISED VOLUME
APPRAISED TOTAL = \$6,606.75 BID TOTAL = \$ 6,606.75
ADVANCE PAYMENT = \$991.01

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

ANY LISTED SPECIES BIOMASS 576.00 Tons 1.00 576.00

Mixed Species Description:

Aspen Species Woodsrun Cordwood includes: Largetooth Aspen 37%; Trembling Aspen 63%.
Maple Species Woodsrun Cordwood includes: Red Maple 50%; Sugar Maple 50%.
Oak Species Woodsrun Mixed Products includes: Bur Oak 31%; Red Oak 69%.

Mixed Product Description:

Norway Pine Woodsrun Mixed Products includes: Bolts 30%; Pulpwood 70%.
Oak Species Woodsrun Mixed Products includes: Bolts 20%; Pulpwood 80%.
White Spruce Woodsrun Mixed Products includes: Bolts 20%; Pulpwood 80%.

Marketing Conditions:

This sale consists of 3 cutting blocks with multiple cutting areas along and close to the Ben Draper Forest Road. Some cutting areas have a dry operability chance, see the appraisal or contact TSA for these areas. Approximately 25 acres have a summer chance. Each cutting block has slightly different harvesting specifications, see cutting block for details. Good, cleared access into most stands. One small section of new road/trail will have to be established

Most of the timber is uprooted, with an estimated 20% snapped off.

CB 1 consists of 3 cutting areas with mature hardwoods with oak DBH averaging 12-14".
CB 2 consists of 2 young stands with aspen DBH averaging 5-9".
CB 3 consists of 2 cutting area of only damaged timber removal of a pine/spruce stand and a mixed hardwood stand. Pine DBH averages 10"

This is a blowdown salvage appraisal from a storm on July 21st. Some species and products may have limited timeframe 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

Price Adjustments:

Road Construction Costs: 0%
Haul Distance to Nearest Mill: 0%
Stand Density: 0%
Operational Constraints: 0%
Other Price Factor: -60% (salvage)

Appraiser:

Darren S. Bundy

(Appraisal ID 12287-0; Cutting Block ID 14369-0, 14370-0, 14368-0)

TRACT B4

COUNTY: CASS

AREA: BACKUS AREA

ACRES: 36.4

Permit Number: B013413
Expiration Date: 05/31/2018

Purchased By:
Address:

UNSOLD

NESE,NWSE,SENE,SWNE,SWSE of Section 26 - Township 140, Range 26W.
SESW,SWSW of Section 25; SESE,SWSE of Section 26; NENE,NWNE of Section 35 - Township 140, Range 26W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID:	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ OAK SPECIES	WOODSRUN MIXED PRODUCTS	585.00	Cd	7.21	4,217.85	7.21	4,217.85
+ NORTHERN HARDWOODS	WOODSRUN MIXED PRODUCTS	228.00	Cd	4.35	991.80	4.35	991.80
ASPEN SPECIES	WOODSRUN CORDWOOD	56.00	Cd	8.33	466.48	8.33	466.48
BASSWOOD	WOODSRUN MIXED PRODUCTS	39.00	Cd	3.94	153.66	3.94	153.66
ASH	WOODSRUN MIXED PRODUCTS	8.00	Cd	2.67	21.36	2.67	21.36
ANY LISTED SPECIES	BIOMASS	681.00	Lbs	1.00	681.00	1.00	681.00

+ BID SPECIES

* SOLD ON APPRAISED VOLUME

APPRAISED TOTAL =	\$6,532.15	BID TOTAL = \$	6,532.15
ADVANCE PAYMENT =	\$979.82		

Mixed Species Description:

Aspen Species Woodsrun Cordwood includes: Largetooth Aspen 8%; Trembling Aspen 92%.
 Northern Hardwoods Woodsrun Mixed Products includes: Paper Birch 61%; Red Maple 35%; Sugar Maple 4%.
 Oak Species Woodsrun Mixed Products includes: Bur Oak 8%; Red Oak 92%.

Mixed Product Description:

Ash Woodsrun Mixed Products includes: Bolts 10%; Pulpwood 90%.
 Basswood Woodsrun Mixed Products includes: Bolts 20%; Pulpwood 80%.
 Northern Hardwoods Woodsrun Mixed Products includes: Bolts 10%; Pulpwood 90%.
 Oak Species Woodsrun Mixed Products includes: Bolts 40%; Pulpwood 60%.

