



MINNESOTA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY

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

STATUS: COMPLETED
INTERMEDIATE AUCTION - SALE #2
ORAL BID

Notice is hereby given that I offered for sale at public auction in Backus, MN at 9:30 AM on Thursday, May 25, 2017, timber belonging to the State of Minnesota. All tracts were offered at the Cass County Land Department Building in Backus, 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

9:30 AM on May 25, 2017
Cass County Land Department Building in Backus, 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 May 25, 2018, at the following Area Headquarters: Backus 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: CASS

AREA: BACKUS AREA

ACRES: 41.9

Permit Number: X015503
Expiration Date: 05/31/2020

Purchased By: Hodgden Logging Inc.
Address: 38114 Twin Lakes Rd, Menahga, MN 56464

NESW,NWSW of Section 27; NESE of Section 28 - Township 134, Range 30W.
NESW,NWSW,SENW,SWNW of Section 26; SENE of Section 27 - Township 134, Range 30W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ OAK SPECIES	WOODSRUN CORDWOOD	162.00	Cd	6.80	1,101.60	6.80	1,101.60
+ NORWAY PINE	WOODSRUN MIXED PRODUCTS	94.00	Cd	17.46	1,641.24	17.46	1,641.24
+ TREMBLING ASPEN	WOODSRUN CORDWOOD	67.00	Cd	10.03	672.01	10.03	672.01
MAPLE SPECIES	WOODSRUN CORDWOOD	15.00	Cd	4.76	71.40	4.76	71.40
ASH	WOODSRUN CORDWOOD	3.00	Cd	3.40	10.20	3.40	10.20
PAPER BIRCH	WOODSRUN CORDWOOD	3.00	Cd	4.76	14.28	4.76	14.28

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$3,510.73 BID TOTAL = \$ 3,510.73
ADVANCE PAYMENT = \$526.61

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

ANY LISTED SPECIES BIOMASS 220.00 Tons 1.00 220.00

Mixed Species Description:

Maple Species Woodsrun Cordwood includes: Red Maple 66%; Sugar Maple 34%.
Oak Species Woodsrun Cordwood includes: Bur Oak 2%; Red Oak 98%.

Mixed Product Description:

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

Cutting and Felling:

- Harvest all trees marked with orange paint in the hardwood thinning area. Harvest all storm damaged trees that are laying on the ground. Do not harvest any standing snags unless they are marked with orange paint. In the pine thinning area harvest Norway Pine trees in a logger select fashion, reducing the basal area from 167 to 100, distributed evenly throughout the entire stand by removing poor quality suppressed trees and releasing high quality, well formed, single stem trees with good live crown ratio (Cutting Block 2).
- Harvest all trees marked with orange paint. Harvest all storm damaged trees that are laying on the ground. Do not harvest any standing snags unless they are marked with orange paint (Cutting Block 1).
- Trees must be processed at the stump and cut products forwarded to the landing in the pine thinning area, except with written permission from the State (Cutting Block 2).

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 (Cutting Block 2).

- Conduct sale operations on dry/frozen soil conditions only, except with written permission from State (Cutting Blocks 1 and 2).

Sale Conditions:

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

Sale Conditions (Continued):

- Notice to begin harvest must be given at least five working days prior to the date they will commence operations due to recreation trail (Cutting Blocks 1 and 2).

Marketing Conditions:

Both hardwood blocks have steep and hilly terrain and are 30-50% storm damaged.
Tree diameters range from 6-10 inches dbh and 5 sticks.
Norway pine diameters range from 6-10 inches and 5 sticks.
Norway pine rows are not easily identifiable.
Hardwood prices have been reduced by 60% because of storm damaged.
Norway pine prices are reduced 25% because this is a first thinning.
Pine thinning area lends itself to CTL.

