

# 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 Thursday, June 8, 2017, 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.





# MINNESOTA DEPARTMENT OF NATURAL RESOURCES

DIVISION OF FORESTRY INTERMEDIATE AUCTION ORAL BID TIMBER SALE BACKUS AREA, DEER RIVER AREA

# 9:15 AM on June 8, 2017 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 *Cerfification 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 8, 2018, 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.

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# TRACT X1 COUNTY: ITASCA

AREA: DEER RIVER AREA

Permit Number: X015543 Expiration Date: 05/31/2019

# Purchased By: Greg Cook Logging Inc.

Address: 35367 Cty Rd 237, Bigfork, MN 56628

GL02,GL03,GL04,NENE,NWNE of Section 35; GL04,GL05,GL06,NESW,SESW,SWSE,SWSW of Section 26 - Township 55, Range 26W.

					APPRAISED		BID %: 0			
5	PECIES	PRODUCT	VOLUME		UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE		
+	NORTHERN HARDWOODS	WOODSRUN MIXED PRODUCTS	1,173.00	Cd	21.78	25,547.94	21.78	25,547.94		
+	ASPEN SPECIES	WOODSRUN CORDWOOD	575.00	Cd	26.35	15,151.25	26.35	15,151.25		
+	BID SPECIES * SOLD	ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$40,699.19 \$6,104.88	BID TOTA	L = \$ 40,699.19		
O	Optional Timber (may be purchased with an Added Timber Agreement):									
	NORWAY PINE	WOODSRUN MIXED PRODUCTS	85.00	Cd	20.47	1,739.95				

951.03 Tons

1.00

951.03

#### **Mixed Species Description:**

ANY LISTED SPECIES

Aspen Species Woodsrun Cordwood includes: Largetooth Aspen 65%; Trembling Aspen 35%. Northern Hardwoods Woodsrun Mixed Products includes: Ash 1%; Basswood 43%; Paper Birch 2%; Red Oak 1%; Sugar Maple 52%; Yellow Birch 1%.

#### **Mixed Product Description:**

Northern Hardwoods Woodsrun Mixed Products includes: Bolts 54%; Pulpwood 30%; Sawtimber 16%. Norway Pine Woodsrun Mixed Products includes: Bolts 38%; Pulpwood 62%.

# **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.

#### Sale Conditions:

- Access is across State land.
- The sale will expire in 2 years due to the construction of a mountain bike trail.

# **Marketing Conditions:**

basswood averages 5-6 sticks, 40% logs, 50% bolts, 10% pulp sugar maple averages 4-5 sticks, 60% bolts, 40% pulp paper birch averages 3-4 sticks, 16% bolts, 84% pulp aspen averages 3-5 sticks

BIOMASS

This sale is located on the southern side of the Tioga mine pit. Access will likely be Tioga Beach Road which has a 7 ton load limit and 4 ton limit when restrictions are on. The sale is a 2 year sale due to the construction of a mountain bike trail throughout the harvest area.

Prices are adjusted to reflect species and product mix in northern hardwoods. Prices also adjusted for excellent access, fair stand density & fair operational constraints.

# **Price Adjustments:**

Road Construction Costs: +10%

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

# Appraiser:

Christopher J. Bergquist

(Appraisal ID 13000-0; Cutting Block ID 15189-0)

# TRACT X2 COUNTY: ITASCA

AREA: DEER RIVER AREA

#### ACRES: 111.0

Permit Number: X015544 Expiration Date: 05/31/2020

# Purchased By: Nylund Logging

Address: PO Box 154, Marcell, MN 56657

NENE, NWNE, SENE, SWNE of Section 24 - Township 59, Range 27W.