Marketing Conditions:

Sale is located 1.5 miles from State Highway 6 using the Ben Draper Forest Road and MMFR Plantation Loop. An existing trail from the Plantation Loop may be used to access cutting areas, but have not been cleared of downed trees. For Cutting Block 2, mats or corduroy may be needed for flowage in cutting areas.

This is a blowdown salvage appraisal from a storm on July 21st. Some species and products may have limited timeframe 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.

Stands ages range from 74-80 years old. Damage ranges from 35% - 70%, with significant tip-ups along with bent and broken off trees.

- Oak DBH 11-13"
- Birch DBH 9-11"
- Maple DBH 7-9"
- Basswood DBH 9-11"
- Aspen DBH 10-12"

Price Adjustments:

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

Operational Constraints: 0%
Other Price Factor: -60%

Appraiser:

Elena A. Teich

(Appraisal ID 12283-1; Cutting Block ID 14363-3, 14362-3)

TRACT B5

COUNTY: CASS

AREA: BACKUS AREA

ACRES: 14.0

Permit Number: B013414
Expiration Date: 05/31/2018

Purchased By:
Address:

UNSOLD

SESE of Section 8 - Township 140, Range 27W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID: _____	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	WOODSRUN CORDWOOD	215.00	Cd	8.33	1,790.95	8.33	1,790.95
ASH	WOODSRUN MIXED PRODUCTS	30.00	Cd	3.91	117.30	3.91	117.30
NORTHERN HARDWOODS	WOODSRUN CORDWOOD	25.00	Cd	4.08	102.00	4.08	102.00
PINE SPECIES	WOODSRUN MIXED PRODUCTS	10.00	Cd	12.14	121.40	12.14	121.40
BALSAM FIR	WOODSRUN CORDWOOD	5.00	Cd	4.08	20.40	4.08	20.40
BASSWOOD	WOODSRUN CORDWOOD	5.00	Cd	3.40	17.00	3.40	17.00
ANY LISTED SPECIES	BIOMASS	140.00	Tons	1.00	140.00	1.00	140.00

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL =	\$2,309.05	BID TOTAL = \$	2,309.05
ADVANCE PAYMENT =	<u>\$346.36</u>		

Mixed Species Description:

Aspen Species Woodsrun Cordwood includes: Balm of Gilead 25%; Largetooth Aspen 50%; Trembling Aspen 25%.
 Northern Hardwoods Woodsrun Cordwood includes: Paper Birch 35%; Red Maple 60%; Sugar Maple 5%.
 Pine Species Woodsrun Mixed Products includes: Norway Pine 90%; White Pine 10%.

Mixed Product Description:

Ash Woodsrun Mixed Products includes: Bolts 50%; Pulpwood 50%.
 Pine Species Woodsrun Mixed Products includes: Bolts 70%; Pulpwood 30%.

Marketing Conditions:

Base prices have been reduced 60%.
 Most of the trees are root-tipped.
 Good access exist on south side of permit boundary.
 This is a blowdown salvage appraisal from a storm on July 21st. Some species and products may have limited timeframe 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.

Price Adjustments:

Road Construction Costs: 0%
 Haul Distance to Nearest Mill: 0%
 Stand Density: 0%
 Operational Constraints: 0%
 Other Price Factor: -60%

Appraiser:

Craig A. Schultz

TRACT B6

COUNTY: CASS

AREA: BACKUS AREA

ACRES: 195.0

Permit Number: B013415
Expiration Date: 05/31/2018

Purchased By: Croatt Enterprises Inc.

Address: PO Box 821087 State 6 NE, Outing, MN 56662

NENW,NESE,NESW,NWNE,NWSE,SENE,SENW,SESE,SWNE,SWSE of Section 36 - Township 142, Range 25W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 185	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	WOODSRUN CORDWOOD	4,560.00	Cd	8.18	37,300.80	23.31	106,293.60
+ PAPER BIRCH	WOODSRUN CORDWOOD	225.00	Cd	4.08	918.00	11.63	2,616.75
ASH	WOODSRUN CORDWOOD	110.00	Cd	2.38	261.80	2.38	261.80
MIXED SPRUCE	WOODSRUN MIXED PRODUCTS	80.00	Cd	7.01	560.80	7.01	560.80
BALSAM FIR	WOODSRUN CORDWOOD	50.00	Cd	4.08	204.00	4.08	204.00
PINE SPECIES	WOODSRUN MIXED PRODUCTS	40.00	Cd	11.08	443.20	11.08	443.20
RED MAPLE	WOODSRUN CORDWOOD	30.00	Cd	4.08	122.40	4.08	122.40
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$39,811.00	BID TOTAL = \$	110,502.55
				ADVANCE PAYMENT =	\$5,971.65		

