

MINNESOTA DEPARTMENT OF NATURAL RESOURCES DIVISION OF FORESTRY

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

STATUS: COMPLETED INTERMEDIATE AUCTION - SALE #2 ORAL BID

Notice is hereby given that I offered for sale at public auction in Chisholm, MN at 9:15 AM on Thursday, June 1, 2017, timber belonging to the State of Minnesota. All tracts were offered at the Minnesota Discovery Center (Ironworld) in Chisholm, MN.

All of the timber offered was SFI and FSC certified.

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





MINNESOTA DEPARTMENT OF NATURAL RESOURCES DIVISION OF FORESTRY

INTERMEDIATE AUCTION
ORAL BID TIMBER SALE
HIBBING AREA

9:15 AM on June 1, 2017 Minnesota Discovery Center (Ironworld) in Chisholm, 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 June 1, 2018, at the following Area Headquarters: Hibbing 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: ST. LOUIS AREA: HIBBING AREA ACRES: 7.3

Permit Number: X015515 Expiration Date: 05/31/2020 Purchased Over-the-Counter Date: 08/24/2017

Purchased By: Rory T. Kick

Address: 1319 McDavitt Rd, Zim, MN 55738

SENE of Section 16 - Township 55, Range 19W.

					APPR	RAISED	BIC	%: 0
	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	NORTHERN HARDWOODS	WOODSRUN CORDWOOD	84.00	Cd	10.17	854.28	10.17	854.28
+	BALSAM FIR	WOODSRUN CORDWOOD	40.00	Cd	13.73	549.20	13.73	549.20
,	► BID SPECIES	* SOLD ON APPRAISED VOLUME			SED TOTAL = PAYMENT =	\$1,403.48 \$210.52	BID TOTA	AL = \$ 1,403.48
0	ntional Timbo	r (may be purchased with an Addeo			_			

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

ANY LISTED SPECIES BIOMASS 61.00 Tons 1.00 61.00

SOAV Option:

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

Mixed Species Description:

Northern Hardwoods Woodsrun Cordwood includes: Ash 66%; Balm of Gilead 10%; Paper Birch 24%.

Cutting and Felling:

- Harvest listed species. Reserve all Cedar, Tamarack, Spruce and Aspen. Non-merchantable trees should be reserved.

Season of Operations:

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

Landings Roads and Trails:

- Road right of way crossing approval from county may be required.

Marketing Conditions:

Base price on all species BF is 7to 10" DBH, 4 to 5 sticks Ash is 7 to 12" DBH, 4 to 5 sticks Birch is 8 to 12" DBH, 4 to 5 sticks Balm of Gilead is 7 to 10" DBH, 4 to 5 sticks

Price Adjustments:

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

Stand Density: -5%

Operational Constraints: 0% Other Price Factor: 0%

Appraiser:

Timothy C. Russ

TRACT X2 COUNTY: ITASCA AREA: HIBBING AREA ACRES: 24.9

Permit Number: X015516 Expiration Date: 05/31/2020

Purchased By:
Address:

GL01 of Section 34 - Township 56, Range 23W.

	SPECIES	PRODUCT	VOLUME	UNIT	APPR UNIT PRICE	AISED	BID: UNIT PRICE	\$ VALUE			
+	NORTHERN HARDWOODS	WOODSRUN CORDWOOD	190.00	Cd	8.84	1,679.60	8.84	1,679.60			
+	TREMBLING ASPEN	WOODSRUN CORDWOOD	45.00	Cd	21.08	948.60	21.08	948.60			
	BALSAM FIR	WOODSRUN CORDWOOD	10.00	Cd	11.56	115.60	11.56	115.60			
+	+ BID SPECIES	ON APPRAISED VOLUME			ED TOTAL =	\$2,743.80	BID TOTA	AL = \$ 2,743.80			
			A	DVANCE	PAYMENT =	\$411.57					
0	Optional Timber (may be purchased with an Added Timber Agreement):										
	ANY LISTED SPECIES	BIOMASS	123.00	Tons	1.00	123.00					

SOAV Option:

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

Mixed Species Description:

Northern Hardwoods Woodsrun Cordwood includes: Basswood 50%; Paper Birch 20%; Sugar Maple 30%.