					APPRAISED		BID %: 100	
5	SPECIES	PRODUCT	VOLUME		UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	ASPEN SPECIES	WOODSRUN CORDWOOD	1,041.00	Cd	26.35	27,430.35	52.70	54,860.70
+	ASH	WOODSRUN MIXED PRODUCTS	586.00	Cd	11.43	6,697.98	22.86	13,395.96
	PAPER BIRCH	WOODSRUN MIXED PRODUCTS	67.00	Cd	12.92	865.64	12.92	865.64
•	BID SPECIES *	SOLD ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$34,993.97 \$5,249.10	BID TOTA	L = \$ 69,122.30

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

ANY LISTED SPECIES	BIOMASS	844.00 Tons	1.00	844.00
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#### **Mixed Species Description:**

Aspen Species Woodsrun Cordwood includes: Balm of Gilead 5%; Trembling Aspen 95%.

#### **Mixed Product Description:**

Ash Woodsrun Mixed Products includes: Bolts 45%; Pulpwood 50%; Sawtimber 5%. Paper Birch Woodsrun Mixed Products includes: Bolts 20%; Pulpwood 80%.

#### **Season of Operations:**

- Frozen ground access only.

#### Sale Conditions:

- Access is across USFS land.

#### **Marketing Conditions:**

Aspen averages 9" DBH and 6 sticks. Birch averages 10" DBH and 4 sticks. Ash averages 9" DBH and 4 sticks.

Access is off the East end of the Mac Rd.

Electronic and mobile maps are available upon request.

#### **Price Adjustments:**

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

#### **Appraiser:**

John J. Segari

# TRACT X3 COUNTY: ITASCA

AREA: DEER RIVER AREA

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ACRES: 23.7
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Permit Number: X015545 Expiration Date: 05/31/2020

Purchased By: Scheff Logging & Trucking Inc.

Address: 48985 State Hwy 38, Marcell, MN 56657

NESE, SENE of Section 21 - Township 60, Range 25W.

					APPRAISED		BID %: 60	
	SPECIES	PRODUCT	VOLUME		UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	WHITE SPRUCE	WOODSRUN MIXED PRODUCTS	180.00	Cd	20.67	3,720.60	33.07	5,952.60
+	ASPEN SPECIES	WOODSRUN CORDWOOD	140.00	Cd	25.80	3,612.00	41.28	5,779.20
+	NORWAY PINE	WOODSRUN MIXED PRODUCTS	100.00	Cd	17.85	1,785.00	28.56	2,856.00
	BALSAM FIR	WOODSRUN CORDWOOD	20.00	Cd	12.75	255.00	12.75	255.00
	BASSWOOD	WOODSRUN CORDWOOD	10.00	Cd	8.50	85.00	8.50	85.00
	PAPER BIRCH	WOODSRUN CORDWOOD	5.00	Cd	10.20	51.00	10.20	51.00
	+ BID SPECIES	★ SOLD ON APPRAISED VOLUME			SED TOTAL =	\$9,508.60 \$1,426.29	BID TOTA	L = \$ 14,978.80

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

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#### Mixed Species Description:

Aspen Species Woodsrun Cordwood includes: Balm of Gilead 14%; Trembling Aspen 86%.

#### **Mixed Product Description:**

Norway Pine Woodsrun Mixed Products includes: Bolts 50%; Pulpwood 50%. White Spruce Woodsrun Mixed Products includes: Bolts 40%; Pulpwood 60%.

# 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:**

white spruce averages 4-5 sticks, 10" dbh Norway pine averages 3-4 sticks, 10" dbh trembling aspen averages 5 sticks, 12" dbh

Price reduced for first entry thin in pine and second entry thin in the spruce.

#### **Price Adjustments:**

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

#### Appraiser:

Christopher J. Bergquist

# TRACT X4 COUNTY: ITASCA

AREA: DEER RIVER AREA

Permit Number: X015546 Expiration Date: 05/31/2020

# Purchased By: Greg Cook Logging Inc.

Address: 35367 Cty Rd 237, Bigfork, MN 56628

NENW, NESW, NWNW, NWSW, SENW, SESW, SWNW of Section 16 - Township 61, Range 25W.