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

ANY LISTED SPECIES BIOMASS 3,500.00 Tons 1.00 3,500.00

Mixed Species Description:

Aspen Species Woodsrun Cordwood includes: Balm of Gilead 10%; Trembling Aspen 90%.
Mixed Spruce Woodsrun Mixed Products includes: Black Spruce 40%; White Spruce 60%.
Pine Species Woodsrun Mixed Products includes: Norway Pine 90%; White Pine 10%.

Mixed Product Description:

Mixed Spruce Woodsrun Mixed Products includes: Bolts 30%; Pulpwood 70%.
Pine Species Woodsrun Mixed Products includes: Bolts 60%; Pulpwood 40%.

Cutting and Felling:

- Harvest all aspen, birch, maple, ash, balsam fir and damaged Norway pine and White pine within sale boundaries. Damage trees are all trees that are topped, bent, broke off or leaning more then 20%.
- Reserve all oak, cedar and non damaged pine. After access has been establish forester will designate 10-15 acres standing timber for reserve .
- Filter strip of 50 feet will be maintained around swamp edge. Gap and clump management allowed within strip. Blowdown timber will be salvage while reserving at least 60 BA of standing timber within this filter strip.

Sale Conditions:

- Access crosses Public Waters. A Permit is not required if using a snow / ice bridge.
- Access is across Private/ Industry land.
- Permission to cross Private land land must be obtained by permittee.

Marketing Conditions:

Aspen 3-6 sticks 6-10 inch dia
Birch 3-6 sticks 7-12 inch dia
Ash 3-5 sticks 7-12 inch dia
Mixed spruce 3-7 sticks 7-14inch dia
Norway Pine/White Pine 3-4 log trees 14-18 inch dia
Maple 3-4 sticks 6- 10inch dia
This is a blowdown timber salvage. Approximately 80 acres has been blown down with scattered blow down in the remaining

100 acres.

70% of this stand has had wind damage/ Price reduce by 60%

Winter access crossing beaver flowage below dam. The Ofallon property has blowdown on the access road, but should be opened by winter. Contact number for this property can be obtained from forester.

this is a blowdown salvage appraisal from a storm on July 21st. Some species and products may have a limited timeframe for markability due to blue stain or damage to wood fibers.

Price Adjustments:

Road Construction Costs: 0%

Haul Distance to Nearest Mill: 0%

Stand Density: 0%

Operational Constraints: 0%

Other Price Factor: 0%

Appraiser:

Michael H. Aultman

(Appraisal ID 12265-0; Cutting Block ID 14339-0)

TRACT B7

COUNTY: CASS

AREA: BACKUS AREA

ACRES: 121.0

Permit Number: B013416
 Expiration Date: 09/08/2017

Purchased By: Dukek Logging Inc.

Address: 23873 Timber Trail Drive, Bemidji, MN 56601

GL02,NENE,NENW,NESE,NWNE,NWSE,SENE,SESW,SWNE of Section 16 - Township 142, Range 25W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 50	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ PINE SPECIES	WOODSRUN MIXED PRODUCTS	365.00	MBF	40.82	14,899.30	61.23	24,492.00
+ ASPEN SPECIES	WOODSRUN CORDWOOD	250.00	Cd	8.18	2,045.00	12.27	3,681.00
PAPER BIRCH	WOODSRUN CORDWOOD	30.00	Cd	4.08	122.40	4.08	163.20
RED MAPLE	WOODSRUN CORDWOOD	30.00	Cd	4.08	122.40	4.08	142.80
BALSAM FIR	WOODSRUN CORDWOOD	20.00	Cd	4.08	81.60	4.08	102.00
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$17,270.70	BID TOTAL = \$ 28,581.00
				ADVANCE PAYMENT =		\$2,590.61	

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

ANY LISTED SPECIES BIOMASS 700.00 Tons 1.00 700.00

Mixed Species Description:

Aspen Species Woodsrun Cordwood includes: Balm of Gilead 10%; Trembling Aspen 90%.
 Pine Species Woodsrun Mixed Products includes: Norway Pine 95%; White Pine 5%.