Price Adjustments:

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

Appraiser:

William H. Salo

TRACT X2

COUNTY: CASS

AREA: BACKUS AREA

ACRES: 130.5

Permit Number: X015504
Expiration Date: 05/31/2020

Purchased Over-the-Counter Date: 11/28/2017

Purchased By: Diff's Logging Inc.

Address: 11132 Bonnie Road, Brainerd, MN 56401

NWSW,SWSW of Section 14; NESE,NESW,NWNE,NWSE,SENE,SWNE,SWSE of Section 22;
NESW,NWSE,SESW,SWSE of Section 15 - Township 135, Range 31W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASH	WOODSRUN MIXED PRODUCTS	600.00	Cd	8.64	5,184.00	8.64	5,184.00
+ ASPEN SPECIES	WOODSRUN CORDWOOD	525.00	Cd	20.06	10,531.50	20.06	10,531.50
+ RED OAK	WOODSRUN MIXED PRODUCTS	145.00	Cd	14.50	2,102.50	14.50	2,102.50
+ PAPER BIRCH	WOODSRUN MIXED PRODUCTS	85.00	Cd	11.52	979.20	11.52	979.20
NORTHERN HARDWOODS	WOODSRUN CORDWOOD	80.00	Cd	8.94	715.20	8.94	715.20
MIXED CONIFERS	WOODSRUN CORDWOOD	5.00	Cd	9.82	49.10	9.82	49.10
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$19,561.50	BID TOTAL = \$	19,561.50
				ADVANCE PAYMENT =	\$2,934.23		

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

ANY LISTED SPECIES BIOMASS 635.00 Tons 1.00 635.00

Mixed Species Description:

Aspen Species Woodsrun Cordwood includes: Balm of Gilead 5%; Largetooth Aspen 10%; Trembling Aspen 85%.

Mixed Conifers Woodsrun Cordwood includes: Balsam Fir 50%; White Spruce 50%.

Northern Hardwoods Woodsrun Cordwood includes: American Elm 1%; Basswood 39%; Red Maple 44%; Sugar Maple 15%; Yellow Birch 1%.

Mixed Product Description:

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

Paper Birch Woodsrun Mixed Products includes: Bolts 49%; Pulpwood 51%.

Red Oak Woodsrun Mixed Products includes: Bolts 22%; Pulpwood 78%.

Cutting and Felling:

- Harvest is in 3 cutting units.
- Cutting unit 1: harvest all trees within 65' radius of center tree marked with orange paint.
- Cutting unit 2 is a logger select thinning from 115 square feet basal area to 80 square feet basal area. Residual trees should be the dominant or codominant, healthy trees spaced approximately 19 feet apart. Priority for removal should be suppressed and/or deformed ash first, then other tree species focusing on spacing.
- Cutting unit 3: harvest all aspen, maple, birch, basswood, and unmarked red oak.

Season of Operations:

- Conduct sale operations on frozen soil conditions only, except with written permission from State.
- Frozen ground access only.
- No sale operations allowed during firearms deer season.

Sale Conditions:

- Access is across state land.

Marketing Conditions:

Timber sale is located in the Meadowbrook Wildlife Management Area.

Cutting unit 1 and 2 are extremely wet sites, harvesting primarily ash. Ash averaging 5 sticks, ranging 7 -11" diameter. Aspen averages 4 sticks, 8" in both units.

Cutting unit 1 is a group selection cut consisting of 51 1/3 ac plots, total cutting acres =21.

Cutting unit 2 is a logger select thinning, basal area is very variable ranging from 200 to 30 but averages 115. The intent is to bring the basal area down to 80, where possible. Total cutting acres= 42.

Cutting unit 3 is a clearcut with reserves, primarily aspen and oak. Total cutting acres = 15. Aspen averages 8 sticks, 14".

Oak averages 6 sticks, 14". 80% of the aspen and oak listed for the sale will come off cutting unit 3.

