



MINNESOTA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY

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

STATUS: COMPLETED
INTERMEDIATE AUCTION - SALE #2
ORAL BID

Notice is hereby given that I offered for sale at public auction in Bigfork, MN at 9:15 AM on Tuesday, December 6, 2016, timber belonging to the State of Minnesota. All tracts were offered at the Bigfork Town Hall in Bigfork, MN.

All of the timber offered was SFI and FSC certified.

The following pages list the lands upon which the timber was located, the estimated quantities of timber offered, the appraised prices, and the bid prices.



The resource management of the Minnesota DNR's state forests and wildlife management areas meets the objectives of the SFI® program (Certificate No. NSF-SFI-FM-6Y921) and the principles of the FSC® certification standard (Certificate No. SCS-FM/COC-00088N).

FSC
100%



MINNESOTA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY
INTERMEDIATE AUCTION
ORAL BID TIMBER SALE
BACKUS AREA, DEER RIVER AREA

9:15 AM on December 6, 2016
Bigfork Town Hall in Bigfork, MN

TERMS OF SALE

- This auction sale will be held according to Minnesota Statutes Sections 90.101 and 90.14. Timber shall be offered and sold by the same unit of measure as it was appraised. Sale shall be made to whoever bids the highest price for all timber species advertised for bidding on each tract. Bidding over the appraised price shall be by increments of one (1) percent or more. The percent bid up will be added to the appraised price of each species indicated as a bid species by a plus symbol (+) on the Notice of Sale. Any or all bids may be rejected and sales canceled for good and sufficient reasons.

REGISTRATION AND ELIGIBLE BIDDERS

- Interested persons must be registered at least four (4) business days prior to the auction by submitting an *Annual Timber Sales Purchaser Registration* form. No bid will be accepted from anyone having a delinquent timber sale account or trespass account or a willful timber trespass with any public agency in Minnesota, or from anyone who does not qualify as a Responsible Bidder as defined in Minnesota Statutes § 90.01 (12), or from anyone who has been debarred for cause by any public agency [M.S. § 90.041 (11)]. Purchase is limited to registered persons or companies with 30 or fewer employees. No bidder may purchase more than twenty-five (25) percent of the tracts offered on the first round of bidding. Purchases or attempts to purchase tracts beyond the twenty-five (25) percent limit will result in the forfeiture of the down payment and loss of the tract.

DOWN PAYMENT

- Purchasers of timber must pay a down payment of fifteen (15) percent of the appraised value of the timber at the time the purchaser's bid is approved. The down payment will be kept on deposit by the State and applied against any billings for timber. The purchaser may elect to have the down payment refunded if they post security for one hundred (100) percent of the bid price of the timber (see Security Required). If the purchaser does not sign the permit document within 45 days of sale, the down payment will forfeit to the State. A permit signature extension of 10 business days may be granted, provided the purchaser pays a \$200 penalty.

BID GUARANTEE

- For any bid increase in excess of \$10,000 of the appraised price, a bid guarantee equal to fifteen (15) percent of the total bid price of the timber less the down payment amount is required at the time the permit is signed. If the bid guarantee is not submitted with the signed permit, the permit cancels, and the down payment forfeits to the State. If the permit holder fails to execute an effective permit, the bid guarantee payment forfeits to the State.

PURCHASER AND LOGGER QUALIFICATIONS AND OPERATIONS REQUIREMENTS

- The purchaser or the purchaser's agents, employees, subcontractors, and assigns conducting logging operations on a timber permit must comply with the general industry safety standards for logging (e.g., LogSafe) adopted by the Commissioner of Labor and Industry and provide proof of compliance with these standards. The purchaser or the purchaser's agents, employees, subcontractors, and assigns conducting logging operations on a timber permit must comply with the State of Minnesota mandatory insurance requirements before harvest operations begin. A *Certification of Compliance with the Minnesota Workers' Compensation Law* form must be submitted each year. Before the start of harvest operations, the purchaser must certify that a designated foreperson, who will be supervising active logging operations, has a current certificate of completion from a logger education program (e.g., MLEP or FISTA) approved by the Commissioner of Natural Resources.