					APPRAISED		BID %: 0	
	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	TREMBLING ASPEN	WOODSRUN CORDWOOD	2,640.00	Cd	28.99	76,533.60	28.99	76,533.60
	BALSAM FIR	WOODSRUN CORDWOOD	40.00	Cd	15.90	636.00	15.90	636.00
	PAPER BIRCH	WOODSRUN CORDWOOD	15.00	Cd	13.09	196.35	13.09	196.35
_	+ BID SPECIES ★ SOLI	O ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$77,365.95 \$11,604.89	BID TOTAI	L = \$ 77,365.95

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Optional Timber (may b	e purchased with an Added Tin	nber Agreement):		
ANY LISTED SPECIES	BIOMASS	1,603.00 Tons	1.00	1,603.00

# **Season of Operations:**

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

#### Sale Conditions:

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

#### **Marketing Conditions:**

Dry chance only occurs across other ownerships.

Trembling aspen dbh average 8" and 5-6 sticks. Balsam fir dbh average 7" and 3 sticks. Paper birch dbh average 7" and 4 sticks.

# **Price Adjustments:**

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

# Appraiser:

Christopher Henkel

(Appraisal ID 12668-0; Cutting Block ID 14804-0)

# TRACT X5 COUNTY: ITASCA

AREA: DEER RIVER AREA

Permit Number: X015547 Expiration Date: 05/31/2020

# Purchased By: Lovdahl & Sons LLC

Address: 34384 County Road 40, Effie, MN 56639

GL01,GL02,GL03,NWSE,SESE,SESW,SWSE of Section 34 - Township 62, Range 24W.

					APPR	AISED	BID %: 58	
	SPECIES	PRODUCT	VOLUME		UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	TREMBLING ASPEN	WOODSRUN CORDWOOD	800.00	Cd	23.72	18,976.00	37.48	29,984.00
+	NORTHERN HARDWOODS	WOODSRUN CORDWOOD	270.00	Cd	9.06	2,446.20	14.31	3,863.70
+	MIXED SPRUCE	WOODSRUN CORDWOOD	180.00	Cd	13.01	2,341.80	20.56	3,700.80
+	BALSAM FIR	WOODSRUN CORDWOOD	125.00	Cd	13.01	1,626.25	20.56	2,570.00
	NORWAY PINE	WOODSRUN MIXED PRODUCTS	55.00	Cd	18.82	1,035.10	18.82	1,035.10
_	+ BID SPECIES * SOLD	ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$26,425.35 \$3,963.80	BID TOTAI	L = \$ 41,153.60

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

ANY LISTED SPECIES	BIOMASS	870.00	Tons 1.00	870.00	
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#### **Mixed Species Description:**

Mixed Spruce Woodsrun Cordwood includes: Black Spruce 39%; White Spruce 61%. Northern Hardwoods Woodsrun Cordwood includes: Ash 54%; Paper Birch 46%.

# **Mixed Product Description:**

Norway Pine 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 county land.
- Permission to cross county land must be obtained by permittee.

# **Marketing Conditions:**

Sale is located next to the power line .5 mi West of Deer Lake Charlie's and along the South end of Deer Lake. Aspen averages 6 sticks, 10" DBH. Price is reduced 10% for poor access and road building.

#### **Price Adjustments:**

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

#### Appraiser:

Garrett Mann

# TRACT X6 COUNTY: KOOCHICHING

AREA: DEER RIVER AREA

Permit Number: X015548 Expiration Date: 05/31/2020

# Purchased By: Lovdahl & Sons LLC

Address: 34384 County Road 40, Effie, MN 56639

NENE of Section 23; NESE, NWSE, SESE, SWSE of Section 14 - Township 63, Range 25W.