Cutting and Felling:

- Harvest listed species while reserving all Oak, White Spruce, non-merchantable Balsam, and 2 Basswood per acre.

Season of Operations:

- Conduct sale operations on frozen soil conditions only, except with written permission from State.
- Frozen ground access across existing roads on Great Northern Iron Ore Properties.

Landings Roads and Trails:

- Permission to cross Great Northern Iron Ore Properties land must be obtained by permittee.

Marketing Conditions:

Basswood is 9 to 12 inch DBH and 4 to 6 sticks Maple is 6 to 11 inch DBH and 2 to 5 sticks Birch is 10 to 15 inch DBH and 3 to 5 sticks Aspen is 8 to 13 inch DBH and 4 to 6 sticks Balsam is 7 to 12 inch DBH and 3 to 5 sticks

Price Adjustments:

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

Stand Density: -10%

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

Appraiser:

Timothy C. Russ

TRACT X3 COUNTY: ST. LOUIS AREA: HIBBING AREA ACRES: 25.0

Permit Number: X015517 Expiration Date: 05/31/2020

Purchased By: Douglas Hustad Logging Inc.

Address: 4566 W Raymond Rd, Gilbert, MN 55741

SESW, SWSE of Section 16 - Township 57, Range 13W.

						RAISED		%: 0
	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	BLACK SPRUCE	WOODSRUN CORDWOOD	240.00	Cd	14.45	3,468.00	14.45	3,468.00
+	TAMARACK	WOODSRUN CORDWOOD	215.00	Cd	6.80	1,462.00	6.80	1,462.00
	BALSAM FIR	WOODSRUN CORDWOOD	8.00	Cd	14.45	115.60	14.45	115.60
	+ BID SPECIES * SOLD	ON APPRAISED VOLUME			SED TOTAL =	\$5,045.60	BID TOTA	L = \$ 5,045.60
			A	DVANCE	PAYMENT =	\$756.84		
C	ptional Timber (may b	oe purchased with an Added	Timber Agr	eement) :			
	ANY LISTED SPECIES	BIOMASS	52.00	Tons	1.00	52.00		

Cutting and Felling:

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

Season of Operations:

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

Sale Conditions:

- USFS has been obtained by State. Permission to cross St. Louis County must be obtained by permittee.

Marketing Conditions:

Black spruce: ave. 8" dbh; 3-4 sticks Tamarack: ave 10" dbh; 4-5 sticks

Price Adjustments:

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

Stand Density: 0%

Operational Constraints: 0% Other Price Factor: 0%

Appraiser:

Megan J. Eiting

(Appraisal ID 12825-0; Cutting Block ID 15043-0)

TRACT X4 COUNTY: ST. LOUIS AREA: HIBBING AREA ACRES: 115.3

Permit Number: X015518 Expiration Date: 05/31/2020

Purchased By: Douglas Hustad Logging Inc.

Address: 4566 W Raymond Rd, Gilbert, MN 55741

NENW, NESE, NESW, NWNE, NWSE, SENW, SESE, SESW, SWNE, SWSE, SWSW of Section 16 - Township 57,

Range 14W.