SECURITY REQUIRED

- The purchaser must furnish security equal to the total bid value of the permit, LESS the amount paid as a down payment and bid guarantee. Security can be furnished in the following forms: Corporate surety bond, Letter of Credit, certified check, cashier's check, personal check, money order, or by signing a Cutting Block Payment Agreement for individual cutting blocks, at least one business day prior to the start of any permit operations. If the purchaser elects to receive a refund of the down payment and bid guarantee, they must furnish security in a form described above, for one hundred (100) percent of the total bid value of the timber purchased. If the deferred cash payment for cutting blocks is selected, the down payment and bid guarantee WILL NOT be refunded. If the purchaser elects to secure a permit by prepayment of cutting block(s), they must make a written request on a form provided by the state. No harvesting is permitted until proper security has been furnished to and approved by the Commissioner of Natural Resources or his agent.

PERMIT TERMS

- A permit to harvest and remove the timber from state lands will be issued to the purchaser. NO permit shall be issued to anyone other than the purchaser in whose name the bid was made. All timber purchased on the permit must be harvested prior to the permit expiration date. All permits provide for the continuous identification of timber from the time of cutting until delivery to the consumer. Failure to continuously identify the timber as specified in the permit shall constitute trespass. Also, please note all harvest specifications on each tract being sold. Only one Regular Extension is permitted for exceptional circumstances. An annual interest rate of 5 percent may be charged on a regular extension for the period of the extension.

UNSOLD TRACTS

- On the next regular business day (8:00 AM - 4:30 PM, Monday - Friday, except holidays) after the date of the auction sale, unsold tracts may be available for over-the-counter purchase at the appraised price for a period of no more than one year. Unless canceled for reoffer at an earlier date, unsold tracts will be available until December 6, 2017, at the following Area Headquarters: Backus Area, Deer River Area. Beginning 30 days after the auction date, an unsold intermediate auction tract may be purchased by any registered responsible bidder, i.e., purchase is no longer limited to businesses with 30 or fewer employees.

TRACT X1

COUNTY: ITASCA

AREA: DEER RIVER AREA

ACRES: 31.1

Permit Number: X015285
Expiration Date: 05/31/2019

Purchased Over-the-Counter Date: 12/07/2016

Purchased By: Haley Logging Company
Address: 60697 State Hwy 38, Bigfork, MN 56628

NENE,NESE,SENE of Section 13 - Township 60, Range 24W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ NORWAY PINE	WOODSRUN MIXED PRODUCTS	230.00	Cd	10.90	2,507.00	10.90	2,507.00
+ TREMBLING ASPEN	WOODSRUN CORDWOOD	80.00	Cd	16.26	1,300.80	16.26	1,300.80
WHITE SPRUCE	WOODSRUN CORDWOOD	45.00	Cd	10.20	459.00	10.20	459.00
JACK PINE	WOODSRUN CORDWOOD	40.00	Cd	8.93	357.20	8.93	357.20
BALSAM FIR	WOODSRUN CORDWOOD	5.00	Cd	9.56	47.80	9.56	47.80
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$4,671.80	BID TOTAL = \$ 4,671.80
				ADVANCE PAYMENT =		\$700.77	

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

ANY LISTED SPECIES BIOMASS 215.00 Tons 0.75 161.25

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 State land.

Marketing Conditions:

Norway pine averages 4 sticks, 8" DBH.
Aspen averages 4 sticks, 8" DBH.
Sale is located approx. .4 miles down Horsehead Lake Rd from Co Rd 52.
Price reduced 25% for first thinning.

Price Adjustments:

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

Appraiser:

Garrett Mann

TRACT X2

COUNTY: ITASCA

AREA: DEER RIVER AREA

ACRES: 7.4

Permit Number: X015286
Expiration Date: 05/31/2020

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

NESE of Section 24 - Township 60, Range 24W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ NORWAY PINE	WOODSRUN MIXED PRODUCTS	280.00	Cd	21.79	6,101.20	21.79	6,101.20
WHITE SPRUCE	WOODSRUN CORDWOOD	60.00	Cd	14.96	897.60	14.96	897.60
BALSAM FIR	WOODSRUN CORDWOOD	12.00	Cd	14.02	168.24	14.02	168.24
PAPER BIRCH	WOODSRUN CORDWOOD	10.00	Cd	11.22	112.20	11.22	112.20
TREMBLING ASPEN	WOODSRUN CORDWOOD	10.00	Cd	23.85	238.50	23.85	238.50
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$7,517.74	BID TOTAL = \$	7,517.74
				ADVANCE PAYMENT =	\$1,127.66		

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

ANY LISTED SPECIES BIOMASS 12.00 Tons 1.00 12.00

Mixed Product Description:

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 county, private, and State land.
- Permission to cross county and private land must be obtained by permittee.