Price Adjustments:

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

Appraiser:

Karla Regina Sandstrom

(Appraisal ID 12767-0; Cutting Block ID 14876-0)

TRACT X3

COUNTY: CROW WING

AREA: BACKUS AREA

ACRES: 15.0

Permit Number: X015505
Expiration Date: 05/31/2020

Purchased By: Edin Logging Inc.
Address: 16568 - 235th Ave, Staples, MN 56479

NWSW,SWNW of Section 16 - Township 136, Range 27W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 30	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ PINE SPECIES	WOODSRUN MIXED PRODUCTS	145.00	Cd	19.51	2,828.95	25.36	3,677.20
+ TREMBLING ASPEN	WOODSRUN CORDWOOD	45.00	Cd	18.81	846.45	24.45	1,100.25
PAPER BIRCH	WOODSRUN CORDWOOD	30.00	Cd	8.92	267.60	8.92	267.60
RED OAK	WOODSRUN CORDWOOD	10.00	Cd	12.75	127.50	12.75	127.50
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$4,070.50	BID TOTAL = \$	5,172.55
				ADVANCE PAYMENT =	\$610.58		

Mixed Species Description:

Pine Species Woodsrun Mixed Products includes: Jack Pine 25%; Norway Pine 75%.

Mixed Product Description:

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

Cutting and Felling:

- Harvest every 5th row. Harvest aspen, birch, red oak and jack pine greater than 2 sticks. Selectively harvest red pine down to 90 BA.
- Trees must be processed at the stump and cut products forwarded to the landing.
- Disregard orange paint on Norway pine. Stand was previously marked for a thinning.

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 a first thinning in a Norway pine stand. The NP pine averages 8" dbh and 32 feet of merchantable height. Tract is located approx. 6 miles south of Cross Lake.

Price Adjustments:

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

Appraiser:

Steven J. Bade

TRACT X4

COUNTY: CASS

AREA: BACKUS AREA

ACRES: 9.0

Permit Number: X015506
Expiration Date: 05/31/2020

Purchased By: Lester L. Parker
Address: 7112 37th Ave SW, Pequot Lakes, MN 56472

SWNE of Section 22 - Township 136, Range 31W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TAMARACK	WOODSRUN CORDWOOD	95.00	Cd	4.76	452.20	4.76	452.20
+ NORTHERN HARDWOODS	WOODSRUN MIXED PRODUCTS	44.00	Cd	10.44	459.36	10.44	459.36
BALSAM FIR	WOODSRUN CORDWOOD	5.00	Cd	8.33	41.65	8.33	41.65
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$953.21	BID TOTAL = \$ 953.21
				ADVANCE PAYMENT =		\$142.98	

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

TAMARACK	FUELWOOD	30.00	Cd	1.00	30.00
ANY LISTED SPECIES	BIOMASS	55.00	Tons	1.00	55.00

Mixed Species Description:

Northern Hardwoods Woodsrun Mixed Products includes: Ash 18%; Basswood 5%; Paper Birch 23%; Red Maple 27%; Trembling Aspen 27%.

Mixed Product Description:

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

Cutting and Felling:

- Harvest tamarack, aspen, maple, paper birch, ash, basswood & balsam fir.
- Reserve 8-10 average, live & fully crowned tamarack per acre for natural seeding. Reserve all oak and trees marked with a blue X.

Season of Operations:

- Frozen ground access across Cass County.
- Conduct sale operations on frozen soil conditions only.

Sale Conditions:

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

Marketing Conditions:

Sale is 12 miles west of Jenkins off of 51st Ave through Cass County land. Cass County has a sold timber permit adjacent to this sale with similar species.
Tamarack DBH 8-11" with 4-6 sticks/tree

Price Adjustments:

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

Appraiser:

Elena A. Teich

TRACT X5

COUNTY: CASS

AREA: BACKUS AREA

ACRES: 29.0

Permit Number: X015507
Expiration Date: 05/31/2020

Purchased By: Sawyer Timber Co., LLP
Address: PO Box 13, Backus, MN 56435-0013

SENW,SWNW of Section 20 - Township 137, Range 29W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 60	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	WOODSRUN CORDWOOD	835.00	Cd	25.08	20,941.80	40.13	33,508.55
NORTHERN HARDWOODS	WOODSRUN MIXED PRODUCTS	30.00	Cd	13.00	390.00	13.00	390.00
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$21,331.80	BID TOTAL = \$	33,898.55
				ADVANCE PAYMENT =	\$3,199.77		

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

ANY LISTED SPECIES BIOMASS 517.00 Tons 1.00 517.00

Mixed Species Description:

Northern Hardwoods Woodsrun Mixed Products includes: Ash 28%; Bur Oak 33%; Paper Birch 28%; Red Maple 11%.

Mixed Product Description:

Northern Hardwoods Woodsrun Mixed Products includes: Bolts 17%; Pulpwood 83%.

Cutting and Felling:

- Harvest all aspen, paper birch, ash and red maple. Harvest all bur oak less than 12 " dbh.
- Reserve all red oak, and all bur oak greater than 12"dbh.

Season of Operations:

- Conduct sale operations on frozen soil conditions only, except with written permission from State.
- Frozen ground access across county and state land.

Landings Roads and Trails:

- When sale is completed, plug access trail entrance with slash/root wads at least 20 feet deep and covering the first 50 feet of the access road.

Sale Conditions:

- Access is across county and state land.

Marketing Conditions:

Aspen averages 9" dbh and 5-6 sticks.
Northern hardwoods were 7" dbh and 3 sticks.
Access is frozen ground only across County Land.
Permit is approximately two miles NW of Jenkins.

Price Adjustments:

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

Appraiser:

Joel D. Lemberg

TRACT X6

COUNTY: CASS

AREA: BACKUS AREA

ACRES: 16.0

Permit Number: X015508
Expiration Date: 05/31/2020

Purchased By: Edin Logging Inc.
Address: 16568 - 235th Ave, Staples, MN 56479

SESE,SWSE of Section 7; NENE,NWNE of Section 18 - Township 137, Range 31W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 30	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ NORWAY PINE	WOODSRUN MIXED PRODUCTS	660.00	Cd	74.44	49,130.40	96.77	63,868.20
TREMBLING ASPEN	WOODSRUN CORDWOOD	50.00	Cd	30.10	1,505.00	30.10	1,505.00
RED OAK	WOODSRUN CORDWOOD	35.00	Cd	20.40	714.00	20.40	714.00
MIXED HARDWOODS	WOODSRUN CORDWOOD	25.00	Cd	14.28	357.00	14.28	357.00
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$51,706.40	BID TOTAL = \$ 66,444.20
				ADVANCE PAYMENT =		\$7,755.96	

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

ANY LISTED SPECIES BIOMASS 410.00 Tons 1.00 410.00

Mixed Species Description:

Mixed Hardwoods Woodsrun Cordwood includes: Paper Birch 40%; Red Maple 60%.

Mixed Product Description:

Norway Pine Woodsrun Mixed Products includes: Bolts 8%; Pulpwood 5%; Sawtimber 87%.

Cutting and Felling:

- Full tree skidding required.

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 is located in the Foothills State Forest. Sale is 2 miles south of Cass County road 2 and just east of the Spider McKinley Forest road. Norway pine is 18" DBH and 8-9 sticks.