					APPRAISED			%: 52
	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	TREMBLING ASPEN	WOODSRUN CORDWOOD	1,160.00	Cd	22.40	25,984.00	34.05	39,498.00
+	BALSAM FIR	WOODSRUN CORDWOOD	360.00	Cd	12.28	4,420.80	18.67	6,721.20
+	NORTHERN HARDWOODS	WOODSRUN CORDWOOD	325.00	Cd	10.12	3,289.00	15.38	4,998.50
+	BLACK SPRUCE	WOODSRUN CORDWOOD	220.00	Cd	12.28	2,701.60	18.67	4,107.40
	TAMARACK	WOODSRUN CORDWOOD	65.00	Cd	5.78	375.70	5.78	375.70
	+ BID SPECIES * SOL	D ON APPRAISED VOLUME			SED TOTAL = E PAYMENT =	\$36,771.10 \$5,515.67	BID TOTAI	_ = \$ 55,700.80

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

ANY LISTED SPECIES BIOMASS 866.00 Tons 1.00 866.00

Mixed Species Description:

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

Cutting and Felling:

- Fell all live black spruce equal to or greater than 5 feet tall.
- Broadcast, full tree skidding required across entire site to kill brush and scarify site for regeneration.

Season of Operations:

- Conduct sale operations on frozen soil conditions only, except with written permission from State.
- A minimum of 4 inches of snow must be left on recreation trail, where USFS Forest Road 129 crosses the snowmobile trail, from Dec. 1 to March 31.

Sale Conditions:

- Access is across USFS and State land.
- Provisions of access and /or water crossing permits will become part of sale terms and conditions for this sale.
- State will obtain Road Use permit from USFS.

Marketing Conditions:

Possible dry summer chance on 90% of sale area, will require road improvements. 15 acres of black spruce/tam/aspen is frozen ground only. Hauling before frozen ground conditions will require fill and reshaping of Forest Road 129, replacement of culvert and approximately 1,000 ft of gravel/culvert installation on existing road on State. Approximately 2,000 ft of new access trail on State is required regardless of season of operation.

Aspen: 12-14" dbh; 5 sticks; mixed age w/ areas of aspen regeneration

Balsam: 10" dbh; 3-5 sticks Spruce: 9" dbh; 4-5 sticks Birch: 10"-12" dbh; 4-5 sticks

Price Adjustments:

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

Stand Density: -5%

Operational Constraints: 0%

Other Price Factor: 0%

Appraiser:

Megan J. Eiting

(Appraisal ID 12800-0; Cutting Block ID 15002-0)

TRACT X5 COUNTY: ST. LOUIS AREA: HIBBING AREA ACRES: 55.3

Permit Number: X015519 Expiration Date: 05/31/2020

Purchased By: John Rolle Logging Inc.

Address: 1200 - 5th Ave. NW, Chisholm, MN 55719

NESE, NWSE, SENE, SWNE, SWSE of Section 36 - Township 60, Range 20W.

					APPR	AISED	BID %: 31	
3	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	TREMBLING ASPEN	WOODSRUN CORDWOOD	1,265.00	Cd	30.30	38,329.50	39.69	50,207.85
+	BALSAM FIR	WOODSRUN CORDWOOD	295.00	Cd	16.62	4,902.90	21.77	6,422.15
	TAMARACK	WOODSRUN CORDWOOD	35.00	Cd	7.82	273.70	7.82	273.70
	MIXED SPRUCE	WOODSRUN CORDWOOD	29.00	Cd	16.62	481.98	16.62	481.98
-	+ BID SPECIES * SOLE	O ON APPRAISED VOLUME		APPRAIS	SED TOTAL =	\$43,988.08	BID TOTA	L = \$ 57,385.68
			Α	DVANCE	PAYMENT =	\$6,598.21		
0	ptional Timber (<i>may l</i>	be purchased with an Added	l Timber Agr	eement	·):			
	ANY LISTED SPECIES	BIOMASS	570.00	Tons	1.00	570.00		

570.00 Tons 1.00

Mixed Species Description:

Mixed Spruce Woodsrun Cordwood includes: Black Spruce 92%; White Spruce 8%.

Cutting and Felling:

- Harvest Aspen, Balsam Fir, Spruce, and Tamarack.

Season of Operations:

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

Slash Disposal:

- Lop and scatter slash evenly over the harvest site to within 2 feet of the ground.

Sale Conditions:

- Access is across State land.