Marketing Conditions:

Norway pine dbh average 12" and 4 to 6 sticks.
Full tree skidding is preferred.

Price Adjustments:

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

Appraiser:

Christopher Henkel

TRACT X3

COUNTY: ITASCA

AREA: DEER RIVER AREA

ACRES: 55.4

Permit Number: X015287
Expiration Date: 05/31/2019

Purchased By: Scheff Logging & Trucking Inc.
Address: 48985 State Hwy 38, Marcell, MN 56657

GL01,NENW,NWNE of Section 36 - Township 61, Range 26W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 101	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	WOODSRUN CORDWOOD	1,200.00	Cd	23.85	28,620.00	47.94	57,528.00
ASH	WOODSRUN CORDWOOD	45.00	Cd	6.55	294.75	6.55	294.75
BALSAM FIR	WOODSRUN CORDWOOD	30.00	Cd	14.03	420.90	14.03	420.90
PAPER BIRCH	WOODSRUN CORDWOOD	15.00	Cd	11.22	168.30	11.22	168.30
RED MAPLE	WOODSRUN CORDWOOD	15.00	Cd	11.22	168.30	11.22	168.30
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$29,672.25	BID TOTAL = \$ 58,580.25
				ADVANCE PAYMENT =		\$4,450.84	

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

ANY LISTED SPECIES BIOMASS 600.00 Tons 1.00 600.00

Season of Operations:

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

Landings Roads and Trails:

- A minimum of four inches of snow must be left on the recreation trail from Dec. 1 - March 31.
- Keep recreation trails free of equipment, slash, piled timber, and harvest-related structures.

Sale Conditions:

- Access is across State and county land.

Marketing Conditions:

Aspen 6" to 10" dbh, 4-6 sticks.
Possible early winter freeze up chance.

Price Adjustments:

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

Appraiser:

Steven A. Moberg

TRACT X4

COUNTY: ITASCA

AREA: DEER RIVER AREA

ACRES: 44.0

Permit Number: X015288
Expiration Date: 05/31/2019

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

NENW,NESW,SESW of Section 21 - Township 146, Range 26W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 100	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	WOODSRUN CORDWOOD	837.00	Cd	23.00	19,251.00	46.00	38,502.00
+ BALSAM FIR	WOODSRUN CORDWOOD	185.00	Cd	13.77	2,547.45	27.54	5,094.90
+ ASH	WOODSRUN MIXED PRODUCTS	159.00	Cd	8.08	1,284.72	16.16	2,569.44
+ PAPER BIRCH	WOODSRUN MIXED PRODUCTS	155.00	Cd	12.48	1,934.40	24.96	3,868.80
RED MAPLE	WOODSRUN CORDWOOD	70.00	Cd	11.02	771.40	11.02	771.40
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$25,788.97	BID TOTAL = \$ 50,806.54
				ADVANCE PAYMENT =		\$3,868.35	

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

ANY LISTED SPECIES BIOMASS 672.00 Tons 1.08 725.76

Mixed Species Description:

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

Mixed Product Description:

Ash Woodsrun Mixed Products includes: Bolts 20%; Pulpwood 80%.
Paper Birch Woodsrun Mixed Products includes: Bolts 20%; Pulpwood 80%.

Season of Operations:

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

Sale Conditions:

- Access is across private or State land.
- Permission to cross private land must be obtained by permittee.
- Private access will likely be frozen only. State access will require up to a mile of winter roadwork.

Marketing Conditions:

Aspen average 9" DBH and 6 sticks.
Fir average 8" DBH and 4 sticks.
Ash average 9" DBH and 4 sticks.
Birch average 10" DBH and 5 sticks.
Adjacent neighbor has expressed the possibility of having additional timber available.