Price Adjustments:

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

Appraiser:

Kenneth P. Nelson

TRACT X7 COUNTY: CASS AREA: BACKUS AREA ACRES: 21.7

Permit Number: X015509
 Expiration Date: 05/31/2020

Purchased By: Hodgden Logging Inc.
 Address: 38114 Twin Lakes Rd, Menahga, MN 56464

NESW,NWSE,SESW,SWSE of Section 20 - Township 137, Range 31W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ OAK SPECIES	WOODSRUN MIXED PRODUCTS	219.00	Cd	11.10	2,430.90	11.10	2,430.90
+ NORTHERN HARDWOODS	WOODSRUN CORDWOOD	88.00	Cd	6.07	534.16	6.07	534.16
+ TREMBLING ASPEN	WOODSRUN CORDWOOD	35.00	Cd	15.05	526.75	15.05	526.75
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$3,491.81	BID TOTAL = \$ 3,491.81
				ADVANCE PAYMENT =		\$523.77	

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

ANY LISTED SPECIES BIOMASS 211.00 Tons 1.00 211.00

Mixed Species Description:

Northern Hardwoods Woodsrun Cordwood includes: Ash 35%; Basswood 34%; Paper Birch 6%; Red Maple 25%.
 Oak Species Woodsrun Mixed Products includes: Bur Oak 3%; Red Oak 97%.

Mixed Product Description:

Oak Species Woodsrun Mixed Products includes: Bolts 30%; Pulpwood 70%.

Cutting and Felling:

- Harvest regulations in Block 1 - Harvest all aspen, birch, maple, oak, basswood and ash within the harvest area. No harvest allowed in the RMZ. Block 2 - West of yellow line: harvest all listed species, while reserving a well formed, fully crowned tree every 30ft. in all directions. Oak with DBH larger than 10" DBH must be favored as reserve trees. East of yellow line: harvest all listed species, while reserving a well formed, fully crowned tree every 30ft. in all directions. Reserve all oak in this area.

Season of Operations:

- Conduct sale operations on frozen soil conditions only, except with written permission from State.
- Frozen ground access only.
- Frozen ground access across state and county land.
- 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.

Sale Conditions:

- Access is across county and state land.
- Permission to cross county land must be obtained by permittee.

Marketing Conditions:

Tree diameters range from 6-15 inches and average 5 sticks.
 Distance from the forest road to the first block is approximately 3 miles.
 Winter harvest on frozen ground only.
 Block 2 will have many residual trees to operate around.
 No harvest allowed within the RMZ area.

Price Adjustments:

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

Appraiser:

William H. Salo

(Appraisal ID 12893-0; Cutting Block ID 15087-0)

TRACT X8

COUNTY: CASS

AREA: BACKUS AREA

ACRES: 76.0

Permit Number: X015510
Expiration Date: 05/31/2020

Purchased By: Edin Logging Inc.
Address: 16568 - 235th Ave, Staples, MN 56479

NESW,NWSE,SESW,SWNE,SWSE of Section 28 - Township 137, Range 32W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 94	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	WOODSRUN CORDWOOD	1,520.00	Cd	23.83	36,221.60	46.23	70,269.60
+ WHITE SPRUCE	WOODSRUN MIXED PRODUCTS	300.00	Cd	18.41	5,523.00	35.72	10,716.00
	MIXED HARDWOODS	15.00	Cd	8.30	124.50	8.30	124.50
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$41,869.10	BID TOTAL = \$ 81,110.10
				ADVANCE PAYMENT =		\$6,280.37	

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

ANY LISTED SPECIES BIOMASS 1,070.00 Tons 1.00 1,070.00

Mixed Species Description:

Mixed Hardwoods Woodsrun Cordwood includes: Ash 88%; Basswood 10%; Paper Birch 2%.

Mixed Product Description:

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

Season of Operations:

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

Sale Conditions:

- Access is across state and Cass county land.
- Permission to cross county land must be obtained by permittee.

Marketing Conditions:

Sale is located 9 miles east of Nimrod and is 1/4 mile south of 40th Street SW.
The aspen is 9-14" DBH and 4-5 sticks.
The white spruce is 6-10" DBH and 3-5 sticks.