Marketing Conditions:

Aspen: 6-7 Sticks 11" DBH Balsam Fir 3 Sticks 6-7 " DBH Spruce 5 Sticks 7" DBH Tamarack 6 Sticks 8" DBH

Base Price increased 10% for access and 5% for stand density.

Price Adjustments:

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

Stand Density: +5%

Operational Constraints: 0% Other Price Factor: 0%

Appraiser:

Andrew E. Carlson

TRACT X6 COUNTY: ITASCA AREA: HIBBING AREA ACRES: 18.5

Permit Number: X015520 Expiration Date: 05/31/2020

Purchased By: Scheff Logging & Trucking Inc.

Address: 48985 State Hwy 38, Marcell, MN 56657

GL02, GL03, SENW, SWNE of Section 1 - Township 60, Range 22W.

				APPRA	AISED	BID %: 58			
SPECIES PRO	DDUCT V	OLUME_	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE		
	ODSRUN MIXED DDUCTS	600.00	Cd	43.71	26,226.00	69.06	41,436.00		
+ BID SPECIES * SOLD ON APP	PRAISED VOLUME	-		D TOTAL = AYMENT =	\$26,226.00 \$3,933.90	BID TOTA	L = \$ 41,436.00		
Optional Timber (may be purchased with an Added Timber Agreement):									
ANY LISTED SPECIES BIOMASS 250.00 Tons 1.00 250.00									

Mixed Product Description:

Norway Pine Woodsrun Mixed Products includes: Bolts 65%; Pulpwood 20%; Sawtimber 15%.

Cutting and Felling:

- Broadcast, full tree skidding required across entire site to kill brush and scarify site for regeneration.

Season of Operations:

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

Sale Conditions:

- Access is across county and State land.

Marketing Conditions:

Norway Pine avg: 13" DBH, 8 sticks

Price Adjustments:

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

Stand Density: +10%

Operational Constraints: 0% Other Price Factor: 0%

Appraiser:

Daniel J. Prazak

(Appraisal ID 13006-0; Cutting Block ID 15204-0)

TRACT X7 COUNTY: ITASCA AREA: HIBBING AREA ACRES: 4.6

Permit Number: X015521 Expiration Date: 05/31/2020

Purchased By: Northwoods Timber Harvesting, Inc.Address: 12992 Co Rd 55, Nashwauk, MN 55769

GL02 of Section 22 - Township 60, Range 23W.

					APPR	AISED	BID %: 0	
S	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	PINE SPECIES	WOODSRUN MIXED PRODUCTS	55.00	Cd	26.38	1,450.90	26.38	1,450.90
	WHITE SPRUCE	WOODSRUN CORDWOOD	5.00	Cd	12.28	61.40	12.28	61.40
	PAPER BIRCH	WOODSRUN CORDWOOD	1.00	Cd	11.12	11.12	11.12	11.12
	TREMBLING ASPEN	WOODSRUN CORDWOOD	1.00	Cd	22.40	22.40	22.40	22.40
+	BID SPECIES * SOLI	O ON APPRAISED VOLUME			SED TOTAL = E PAYMENT =	\$1,545.82 \$231.87	BID TOTA	AL = \$ 1,545.82

Mixed Species Description:

Pine Species Woodsrun Mixed Products includes: Jack Pine 7%; Norway Pine 91%; White Pine 2%.

Mixed Product Description:

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

Cutting and Felling:

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

Season of Operations:

- No sale operations allowed between 5:00 PM to 8:00 AM or weekend operations, without written permission from State.
- Conduct sale operations on dry or frozen soil conditions only, except with written permission from State.
- Excellent summer access across State land.

Slash Disposal:

- Biomass harvest is not allowed on this permit.

Landings Roads and Trails:

- Recreation trail may be used as access.

Sale Conditions:

- Preferred days of harvest would be before Memorial Day weekend and after Labor Day weekend due to the harvest area near seasonal cabins.

Marketing Conditions:

Mixed pine averages 5 sticks; 9" DBH

Hours of sale operations and weekends restricted, due to harvest being adjacent to seasonal cabins.