					APPRAISED		BID %: 75	
SPECIES		PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIE	S	WOODSRUN CORDWOOD	2,480.00	Cd	28.63	71,002.40	50.10	124,248.00
BLACK SPRUC	Ε	WOODSRUN CORDWOOD	120.00	Cd	15.90	1,908.00	15.90	1,908.00
BALSAM FIR		WOODSRUN CORDWOOD	80.00	Cd	15.90	1,272.00	15.90	1,272.00
ASH		WOODSRUN CORDWOOD	35.00	Cd	9.35	327.25	9.35	327.25
PAPER BIRCH		WOODSRUN CORDWOOD	35.00	Cd	13.09	458.15	13.09	458.15
+ BID SPECIES	*	SOLD ON APPRAISED VOLUME			SED TOTAL = E PAYMENT =	\$74,967.80 \$11,245.17	BID TOTAL	. = \$ 128,213.40

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

ANY LISTED SPECIES	BIOMASS	1,640.00	Tons	1.00	1,640.00	

# **Mixed Species Description:**

Aspen Species Woodsrun Cordwood includes: Balm of Gilead 8%; Trembling Aspen 92%.

#### **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.

#### Sale Conditions:

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

# **Marketing Conditions:**

Sale is located along The Holmstrom SFR, approx. 4.2 miles East of CR 62. Aspen averages 10" DBH, 6 sticks. Black Spruce averages 7" DBH, 3-4 sticks. Price increased 5% for good access, 5% for wood quality.

#### **Price Adjustments:**

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

#### **Appraiser:**

Garrett Mann

(Appraisal ID 12840-0; Cutting Block ID 15068-0)

# TRACT X7 COUNTY: CASS

AREA: BACKUS AREA

ACRES: 93.7

Permit Number: X015549 Expiration Date: 05/31/2020

Purchased By:

Address:

GL04,NWSE,SESW,SWSE of Section 18; NENW,NWNE of Section 19 - Township 144, Range 26W.

					APPRAISED		BID:	
	SPECIES	PRODUCT	VOLUME		UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	TAMARACK	WOODSRUN CORDWOOD	1,370.00	Cd	5.44	7,452.80	5.44	7,452.80
+	BALSAM FIR	WOODSRUN MIXED PRODUCTS	55.00	Cd	12.45	684.75	12.45	684.75
+	TREMBLING ASPEN	WOODSRUN MIXED PRODUCTS	50.00	Cd	21.08	1,054.00	21.08	1,054.00
	MIXED SPRUCE	WOODSRUN MIXED PRODUCTS	30.00	Cd	13.50	405.00	13.50	405.00
	PAPER BIRCH	WOODSRUN MIXED PRODUCTS	20.00	Cd	9.93	198.60	9.93	198.60
	RED MAPLE	WOODSRUN CORDWOOD	5.00	Cd	9.52	47.60	9.52	47.60
	+ BID SPECIES * SOLD	ON APPRAISED VOLUME		-	ED TOTAL = PAYMENT =	\$9,842.75 \$1,476.41	BID TOTA	L = \$ 9,842.75

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

ANY LISTED SPECIES BIOMASS 1,406.00 Tons 1.00 1,406.00	1,406.00 Tons 1.00 1,406.00	
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# **Mixed Species Description:**

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

# **Mixed Product Description:**

Balsam Fir Woodsrun Mixed Products includes: Bolts 10%; Pulpwood 90%. Mixed Spruce Woodsrun Mixed Products includes: Bolts 15%; Pulpwood 85%. Paper Birch Woodsrun Mixed Products includes: Bolts 10%; Pulpwood 90%. Trembling Aspen Woodsrun Mixed Products includes: Bolts 10%; Pulpwood 90%.

# **Cutting and Felling:**

- Harvest all tamarack, spruce, aspen, birch, balsam and maple inside permit boundaries.
- Fell all live black spruce equal to or greater than 5 feet tall.
- Reserve 8-10 tamarack seed trees per acre and all cedar within permit boundaries.

# Season of Operations:

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

- Frozen ground access across state / USFS land.

# Sale Conditions:

- The sale will expire 2 due to insect damage occurring on tamarack.