Price Adjustments:

Road Construction Costs: 0%
Haul Distance to Nearest Mill: 0%
Stand Density: +8%
Operational Constraints: 0%
Other Price Factor: 0%

Appraiser:

John J. Segari

TRACT X5

COUNTY: ITASCA

AREA: DEER RIVER AREA

ACRES: 12.0

Permit Number: X015289
Expiration Date: 05/31/2020

Purchased By: Randy J. Erickson
Address: 45782 State Hwy 6, Deer River, MN 56636

NENW of Section 33 - Township 147, Range 25W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ NORTHERN HARDWOODS	WOODSRUN MIXED PRODUCTS	71.00	Cd	12.75	905.25	12.75	905.25
BALSAM FIR	WOODSRUN CORDWOOD	27.00	Cd	12.11	326.97	12.11	326.97
TREMBLING ASPEN	WOODSRUN CORDWOOD	10.00	Cd	20.60	206.00	20.60	206.00
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$1,438.22	BID TOTAL = \$	1,438.22
				ADVANCE PAYMENT =	\$215.73		

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

ANY LISTED SPECIES BIOMASS 51.00 Tons 1.00 51.00

Mixed Species Description:

Northern Hardwoods Woodsrun Mixed Products includes: Ash 11%; Basswood 59%; Paper Birch 17%; Sugar Maple 13%.

Mixed Product Description:

Northern Hardwoods Woodsrun Mixed Products includes: Bolts 68%; Pulpwood 32%.

Cutting and Felling:

- Full tree skidding prohibited.

Season of Operations:

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

Sale Conditions:

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

Marketing Conditions:

This sale consist of 9 openings along an access trail. Openings are 66ft in radius.
Basswood is 80% bolts and averages 6 sticks.
Openings average 37cda/acre of harvest volume.
Adjacent neighbor has expressed the possibility of additional timber available.

Price Adjustments:

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

Appraiser:

John J. Segari

TRACT X6

COUNTY: ITASCA

AREA: DEER RIVER AREA

ACRES: 9.3

Permit Number: X015290
Expiration Date: 05/31/2019

Purchased By:
Address:

UNSOLD

NESE of Section 18 - Township 147, Range 26W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID: _____	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TAMARACK	WOODSRUN CORDWOOD	361.00	Cd	5.61	2,025.21	5.61	2,025.21
BLACK SPRUCE	WOODSRUN CORDWOOD	5.00	Cd	14.96	74.80	14.96	74.80
WHITE CEDAR	WOODSRUN CORDWOOD	5.00	Cd	5.61	28.05	5.61	28.05
ANY LISTED SPECIES	BIOMASS	184.00	Tons	1.10	202.40	1.10	202.40

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL =	\$2,330.46	BID TOTAL = \$	2,330.46
ADVANCE PAYMENT =	\$349.57		

Marketing Conditions:

Tamarack averages 8" and 6 sticks.

Price Adjustments:

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

Appraiser:

John J. Segari

TRACT X7

COUNTY: ITASCA

AREA: DEER RIVER AREA

ACRES: 18.0

Permit Number: X015291

Expiration Date: 05/31/2019

Purchased By: J & N Logging

Address: 58753 Co Rd 126, Northome, MN 56661

GL03,NWSE of Section 17 - Township 147, Range 26W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ NORWAY PINE	WOODSRUN MIXED PRODUCTS	200.00	Cd	28.27	5,654.00	28.27	5,654.00
+ BALSAM FIR	WOODSRUN CORDWOOD	40.00	Cd	14.66	586.40	14.66	586.40
+ TREMBLING ASPEN	WOODSRUN CORDWOOD	25.00	Cd	24.93	623.25	24.93	623.25
JACK PINE	WOODSRUN MIXED PRODUCTS	10.00	Cd	27.36	273.60	27.36	273.60
MIXED SPRUCE	WOODSRUN CORDWOOD	10.00	Cd	15.64	156.40	15.64	156.40
MIXED HARDWOODS	WOODSRUN CORDWOOD	5.00	Cd	11.73	58.65	11.73	58.65

+ BID SPECIES

* SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$7,352.30
 ADVANCE PAYMENT = \$1,102.85

BID TOTAL = \$ 7,352.30

Mixed Species Description:

Mixed Hardwoods Woodsrun Cordwood includes: Paper Birch 70%; Red Maple 30%.
 Mixed Spruce Woodsrun Cordwood includes: Black Spruce 50%; White Spruce 50%.