Base price reduced due to stand density and operational constraints.

Price Adjustments:

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

Stand Density: -10%

Operational Constraints: -5% Other Price Factor: 0%

Appraiser:

Jeff J. Sirjord

(Appraisal ID 12925-0; Cutting Block ID 15148-0)

TRACT X8 COUNTY: ITASCA AREA: HIBBING AREA ACRES: 31.9

Permit Number: X015522 Expiration Date: 05/31/2020

Purchased By: Forseen Logging LLC

Address: 64055 Co Rd 26, Northome, MN 56661

NESW,NWSE,SESW,SWSE of Section 3 - Township 60, Range 23W.

						AISED	BID %: 70	
S	PECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	PINE SPECIES	WOODSRUN MIXED PRODUCTS	460.00	Cd	22.47	10,336.20	38.20	17,572.00
+	WHITE SPRUCE	WOODSRUN MIXED PRODUCTS	50.00	Cd	15.91	795.50	27.05	1,352.50
	BALSAM FIR	WOODSRUN CORDWOOD	40.00	Cd	13.00	520.00	13.00	520.00
	NORTHERN HARDWOODS	WOODSRUN CORDWOOD	20.00	Cd	21.76	435.20	21.76	435.20
+	BID SPECIES	* SOLD ON APPRAISED VOLUME			SED TOTAL = E PAYMENT =	\$12,086.90 \$1,813.04	BID TOTA	L = \$ 19,879.70

Mixed Species Description:

Northern Hardwoods Woodsrun Cordwood includes: Paper Birch 15%; Trembling Aspen 85%. Pine Species Woodsrun Mixed Products includes: Jack Pine 19%; Norway Pine 81%.

Mixed Product Description:

Pine Species Woodsrun Mixed Products includes: Bolts 30%; Pulpwood 60%; Sawtimber 10%. White Spruce Woodsrun Mixed Products includes: Bolts 20%; Pulpwood 80%.

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 or frozen soil conditions only, except with written permission from State.
- Excellent summer access across State land.

Slash Disposal:

- Biomass harvest is not allowed on this permit.

Sale Conditions:

- Access is across State land.

Marketing Conditions:

1st Entry Pine blocks average 4-5 sticks; 9 inch DBH, Avg BA of 170.

Marked Pine blocks average 8 sticks; 20" DBH

Price reduced 25% for first entry pine, and reduce 10% for marked thinning for stand density.

Price Adjustments:

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

Stand Density: 0%

Operational Constraints: 0% Other Price Factor: 0%

Appraiser:

Kirby B. Budrow

COMPLETED - DATA AS OF 12/27/2017

(Appraisal ID 12985-0; Cutting Block ID 15182-0)

TRACT X9 COUNTY: ITASCA AREA: HIBBING AREA ACRES: 26.0

Permit Number: X015523 Expiration Date: 05/31/2020

Purchased By: Forseen Logging LLC

Address: 64055 Co Rd 26, Northome, MN 56661

SENE of Section 35; NWNW,NWSW,SWNW of Section 36 - Township 61, Range 22W.

						RAISED BID %: 30		%: 30
s	PECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	TREMBLING ASPEN	WOODSRUN CORDWOOD	500.00	Cd	28.99	14,495.00	37.69	18,845.00
+	BALSAM FIR	WOODSRUN CORDWOOD	210.00	Cd	15.90	3,339.00	20.67	4,340.70
+	PINE SPECIES	WOODSRUN MIXED PRODUCTS	175.00	Cd	29.37	5,139.75	38.18	6,681.50
+	MIXED SPRUCE	WOODSRUN MIXED PRODUCTS	125.00	Cd	17.68	2,210.00	22.98	2,872.50
	TAMARACK	WOODSRUN CORDWOOD	60.00	Cd	7.48	448.80	7.48	448.80
	NORTHERN HARDWOODS	WOODSRUN CORDWOOD	50.00	Cd	13.09	654.50	13.09	654.50
+	BID SPECIES * SOLE	O ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$26,287.05 \$3,943.06	BID TOTA	L = \$ 33,843.00

Mixed Species Description:

Mixed Spruce Woodsrun Mixed Products includes: Black Spruce 90%; White Spruce 10%. Northern Hardwoods Woodsrun Cordwood includes: Paper Birch 90%; Red Maple 10%. Pine Species Woodsrun Mixed Products includes: Jack Pine 23%; Norway Pine 77%.