# **Marketing Conditions:**

tamarack 3-5 stks 7-9 inch diameter, a few pockets of small tamarack aspen 3-5 stks 8-10 inch diameter mx. Spruce 3-5 stks 6-8 inch diameter birch 3-5 stks 6-9 inch diameter

6 miles of upland road to plow 3/4 mile road to freeze into sale

# Price Adjustments:

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

# Appraiser:

Michael H. Aultman

(Appraisal ID 12999-0; Cutting Block ID 15159-0)

# TRACT X8 COUNTY: ITASCA

AREA: DEER RIVER AREA

Permit Number: X015550 Expiration Date: 05/31/2020

# Purchased By: Randy J. Erickson

Address: 45782 State Hwy 6, Deer River, MN 56636

NENW,NWNE,NWNW,NWSW,SENW,SWNE,SWSW of Section 22 - Township 146, Range 26W.

					APPR	AISED	BID	%: 105
5	SPECIES	PRODUCT	VOLUME		UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	TREMBLING ASPEN BLACK SPRUCE	WOODSRUN CORDWOOD	575.00 360.00		25.03 13.73	14,392.25 4.942.80	51.31 28.15	29,503.25 10,134.00
+	TAMARACK PAPER BIRCH	WOODSRUN CORDWOOD WOODSRUN CORDWOOD	150.00 13.00	Cd	6.46 11.31	969.00 147.03	13.24 11.31	1,986.00 147.03
-	BID SPECIES * SOLD	ON APPRAISED VOLUME		-	ED TOTAL = PAYMENT =	\$20,451.08 \$3,067.66	BID TOTAI	_ = \$ 41,770.28
0	Optional Timber (may be purchased with an Added Timber Agreement):							

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ANY LISTED SPECIES	BIOMASS	559.00	Tons	1.00	559.00

# Season of Operations:

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

### Landings Roads and Trails:

- Recreation trail may be used as access.

#### Sale Conditions:

- Access is across State land.

# **Marketing Conditions:**

Aspen avg. 8" DBH, 4 sticks Black Spruce avg. 5"-8" DBH, 1-6 sticks Tamarack avg. 7"-9" DBH, 2-5 sticks

Price reduced 5% due to variable density in spruce/tamarack stand and diameter of aspen.

### **Price Adjustments:**

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

# Appraiser:

Ryan K. Brubaker

(Appraisal ID 12886-0; Cutting Block ID 14925-0)

# TRACT X9 COUNTY: ITASCA

AREA: DEER RIVER AREA

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ACRES: 21.1
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Permit Number: X015551 Expiration Date: 05/31/2020

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

NENE, SWSW of Section 36 - Township 149, Range 26W.

					APPR	APPRAISED		0
	SPECIES	PRODUCT	VOLUME		UNIT PRICE	\$ VALUE	UNIT PRICE \$	VALUE
+	PAPER BIRCH	WOODSRUN MIXED PRODUCTS	115.00	Cd	10.11	1,162.65	10.11	1,162.65
+	ASH	WOODSRUN MIXED PRODUCTS	90.00	Cd	7.34	660.60	7.34	660.60
+	ASPEN SPECIES	WOODSRUN CORDWOOD	50.00	Cd	17.13	856.50	17.13	856.50
+	BALSAM FIR	WOODSRUN CORDWOOD	50.00	Cd	10.84	542.00	10.84	542.00
+	BASSWOOD	WOODSRUN MIXED PRODUCTS	50.00	Cd	8.38	419.00	8.38	419.00
+	NORWAY PINE	WOODSRUN MIXED PRODUCTS	34.00	Cd	52.77	1,794.18	52.77	1,794.18
	MAPLE SPECIES	WOODSRUN CORDWOOD	28.00	Cd	8.67	242.76	8.67	242.76
	WHITE SPRUCE	WOODSRUN CORDWOOD	2.00	Cd	11.56	23.12	11.56	23.12
	+ BID SPECIES *	SOLD ON APPRAISED VOLUME		APPRAI	SED TOTAL =	\$5,700.81	BID TOTAL = \$	5,700.81
			A	DVANCE	E PAYMENT =	\$855.12		

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

ANY LISTED SPECIES	BIOMASS	210.00	Tons	1.00	210.00

#### **Mixed Species Description:**

Aspen Species Woodsrun Cordwood includes: Balm of Gilead 40%; Trembling Aspen 60%. Maple Species Woodsrun Cordwood includes: Red Maple 10%; Sugar Maple 90%.