Mixed Product Description:

Jack Pine Woodsrun Mixed Products includes: Bolts 50%; Pulpwood 50%.
 Norway Pine Woodsrun Mixed Products includes: Bolts 41%; Pulpwood 41%; Sawtimber 18%.

Cutting and Felling:

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

Season of Operations:

- Conduct sale operations on dry/frozen soil conditions only, except with written permission from State.
 - Forwarding trail between type #257 & #750 will require frozen ground conditions or tie matt mitigation to cross.

Marketing Conditions:

First entry thinning in types #238, #257, and #750. Stumpage reduced by 25%.
 Age: 36-55 yrs.
 Norway pine 8-13" dbh 3-7 stick 50% bolts
 Basal Area all species 134-265.
 Type #244:
 Age: 107 yrs.
 Norway pine 8-22" dbh 1-5 logs
 Basal Area all species 230.
 Natural origin pine.

Price Adjustments:

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

Appraiser:

Daniel D. Hertle

TRACT X8

COUNTY: ITASCA

AREA: DEER RIVER AREA

ACRES: 37.5

Permit Number: X015292
Expiration Date: 05/31/2020

Purchased By: Andy Michalek Logging Inc.
Address: 54529 Michalek Road, Blackduck, MN 56630

NESW,NWSW,SESW,SWSW of Section 2 - Township 149, Range 28W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 70	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	WOODSRUN CORDWOOD	395.00	Cd	21.68	8,563.60	36.86	14,559.70
SUGAR MAPLE	WOODSRUN CORDWOOD	60.00	Cd	10.20	612.00	10.20	612.00
BASSWOOD	WOODSRUN MIXED PRODUCTS	35.00	Cd	11.56	404.60	11.56	404.60
PAPER BIRCH	WOODSRUN CORDWOOD	30.00	Cd	10.20	306.00	10.20	306.00
BALSAM FIR	WOODSRUN CORDWOOD	20.00	Cd	12.75	255.00	12.75	255.00
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$10,141.20	BID TOTAL = \$ 16,137.30
				ADVANCE PAYMENT =		\$1,521.18	

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

ANY LISTED SPECIES BIOMASS 274.00 Tons 1.00 274.00

Mixed Product Description:

Basswood Woodsrun Mixed Products includes: Bolts 45%; Pulpwood 55%.

Cutting and Felling:

- Harvest all basswood marked with yellow paint. Harvest aspen, balsam fir and paper birch 2 sticks and larger. Logger select all sugar maple 9" DBH and larger.
- Trees must be processed at the stump and cut products forwarded to the landing.

Season of Operations:

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

Sale Conditions:

- Access is across USFS and State land.
- Slash mats or water bars may be required on slopes with exposed soil.

Marketing Conditions:

Aspen averages 4.6 sticks per tree.
Basswood and sugar maple average approximately 3 sticks per tree.
Some steep to rolling hills within permit area.
Best access is from the Wagner Lake access road.

Price Adjustments:

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

Appraiser:

Scott A. Bergloff

TRACT X9

COUNTY: ITASCA

AREA: DEER RIVER AREA

ACRES: 74.6

Permit Number: X015293
Expiration Date: 05/31/2019

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

NESE,NWSE,SENE,SESE of Section 4; NENE of Section 9; SWNW of Section 3 - Township 150, Range 26W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 131	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	WOODSRUN MIXED PRODUCTS	1,473.00	Cd	22.76	33,525.48	52.58	77,450.34
+ BALSAM FIR	WOODSRUN MIXED PRODUCTS	242.00	Cd	18.74	4,535.08	43.29	10,476.18
+ WHITE SPRUCE	WOODSRUN MIXED PRODUCTS	125.00	Cd	26.78	3,347.50	61.86	7,732.50
ASH	WOODSRUN MIXED PRODUCTS	90.00	Cd	11.07	996.30	11.07	996.30
PAPER BIRCH	WOODSRUN MIXED PRODUCTS	35.00	Cd	12.14	424.90	12.14	424.90

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$42,829.26
ADVANCE PAYMENT = \$6,424.39
BID TOTAL = \$ 97,080.22

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

ANY LISTED SPECIES BIOMASS 887.00 Tons 1.00 887.00

Mixed Species Description:

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

Mixed Product Description:

Ash Woodsrun Mixed Products includes: Bolts 60%; Pulpwood 40%.
Aspen Species Woodsrun Mixed Products includes: Bolts 20%; Pulpwood 80%.
Balsam Fir Woodsrun Mixed Products includes: Bolts 40%; Pulpwood 60%.
Paper Birch Woodsrun Mixed Products includes: Bolts 20%; Pulpwood 80%.
White Spruce Woodsrun Mixed Products includes: Bolts 70%; Pulpwood 30%.