Mixed Product Description:

Mixed Spruce Woodsrun Mixed Products includes: Bolts 10%; Pulpwood 90%. Pine Species Woodsrun Mixed Products includes: Bolts 60%; Pulpwood 40%.

Cutting and Felling:

- Harvest listed species, except only norway pine marked with orange paint. Trees will be marked as cutting progresses to an approximate spacing of 20' X 20'.
- Fell all live black spruce equal to or greater than 5 feet tall.

Season of Operations:

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

Slash Disposal:

- Biomass harvest is not allowed on this permit.

Sale Conditions:

- Access is across county, private and State land.
- Permission to cross county and private land must be obtained by permittee.
- Possible summer chance.

Marketing Conditions:

Aspen averages 6 sticks; 9" DBH

Prices increased 10% due to stand density.

Price Adjustments:

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

Stand Density: +10%
Operational Constraints: 0%

Other Price Factor: 0%

Appraiser: Jeff J. Sirjord

(Appraisal ID 12766-0; Cutting Block ID 14950-0)

TRACT X10 COUNTY: ITASCA AREA: HIBBING AREA ACRES: 100.3

Permit Number: X015524 Expiration Date: 05/31/2020

Purchased By: Michael H. Rieger

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

NESW,NWSW,SENW,SWNW of Section 8; NENW,NWNE,NWNW,SENW,SWNE of Section 9 - Township 61,

Range 23W.

					APPR	RAISED	BID	%: 105
S	PECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	TREMBLING ASPEN	WOODSRUN CORDWOOD	1,460.00	Cd	26.35	38,471.00	54.02	78,869.20
+	MIXED SPRUCE	WOODSRUN MIXED PRODUCTS	310.00	Cd	16.07	4,981.70	32.94	10,211.40
+	BALSAM FIR	WOODSRUN CORDWOOD	290.00	Cd	14.45	4,190.50	29.62	8,589.80
	NORTHERN HARDWOODS	WOODSRUN CORDWOOD	200.00	Cd	11.56	2,312.00	11.56	2,312.00
	JACK PINE	WOODSRUN MIXED PRODUCTS	25.00	Cd	12.24	306.00	12.24	306.00
	TAMARACK	WOODSRUN CORDWOOD	5.00	Cd	6.80	34.00	6.80	34.00
+	BID SPECIES * SOI	LD ON APPRAISED VOLUME			SED TOTAL = PAYMENT =	\$50,295.20 \$7,544.28	BID TOTAL	_ = \$ 100,322.40

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

ANY LISTED SPECIES BIOMASS 1,200.00 Tons 1.00 1,200.00

Mixed Species Description:

Mixed Spruce Woodsrun Mixed Products includes: Black Spruce 95%; White Spruce 5%. Northern Hardwoods Woodsrun Cordwood includes: Ash 10%; Paper Birch 90%.

Mixed Product Description:

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

Cutting and Felling:

- Harvest Aspen, Spruce, Balm of Gilead, Birch, Ash, Jack Pine, and Balsam larger than 2 sticks.
- Fell all live black spruce equal to or greater than 5 feet tall.

Season of Operations:

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

Slash Disposal:

- Lop and scatter slash evenly over the harvest site to within 2 feet of the ground.

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:

- Access is across the Dahlberg Road on State, County and Molpus land.
- Permission to cross County and Molpus land must be obtained by permittee.