#### **Mixed Product Description:**

Ash Woodsrun Mixed Products includes: Bolts 35%; Pulpwood 65%.

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

Norway Pine Woodsrun Mixed Products includes: Bolts 18%; Pulpwood 35%; Sawtimber 47%.

Paper Birch Woodsrun Mixed Products includes: Bolts 25%; Pulpwood 75%.

#### **Cutting and Felling:**

- Harvest Norway pine marked with yellow paint, ash 8" DBH and larger, basswood 10" DBH and larger. Harvest all aspen, balm of Gilead, balsam fir, paper birch and maple 2 sticks and larger.
- Reserve unpainted Norway pine, ash less than 8" DBH, basswood less than 10" DBH and patches of aspen regeneration.
- Reserved timber that is damaged will be assessed at a rate of double stumpage.

#### Season of Operations:

- Conduct sale operations on frozen or dry soil conditions only, except with written permission from State.
- Operate during non-rutting soil conditions. Refer to DNR rutting guidelines.

#### Sale Conditions:

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

# **Marketing Conditions:**

All Norway pine is in the NE stand near Itasca Co. #29 and has good, dry soil condition access. Approximately 8000 bd. ft. of Norway pine sawtimber is marked. Norway pine up to 26" diameter.

#### 06/08/2017 INTERMEDIATE AUCTION - SALE #2

Paper birch averages 12" diameter and 3.4 sticks per tree. Black ash averages 12" diameter and 3.7 sticks per tree. Basswood averages 13" diameter and 4.5 sticks per tree. South block would require very dry soil conditions to haul from. Price reduced 15% due to volume, access and operation around residual trees.

# **Price Adjustments:**

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

# Appraiser:

Scott A. Bergloff

(Appraisal ID 13014-0; Cutting Block ID 15206-0)

TRACT X10 COUNTY: ITASCA

AREA: DEER RIVER AREA

NSOLD

**ACRES: 13.0** 

Permit Number: X015552 Expiration Date: 05/31/2020

> Purchased By: Address:

Address:

NENE, SENE of Section 8 - Township 149, Range 27W.

					AISED	BID:		
	SPECIES	PRODUCT	VOLUME		UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
÷	MAPLE SPECIES	WOODSRUN MIXED PRODUCTS	160.00	Cd	14.15	2,264.00	14.15	2,264.00
+	BASSWOOD	WOODSRUN MIXED PRODUCTS	132.00	Cd	12.60	1,663.20	12.60	1,663.20
	TREMBLING ASPEN	WOODSRUN CORDWOOD	16.00	Cd	23.72	379.52	23.72	379.52
	PAPER BIRCH	WOODSRUN MIXED PRODUCTS	10.00	Cd	13.01	130.10	13.01	130.10
	+ BID SPECIES * SOLD	ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$4,436.82 \$665.52	BID TOTA	L = \$ 4,436.82

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

ANY LISTED SPECIES	BIOMASS	185.00	Tons	1.00	185.00

# **Mixed Species Description:**

Maple Species Woodsrun Mixed Products includes: Red Maple 30%; Sugar Maple 70%.

# **Mixed Product Description:**

Basswood Woodsrun Mixed Products includes: Bolts 75%; Pulpwood 25%. Maple Species Woodsrun Mixed Products includes: Bolts 75%; Pulpwood 25%. Paper Birch Woodsrun Mixed Products includes: Bolts 50%; Pulpwood 50%.