Cutting and Felling:

- Harvest all aspen species, paper birch, balsam fir, white spruce and ash greater than 9" DBH.

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:

Aspen species average 10-16" DBH and 5-8 sticks.
Balsam Fir averages 8-13" DBH and 3-7 sticks.
White Spruce averages 10-18" DBH and 5-8 sticks.
Ash average 9-16" DBH and 3-6 sticks.
Paper Birch averages 8-12" DBH and 4-6 sticks.

Price Adjustments:

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

Operational Constraints: 0%

Other Price Factor: 0%

Appraiser:

Joshua Matthew Tomlin

(Appraisal ID 12446-0; Cutting Block ID 14555-0)

TRACT X10

COUNTY: ITASCA

AREA: DEER RIVER AREA

ACRES: 34.0

Permit Number: X015294
Expiration Date: 05/31/2020

Purchased By: Ronald G. Krueth
Address: 38981 Firewood Ln, Kelliher, MN 56650

NENW,SENW of Section 14; NESE,SESE of Section 11 - Township 150, Range 29W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 140	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	WOODSRUN CORDWOOD	400.00	Cd	19.51	7,804.00	46.82	18,728.00
BALSAM FIR	WOODSRUN CORDWOOD	45.00	Cd	11.48	516.60	11.48	516.60
BASSWOOD	WOODSRUN MIXED PRODUCTS	45.00	Cd	8.39	377.55	8.39	377.55
PAPER BIRCH	WOODSRUN CORDWOOD	45.00	Cd	9.18	413.10	9.18	413.10
SUGAR MAPLE	WOODSRUN CORDWOOD	15.00	Cd	9.18	137.70	9.18	137.70
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$9,248.95	BID TOTAL = \$ 20,172.95
				ADVANCE PAYMENT =		\$1,387.34	

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

ANY LISTED SPECIES BIOMASS 261.00 Tons 0.90 234.90

Mixed Product Description:

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

Season of Operations:

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

Landings Roads and Trails:

- A minimum of four inches of snow must be left on the recreation trail from Dec. 1 - March 31.

Sale Conditions:

- Permission to cross Boundary Company land must be obtained by permittee.

Marketing Conditions:

Aspen averages 4 sticks per tree and 13" DBH on North tract.
Aspen averages 3 sticks per tree and 9.7" DBH on South tract (48 yrs. old). Seventy percent of aspen is on South tract.
Approximately 5% of aspen volume is balm of Gilead.
Basswood averages 2.8 sticks per tree and 11" DBH.
Water bars or slash mats may be required if soil is exposed on side slopes of North tract.
Price reduced 10% due to basswood seed trees to avoid.

Price Adjustments:

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

Appraiser:

Scott A. Bergloff

TRACT X11

COUNTY: KOOCHICHING

AREA: DEER RIVER AREA

ACRES: 11.0

Permit Number: X015295
 Expiration Date: 05/31/2019

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

NESW,SESW of Section 8 - Township 152, Range 29W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 160	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	WOODSRUN CORDWOOD	150.00	Cd	23.47	3,520.50	61.02	9,153.00
+ BALSAM FIR	WOODSRUN CORDWOOD	75.00	Cd	14.02	1,051.50	36.45	2,733.75
WHITE CEDAR	WOODSRUN CORDWOOD	30.00	Cd	5.61	168.30	5.61	168.30
MIXED SPRUCE	WOODSRUN CORDWOOD	7.00	Cd	14.96	104.72	14.96	104.72
PAPER BIRCH	WOODSRUN CORDWOOD	3.00	Cd	11.22	33.66	11.22	33.66
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$4,878.68	BID TOTAL = \$ 12,193.43
				ADVANCE PAYMENT =		\$731.80	

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

ANY LISTED SPECIES BIOMASS 120.00 Tons 1.00 120.00

Mixed Species Description:

Aspen Species Woodsrun Cordwood includes: Balm of Gilead 9%; Trembling Aspen 91%.
 Mixed Spruce Woodsrun Cordwood includes: Black Spruce 50%; White Spruce 50%.