Price Adjustments:

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

Appraiser:

Joel W. Holden

TRACT X9

COUNTY: CROW WING

AREA: BACKUS AREA

ACRES: 20.2

Permit Number: X015511
 Expiration Date: 05/31/2020

Purchased By: Diff's Logging Inc.
Address: 11132 Bonnie Road, Brainerd, MN 56401

NESW,NWSE,SESW of Section 5 - Township 138, Range 25W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ NORTHERN HARDWOODS	WOODSRUN MIXED PRODUCTS	255.00	Cd	11.87	3,026.85	11.87	3,026.85
+ TREMBLING ASPEN	WOODSRUN CORDWOOD	90.00	Cd	21.32	1,918.80	21.32	1,918.80
+ NORWAY PINE	WOODSRUN MIXED PRODUCTS	16.00	Cd	30.20	483.20	30.20	483.20
				APPRAISED TOTAL =		\$5,428.85	BID TOTAL = \$ 5,428.85
				ADVANCE PAYMENT =		\$814.33	

+ BID SPECIES * SOLD ON APPRAISED VOLUME

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

ANY LISTED SPECIES BIOMASS 212.00 Tons 1.00 212.00

Mixed Species Description:

Northern Hardwoods Woodsrun Mixed Products includes: Ash 1%; Basswood 18%; Paper Birch 38%; Red Maple 15%; Red Oak 18%; Sugar Maple 10%.

Mixed Product Description:

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

Cutting and Felling:

- Harvest trees marked with orange paint in the thinning areas. In clearcut areas, harvest all aspen, paper birch, maple & basswood.
- Reserve oak in clearcut areas. Reserve all unmarked trees in thinning areas.

Season of Operations:

- Conduct sale operations on frozen soil conditions only, except with written permission from State.
- Frozen ground access across Cass and Crow Wing County land.

Sale Conditions:

- Access is across Cass and Crow Wing County land.
- Permission to cross county land must be obtained by permittee.

Marketing Conditions:

Sale is 6 miles SE of Outing from County 58 and Morrison Lake Rd NE. Two miles of existing trail will need to be maintained through Cass County and Crow Wing County lands. There may be 1-2 acres of hardwoods on Crow Wing County land that they are willing to sell over the counter.

- Aspen DBH 10-13" with 4-6 sticks/tree
- Oak DBH 9-12" with 3-5 sticks/tree & 40% bolts
- Birch DBH 10-14" with 4-6 sticks/tree & 35% bolts
- Maple DBH 6-12" & 2-4 sticks/tree
- Basswood DBH 9-12" with 4-6 sticks/trees & 50% bolts
- Red Pine DBH 10-22" with 4-6 sticks/trees & 90% bolts

Price Adjustments:

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

Appraiser:

Elena A. Teich

(Appraisal ID 12992-0; Cutting Block ID 15205-0)

TRACT X10

COUNTY: CASS

AREA: BACKUS AREA

ACRES: 33.1

Permit Number: X015512
Expiration Date: 05/31/2020

Purchased By: Haverinen Brothers Logging
Address: 10097 - 350th St, Menahga, MN 56464

NESW,NWSW,SWNW,SWSE of Section 10 - Township 138, Range 31W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 106	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	WOODSRUN CORDWOOD	805.00	Cd	25.08	20,189.40	51.66	41,586.30
+ NORTHERN HARDWOODS	WOODSRUN MIXED PRODUCTS	305.00	Cd	12.29	3,748.45	25.32	7,722.60
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$23,937.85	BID TOTAL = \$ 49,308.90
				ADVANCE PAYMENT =		\$3,590.68	

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

ANY LISTED SPECIES BIOMASS 573.00 Tons 1.00 573.00

Mixed Species Description:

Aspen Species Woodsrun Cordwood includes: Largetooth Aspen 10%; Trembling Aspen 90%.
Northern Hardwoods Woodsrun Mixed Products includes: Basswood 25%; Paper Birch 10%; Red Maple 21%; Red Oak 9%; Sugar Maple 35%.

Mixed Product Description:

Northern Hardwoods Woodsrun Mixed Products includes: Bolts 8%; Pulpwood 92%.