# Season of Operations:

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

- Frozen ground access across USFS land.

# Sale Conditions:

- Access is across USFS and State land.

# **Marketing Conditions:**

Sugar Maple avg. 15" DBH, 4 sticks Red Maple avg. 7" DBH, 3 sticks Aspen avg. 13" DBH, 6 sticks Basswood avg. 17" DBH, 4 sticks Paper Birch avg. 14" DBH, 3 sticks

Price reduction due to hilly terrain and small amount of road construction through lowland area needed.

# **Price Adjustments:**

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

# Appraiser:

Ryan K. Brubaker

(Appraisal ID 12889-0; Cutting Block ID 14954-0)

# TRACT X11 COUNTY: ITASCA

AREA: DEER RIVER AREA

Permit Number: X015553 Expiration Date: 05/31/2020

# Purchased By: Forseen Logging LLC

Address: 64055 Co Rd 26, Northome, MN 56661

NENW,NWNE,NWNW,SENE,SENW,SWNE,SWNW of Section 12 - Township 150, Range 26W.

			APPRAISED					
	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	ASH	WOODSRUN MIXED PRODUCTS	350.00	Cd	6.04	2,114.00	6.04	2,114.00
+	BASSWOOD	WOODSRUN MIXED PRODUCTS	260.00	Cd	9.79	2,545.40	9.79	2,545.40
+	PAPER BIRCH	WOODSRUN MIXED PRODUCTS	230.00	Cd	10.10	2,323.00	10.10	2,323.00
+	ASPEN SPECIES	WOODSRUN CORDWOOD	100.00	Cd	17.55	1,755.00	17.55	1,755.00
	RED MAPLE	WOODSRUN CORDWOOD	70.00	Cd	9.18	642.60	9.18	642.60
	BALSAM FIR	WOODSRUN CORDWOOD	40.00	Cd	11.48	459.20	11.48	459.20
	WHITE SPRUCE	WOODSRUN MIXED PRODUCTS	30.00	Cd	19.13	573.90	19.13	573.90
•	BID SPECIES	SOLD ON APPRAISED VOLUME			SED TOTAL = E PAYMENT =	\$10,413.10 \$1,561.97	BID TOTA	L = \$ 10,413.10

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

ANY LISTED SPECIES	BIOMASS	579.00 Tons	1.00	579.00	

# **Mixed Species Description:**

Aspen Species Woodsrun Cordwood includes: Balm of Gilead 57%; Trembling Aspen 43%.

#### **Mixed Product Description:**

Ash Woodsrun Mixed Products includes: Bolts 10%; Pulpwood 90%. Basswood Woodsrun Mixed Products includes: Bolts 35%; Pulpwood 65%. Paper Birch Woodsrun Mixed Products includes: Bolts 15%; Pulpwood 85%. White Spruce Woodsrun Mixed Products includes: Bolts 45%; Pulpwood 55%.

# Season of Operations:

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

#### Sale Conditions:

- Permission to cross county land must be obtained by permittee.

# **Marketing Conditions:**

Ash: 9" dbh, 4 sticks. Basswood:12" dbh, 4 sticks. Paper birch: 11" dbh, 4 sticks. Aspen:14" dbh, 5 sticks with occasional trees up to 20" dbh. Base price reduced 10% due to remote access (approx. 3.3. miles from Co Rd 65 via existing trail). Approximately 2/3 of volume will likely require frozen ground conditions to access; the remaining 1/3 of volume could potentially be accessed during dry ground conditions.

# **Price Adjustments:**

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

06/08/2017 INTERMEDIATE AUCTION - SALE #2

# Appraiser:

Elias Rasch Anoszko

(Appraisal ID 12948-0; Cutting Block ID 14983-0)

# TRACT X12 COUNTY: ITASCA

AREA: DEER RIVER AREA

#### ACRES: 16.6

Permit Number: X015554 Expiration Date: 05/31/2020

Purchased By: Michael H. Rieger

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

NWSW,SWSW of Section 36 - Township 150, Range 27W.