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:

Estimated volumes average 25.9 cords per acre (all appraised species).

Base prices increased by 5% for "GOOD" Access Road Construction and 5% for "GOOD" Stand Density.

- Aspen average 5-6 sticks, 12" DBH.
- Balm of Gilead average 4 sticks, 11" DBH.
- Balsam fir average 4 sticks, 10" DBH.
- Cedar average 4 sticks, 16" DBH.
- Spruce average 4 sticks, 10" DBH.
- Birch average 4 sticks, 11" DBH.

Permit is located directly North and South of Flowing Well Forest Road, approximately 0.4 miles West of the Flowing Well site.

Price Adjustments:

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

Appraiser:

Matthew T. Pollard

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

BACKUS AREA, DEER RIVER AREA

The right is reserved to reject any and all bids.

For the Commissioner
MINNESOTA DEPARTMENT OF NATURAL RESOURCES

By: _____
Authorized Signature
Division Of Forestry
Dated: December 6, 2016

- SUMMARY SHEET -

12/06/2016 INTERMEDIATE AUCTION - SALE #2

COMPLETED - DATA AS OF 12/27/2017

BACKUS AREA, DEER RIVER AREA

SUMMARY FOR SOLD TRACTS

PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE
WOODSRUN MIXED PRODUCTS	ASH	249.00	Cd	14.32	3,565.74
	ASPEN SPECIES	1,473.00	Cd	52.58	77,450.34
	PAPER BIRCH	190.00	Cd	22.60	4,293.70
	NORTHERN HARDWOODS	71.00	Cd	12.75	905.25
	BASSWOOD	80.00	Cd	9.78	782.15
	NORWAY PINE	710.00	Cd	20.09	14,262.20
	JACK PINE	10.00	Cd	27.36	273.60
	WHITE SPRUCE	125.00	Cd	61.86	7,732.50
	BALSAM FIR	242.00	Cd	43.29	10,476.18
WOODSRUN CORDWOOD	ASH	45.00	Cd	6.55	294.75
	ASPEN SPECIES	987.00	Cd	48.28	47,655.00
	TREMBLING ASPEN	2,120.00	Cd	43.95	93,184.25
	PAPER BIRCH	103.00	Cd	10.03	1,033.26
	RED MAPLE	85.00	Cd	11.06	939.70
	SUGAR MAPLE	75.00	Cd	10.00	749.70
	JACK PINE	40.00	Cd	8.93	357.20
	WHITE SPRUCE	105.00	Cd	12.92	1,356.60
	BALSAM FIR	439.00	Cd	23.12	10,150.56
	WHITE CEDAR	30.00	Cd	5.61	168.30
	MIXED SPRUCE	17.00	Cd	15.36	261.12
	MIXED HARDWOODS	5.00	Cd	11.73	58.65
	BIOMASS	ANY LISTED SPECIES (optional)	3,092.00	Tons	-

TOTAL SOLD TRACTS CONVERTED TO CORDS: 7,201.00
TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS: \$ 143,539.37
TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS: \$ 275,950.75
TOTAL ACRES SOLD: 325.0
SOLD TRACT NUMBERS: 1, 2, 3, 4, 5, 7, 8, 9, 10, 11
TOTAL NUMBER OF TRACTS SOLD: 10

SUMMARY FOR UNSOLD TRACTS

PRODUCT	SPECIES	TOTAL VOLUME	UNIT	APPRAISED AVERAGE UNIT PRICE	APPRAISED \$ VALUE
WOODSRUN CORDWOOD	BLACK SPRUCE	5.00	Cd	14.96	74.80
	TAMARACK	361.00	Cd	5.61	2,025.21
	WHITE CEDAR	5.00	Cd	5.61	28.05
BIOMASS	ANY LISTED SPECIES	184.00	Tons	1.10	202.40

TOTAL UNSOLD TRACTS CONVERTED TO CORDS: 371.00
TOTAL APPRAISED DOLLAR VALUE OF UNSOLD TRACTS: \$ 2,330.46
TOTAL ACRES UNSOLD: 9.3
UNSOLD TRACT NUMBER: 6
TOTAL NUMBER OF TRACTS UNSOLD: 1