Cutting and Felling:

- Harvest all aspen, birch, maple, basswood & red oak.
- Reserve bur oak and cherry.

Season of Operations:

- Conduct sale operations on frozen soil conditions only, except with written permission from State.
- Frozen ground access across county.

Sale Conditions:

- Permission to cross county land must be obtained by permittee.
- Access is across state land, but best access is through a trail on Cass County land.

Marketing Conditions:

Sale is 6 miles SW of Backus. Best access from Hwy 87, is through a trail on Cass County land to timber sale area (3/4 mile).

- Aspen DBH 8-11" with 4-6 sticks/tree
- Maple DBH 7-12" with 3-5 sticks/tree
- Basswood DBH 9-12" with 3-5 sticks/tree
- Birch DBH 6-9" with 3 sticks/tree
- Red Oak DBH 8-12" with 2-4 sticks/tree

Price Adjustments:

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

Appraiser:

Elena A. Teich

(Appraisal ID 13026-0; Cutting Block ID 15260-0)

TRACT X11

COUNTY: CASS

AREA: BACKUS AREA

ACRES: 3.6

Permit Number: X015513
Expiration Date: 05/31/2020

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

NESE of Section 36 - Township 140, Range 26W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 94	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ NORWAY PINE	WOODSRUN MIXED PRODUCTS	165.00	Cd	39.61	6,535.65	76.84	12,678.60
NORTHERN HARDWOODS	WOODSRUN CORDWOOD	30.00	Cd	14.96	448.80	14.96	448.80
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$6,984.45	BID TOTAL = \$	13,127.40
				ADVANCE PAYMENT =	\$1,047.67		

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

ANY LISTED SPECIES BIOMASS 90.00 Tons 1.00 90.00

Mixed Species Description:

Northern Hardwoods Woodsrun Cordwood includes: Basswood 13%; Bur Oak 20%; Paper Birch 20%; Red Maple 13%; Red Oak 7%; Trembling Aspen 27%.

Mixed Product Description:

Norway Pine Woodsrun Mixed Products includes: Bolts 18%; Pulpwood 32%; Sawtimber 50%.

Cutting and Felling:

- Harvest all Norway pine, basswood, bur oak, birch, maple, red oak and aspen.

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 frozen soil conditions only, except with written permission from State.

Sale Conditions:

- Access is across state land.

Marketing Conditions:

Norway pine averages 15" dbh and 8 sticks tall.
Hardwoods average 7" dbh and 4 sticks tall.
Access road will need to be improved all the way to the site from the forest road.

Price Adjustments:

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

Appraiser:

William H. Salo

(Appraisal ID 12831-0; Cutting Block ID 14999-0)

TRACT X12

COUNTY: CASS

AREA: BACKUS AREA

ACRES: 76.0

Permit Number: X015514

Purchased Over-the-Counter Date: 05/26/2017

Expiration Date: 05/31/2020

Purchased By: Rajala Timber Company

Address: PO Box 217, Deer River, MN 56636

GL01, GL05, NENW, NWNW, SWNW of Section 36 - Township 142, Range 27W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	WOODSRUN CORDWOOD	475.00	Cd	25.08	11,913.00	25.08	11,913.00
+ OAK SPECIES	WOODSRUN MIXED PRODUCTS	335.00	Cd	19.30	6,465.50	19.30	6,465.50
+ BASSWOOD	WOODSRUN MIXED PRODUCTS	315.00	Cd	11.99	3,776.85	11.99	3,776.85
+ NORTHERN HARDWOODS	WOODSRUN CORDWOOD	230.00	Cd	11.90	2,737.00	11.90	2,737.00
ASH	WOODSRUN MIXED PRODUCTS	105.00	Cd	10.80	1,134.00	10.80	1,134.00
WHITE SPRUCE	WOODSRUN MIXED PRODUCTS	20.00	Cd	17.51	350.20	17.51	350.20

+ BID SPECIES

* SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$26,376.55
 ADVANCE PAYMENT = \$3,956.48

BID TOTAL = \$ 26,376.55

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

ANY LISTED SPECIES BIOMASS 740.00 Tons 1.00 740.00

Mixed Species Description:

Aspen Species Woodsrun Cordwood includes: Balm of Gilead 1%; Trembling Aspen 99%.
 Northern Hardwoods Woodsrun Cordwood includes: Paper Birch 30%; Sugar Maple 70%.
 Oak Species Woodsrun Mixed Products includes: Bur Oak 55%; Red Oak 45%.