Mixed Product Description:

Pine Species Woodsrun Mixed Products includes: Pulpwood 5%; Sawtimber 95%.

Marketing Conditions:

mixed pine 16-24 inch diameter 2- 4 log trees
 aspen species 6-10 inch diameter 2-5 stks/ tree
 birch 6-12 inch diameter 2-5 stks /tree
 maple 6-8 diameter 2-5 stks/tree
 balsam fir 6-10 inch diameter 3-5 stks/tree
 This is a salvage timber sale 80% of timber is blown down.
 Root tipped 60%, snapped 30%, 10% is standing but damaged
 This is a blowdown salvage appraisal from a storm on July 21st. Some species and products may have limited timeframe for marketability due to stain or damage to wood fibers. Operate this permit promptly for best utilization and reduction of insect and disease concerns

Appraiser is Mike Aultman

Price Adjustments:

Road Construction Costs: 0%
 Haul Distance to Nearest Mill: 0%
 Stand Density: 0%
 Operational Constraints: 0%
 Other Price Factor: -60% (salvage)

Appraiser:

Darren S. Bundy

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

BACKUS 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: September 7, 2016

- SUMMARY SHEET -

09/07/2016 REGULAR AUCTION - SALE #1

COMPLETED - DATA AS OF 12/26/2017

BACKUS AREA

SUMMARY FOR SOLD TRACTS

PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE
WOODSRUN MIXED PRODUCTS	OAK SPECIES	290.00	Cd	-	0.00
	PINE SPECIES	365.00	MBF	-	0.00
	PINE SPECIES	40.00	Cd	11.08	443.20
	NORWAY PINE	35.00	Cd	-	0.00
	WHITE SPRUCE	20.00	Cd	-	0.00
	MIXED SPRUCE	80.00	Cd	7.01	560.80
WOODSRUN CORDWOOD	ASH	140.00	Cd	1.87	261.80
	ASPEN SPECIES	5,905.00	Cd	19.22	113,488.00
	TREMBLING ASPEN	540.00	Cd	8.33	4,498.20
	PAPER BIRCH	316.00	Cd	8.55	2,702.43
	MAPLE SPECIES	205.00	Cd	3.16	647.50
	RED MAPLE	60.00	Cd	2.04	122.40
	BASSWOOD	92.00	Cd	0.63	57.80
	RED OAK	10.00	Cd	6.12	61.20
	BALSAM FIR	70.00	Cd	2.91	204.00
	MIXED HARDWOODS	40.00	Cd	3.48	139.20
BIOMASS	ANY LISTED SPECIES (optional)	5,488.00	Tons	-	0.00

TOTAL SOLD TRACTS CONVERTED TO CORDS: 8,573.00
TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS: \$ 74,704.93
TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS: \$ 158,669.62
TOTAL ACRES SOLD: 434.5
SOLD TRACT NUMBERS: 1, 2, 3, 6, 7
TOTAL NUMBER OF TRACTS SOLD: 5

SUMMARY FOR UNSOLD TRACTS

PRODUCT	SPECIES	TOTAL VOLUME	UNIT	APPRAISED AVERAGE UNIT PRICE	APPRAISED \$ VALUE
WOODSRUN MIXED PRODUCTS	ASH	38.00	Cd	3.65	138.66
	NORTHERN HARDWOODS	228.00	Cd	4.35	991.80
	BASSWOOD	39.00	Cd	3.94	153.66
	OAK SPECIES	585.00	Cd	7.21	4,217.85
	PINE SPECIES	10.00	Cd	12.14	121.40
WOODSRUN CORDWOOD	ASPEN SPECIES	271.00	Cd	8.33	2,257.43
	NORTHERN HARDWOODS	25.00	Cd	4.08	102.00
	BASSWOOD	5.00	Cd	3.40	17.00
	BALSAM FIR	5.00	Cd	4.08	20.40
BIOMASS	ANY LISTED SPECIES	140.00	Tons	1.00	140.00
	ANY LISTED SPECIES	681.00	Lbs	1.00	681.00

TOTAL UNSOLD TRACTS CONVERTED TO CORDS: 1,206.15
TOTAL APPRAISED DOLLAR VALUE OF UNSOLD TRACTS: \$ 8,841.20
TOTAL ACRES UNSOLD: 50.4
UNSOLD TRACT NUMBERS: 4, 5
TOTAL NUMBER OF TRACTS UNSOLD: 2