Marketing Conditions:

Aspen Avg: 6 Sticks - 12" DBH, less than 3% Balm of Gilead Black Spruce Avg: 5 Sticks - 8" DBH

Price Adjustments:

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

Stand Density: 0%

Operational Constraints: 0% Other Price Factor: 0%

Appraiser:

Kirby B. Budrow

(Appraisal ID 12896-0; Cutting Block ID 15015-0)

TRACT X11 COUNTY: ITASCA AREA: HIBBING AREA ACRES: 44.8

Permit Number: X015525 Expiration Date: 05/31/2020

Purchased By: Scheff Logging & Trucking Inc.

Address: 48985 State Hwy 38, Marcell, MN 56657

SESE of Section 24; NENE, NESW, NWSE, SENW, SWNE, SWNW of Section 25 - Township 61, Range 23W.

				APPRAISED			BID %: 98	
S	PECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	TREMBLING ASPEN	WOODSRUN CORDWOOD	910.00	Cd	27.67	25,179.70	54.79	49,858.90
+	MIXED SPRUCE	WOODSRUN MIXED PRODUCTS	285.00	Cd	17.72	5,050.20	35.09	10,000.65
+	BALSAM FIR	WOODSRUN CORDWOOD	155.00	Cd	15.17	2,351.35	30.04	4,656.20
	NORTHERN HARDWOODS	WOODSRUN CORDWOOD	55.00	Cd	12.50	687.50	12.50	687.50
+	BID SPECIES * SOLI	O ON APPRAISED VOLUME		APPRAIS	SED TOTAL =	\$33,268.75	BID TOTA	L = \$ 65,203.25
			Α	DVANCE	PAYMENT =	\$4,990.31		
Or	tional Timber (<i>may</i>)	be purchased with an Added	d Timber Agr	eement) :			
	ANY LISTED SPECIES	BIOMASS	631.00	Tons	1.00	631.00		

Mixed Species Description:

Mixed Spruce Woodsrun Mixed Products includes: Black Spruce 75%; White Spruce 25%. Northern Hardwoods Woodsrun Cordwood includes: Paper Birch 90%; Red Maple 10%.

Mixed Product Description:

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

Cutting and Felling:

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

Season of Operations:

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

Sale Conditions:

- Permission to cross Itasca County land must be obtained by permittee.

Marketing Conditions:

Aspen 11" DBH and 6-7 Sticks
Black Spruce 6" DBH and 3-4 Sticks
White Spruce 12" DBH and 7 Sticks
Balsam Fir 7" DBH and 3-4 Sticks
Northern Hardwoods 7" DBH and 3 Sticks

Trembling Aspen contains less than 2% Balm of Gilead

Prices increased for stand density Prices reduced for access

Price Adjustments:

Road Construction Costs: -5% Haul Distance to Nearest Mill: 0%

Stand Density: +10% Operational Constraints: 0%

Other Price Factor: 0%

Appraiser:

Andrew E. Carlson

(Appraisal ID 12966-0; Cutting Block ID 15147-0)

TRACT X12 COUNTY: ITASCA AREA: HIBBING AREA ACRES: 50.5

Permit Number: X015526 Expiration Date: 05/31/2020

Purchased By: Greg Cook Logging Inc.

Address: 35367 Cty Rd 237, Bigfork, MN 56628

GL01,GL02,NESW,SENW of Section 16 - Township 62, Range 23W.

			APPRAISED		AISED	BID %: 36	
SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ PINE SPECIES	WOODSRUN MIXED PRODUCTS	1,750.00	Cd	60.51	105,892.50	82.29	144,007.50
RED MAPLE	WOODSRUN CORDWOOD	30.00	Cd	13.69	410.70	13.69	410.70
BALSAM FIR	WOODSRUN CORDWOOD	15.00	Cd	16.62	249.30	16.62	249.30
+ BID SPECIES * SOLI	O ON APPRAISED VOLUME		APPRAIS	SED TOTAL =	\$106,552.50	BID TOTAL	. = \$ 144,667.50
		Α	DVANCE	PAYMENT =	\$15,982.88		
Optional Timber (<i>may</i>)	be purchased with an Added	l Timber Agr	eement):			
ANY LISTED SPECIES	BIOMASS	943.00	Tons	1.00	943.00		

Mixed Species Description:

Pine Species Woodsrun Mixed Products includes: Norway Pine 97%; White Pine 3%.