Mixed Product Description:

Ash Woodsrun Mixed Products includes: Bolts 45%; Pulpwood 55%.
 Basswood Woodsrun Mixed Products includes: Bolts 35%; Pulpwood 65%.
 Oak Species Woodsrun Mixed Products includes: Bolts 45%; Pulpwood 55%.
 White Spruce Woodsrun Mixed Products includes: Bolts 30%; Pulpwood 70%.

Season of Operations:

- Conduct sale operations on frozen soil conditions only, except with written permission from State.
- Due to an eagles nest, no sale operations in the west block and south block between February 15th and August 15th, except with written permission from State.

Sale Conditions:

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

Marketing Conditions:

This sale is located .5 miles east of County Road 53. The northeast block had the aspen removed 15 years ago. There is a lot of 15 year old aspen pockets to work around. The aspen averages 9" DBH and 4-5 sticks. The hardwood averages 11" DBH and 3-5 sticks.

Price Adjustments:

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

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

Appraiser:

Kyle E. Anderson

(Appraisal ID 12761-0; Cutting Block ID 14942-0)

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: May 25, 2017

- SUMMARY SHEET -

05/25/2017 INTERMEDIATE AUCTION - SALE #2

COMPLETED - DATA AS OF 12/27/2017

BACKUS AREA

SUMMARY FOR <u>SOLD</u> TRACTS					
PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE
WOODSRUN MIXED PRODUCTS	ASH	705.00	Cd	8.96	6,318.00
	PAPER BIRCH	85.00	Cd	11.52	979.20
	NORTHERN HARDWOODS	634.00	Cd	18.29	11,598.81
	BASSWOOD	315.00	Cd	11.99	3,776.85
	OAK SPECIES	554.00	Cd	16.06	8,896.40
	RED OAK	145.00	Cd	14.50	2,102.50
	PINE SPECIES	145.00	Cd	25.36	3,677.20
	NORWAY PINE	935.00	Cd	84.14	78,671.24
	WHITE SPRUCE	320.00	Cd	34.58	11,066.20
WOODSRUN CORDWOOD	ASH	3.00	Cd	3.40	10.20
	ASPEN SPECIES	1,805.00	Cd	35.47	64,030.80
	TREMBLING ASPEN	2,642.00	Cd	41.45	109,500.96
	PAPER BIRCH	33.00	Cd	8.54	281.88
	MAPLE SPECIES	15.00	Cd	4.76	71.40
	NORTHERN HARDWOODS	428.00	Cd	10.36	4,435.16
	OAK SPECIES	162.00	Cd	6.80	1,101.60
	RED OAK	45.00	Cd	18.70	841.50
	BALSAM FIR	5.00	Cd	8.33	41.65
	TAMARACK	95.00	Cd	4.76	452.20
	MIXED CONIFERS	5.00	Cd	9.82	49.10
	MIXED HARDWOODS	40.00	Cd	12.04	481.50
	FUELWOOD	TAMARACK (optional)	30.00	Cd	-
BIOMASS	ANY LISTED SPECIES (optional)	4,733.00	Tons	-	0.00
TOTAL SOLD TRACTS CONVERTED TO CORDS:		9,116.00			
TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS:		\$ 209,222.75			
TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS:		\$ 308,384.35			
TOTAL ACRES SOLD:		472.0			
TOTAL NUMBER OF TRACTS SOLD:		12			