Mixed Product Description:

Pine Species Woodsrun Mixed Products includes: Bolts 35%; Pulpwood 5%; Sawtimber 60%.

Cutting and Felling:

- Broadcast, full tree skidding required across entire site to kill brush and scarify site for regeneration.

Season of Operations:

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

Landings Roads and Trails:

- Recreation trail may be used as access.
- Haul roads must be reshaped following harvest.

Sale Conditions:

- Excellent summer access across State land.

Marketing Conditions:

Norway Pine averages 15" DBH; 9 sticks

Base price increased due to high stand density and access.

Price Adjustments:

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

Stand Density: +10% Operational Constraints: 0% Other Price Factor: 0%

Appraiser:

Jeff J. Sirjord

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

HIBBING 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: June 1, 2017

HIBBING AREA

SUMMARY FOR <u>SOLD</u> TRACTS								
PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE			
WOODSRUN MIXED PRODUCTS	PINE SPECIES	2,440.00	Cd	69.55	169,711.90			
	NORWAY PINE	600.00	Cd	69.06	41,436.00			
	JACK PINE	25.00	Cd	12.24	306.00			
	WHITE SPRUCE	50.00	Cd	27.05	1,352.50			
	MIXED SPRUCE	720.00	Cd	32.06	23,084.55			
WOODSRUN CORDWOOD	TREMBLING ASPEN	5,296.00	Cd	44.81	237,301.35			
	PAPER BIRCH	1.00	Cd	11.12	11.12			
	NORTHERN HARDWOODS	734.00	Cd	13.54	9,941.98			
	RED MAPLE	30.00	Cd	13.69	410.70			
	WHITE SPRUCE	5.00	Cd	12.28	61.40			
	BALSAM FIR	1,413.00	Cd	22.76	32,164.15			
	BLACK SPRUCE	460.00	Cd	16.47	7,575.40			
	TAMARACK	380.00	Cd	6.83	2,594.20			
	MIXED SPRUCE	29.00	Cd	16.62	481.98			
BIOMASS	ANY LISTED SPECIES (optional)	4,573.00	Tons	-	0.00			

TOTAL SOLD TRACTS CONVERTED TO CORDS: 12,183.00
TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS: \$ 343,470.48
TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS: \$ 526,433.23
TOTAL ACRES SOLD: 479.5

SOLD TRACT NUMBERS: 1, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12

TOTAL NUMBER OF TRACTS SOLD: 11

SUMMARY FOR <u>UNSOLD</u> TRACTS									
PRODUCT	SPECIES	TOTAL VOLUME	UNIT	APPRAISED AVERAGE UNIT PRICE	APPRAISED \$ VALUE				
WOODSRUN CORDWOOD	TREMBLING ASPEN	45.00	Cd	21.08	948.60				
	NORTHERN HARDWOODS	190.00	Cd	8.84	1,679.60				
	BALSAM FIR	10.00	Cd	11.56	115.60				
BIOMASS	ANY LISTED SPECIES (optional)	123.00	Tons	1.00	123.00				

TOTAL UNSOLD TRACTS CONVERTED TO CORDS: 245.00
TOTAL APPRAISED DOLLAR VALUE OF UNSOLD TRACTS: \$ 2,743.80
TOTAL ACRES UNSOLD: 24.9
UNSOLD TRACT NUMBER: 2
TOTAL NUMBER OF TRACTS UNSOLD: 1

(Notice of Sale revision 20171206-RJE, TSM Report ID 3. NoticeOfSale ID 3636, NOSSnapshotSeqNbr 0)