					APPR	AISED	BID %: 0	
	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	TREMBLING ASPEN	WOODSRUN CORDWOOD	450.00	Cd	21.68	9,756.00	21.68	9,756.00
	BALSAM FIR	WOODSRUN CORDWOOD	40.00	Cd	12.75	510.00	12.75	510.00
	PAPER BIRCH	WOODSRUN CORDWOOD	5.00	Cd	10.20	51.00	10.20	51.00
	+ BID SPECIES * SOLI	O ON APPRAISED VOLUME			SED TOTAL = PAYMENT =	\$10,317.00 \$1,547.55	BID TOTA	L = \$ 10,317.00

Optional Timber (may be purchased with an Added Timber Agreement):						
ANY LISTED SPECIES	BIOMASS	222.00 Tons	1.00	222.00		

# **Season of Operations:**

- Conduct sale operations on frozen or dry soil conditions only, except with written permission from State.
- Operate during non-rutting soil conditions. Refer to DNR rutting guidelines.

# Sale Conditions:

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

#### Marketing Conditions:

Aspen averages 13.8" dia. and 5 sticks per tree. Balm of Gilead 3.7 sticks/tree. Balsam fir 2.6 sticks/tree. More than average amount of residual trees (mostly cedar) may hinder full tree skidding. Sale lends itself to CTL. 2-3% of aspen is balm of Gilead.

# **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 X13 COUNTY: ITASCA

AREA: DEER RIVER AREA

Permit Number: X015555 Expiration Date: 05/31/2020

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

GL05 of Section 36 - Township 150, Range 27W.

D %: 0								
\$ VALUE								
4,791.80								
45.54								
34.68								
32.52								
AL = \$ 4,904.54								
Optional Timber (may be purchased with an Added Timber Agreement):								
AL								

ANY LISTED SPECIES	BIOMASS	125.00 Tons	0.85	106.25

#### **Season of Operations:**

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

- Operate during non-rutting soil conditions. Refer to DNR rutting guidelines.

#### Sale Conditions:

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

#### **Marketing Conditions:**

Aspen averages 15' dia. and 4.8 sticks per tree. Some aspen trees up to 26" diameter. Price reduced 15% due to trail maintenance/access. Unfrozen ground operation is unlikely.

#### **Price Adjustments:**

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

#### Appraiser:

Scott A. Bergloff

(Appraisal ID 13012-0; Cutting Block ID 15186-0)

# TRACT X14 COUNTY: KOOCHICHING

AREA: DEER RIVER AREA

Permit Number: X015556 Expiration Date: 05/31/2020

# Purchased By: Killmer Bros Inc.

Address: PO Box 323, Big Falls, MN 56627

NENE, SWNE of Section 13; SESE of Section 12 - Township 152, Range 28W.

					APPRAISED		BID %: 180	
S	PECIES	PRODUCT	VOLUME		UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	ASPEN SPECIES	WOODSRUN CORDWOOD	1,160.00	Cd	21.37	24,789.20	59.84	69,414.40
+	BALSAM FIR	WOODSRUN CORDWOOD	125.00	Cd	12.75	1,593.75	35.70	4,462.50
	ASH	WOODSRUN CORDWOOD	20.00	Cd	5.95	119.00	5.95	119.00
	PAPER BIRCH	WOODSRUN CORDWOOD	10.00	Cd	10.20	102.00	10.20	102.00
+	BID SPECIES	★ SOLD ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$26,603.95 \$3,990.59	BID TOTAI	_ = \$ 74,097.90
Optional Timber (may be purchased with an Added Timber Agreement):								

ANY LISTED SPECIES	BIOMASS	590.00 Tons	1.00	590.00

# **Mixed Species Description:**

Aspen Species Woodsrun Cordwood includes: Balm of Gilead 8%; Trembling Aspen 92%.

#### Season of Operations:

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

#### Sale Conditions:

- Access is across Koochiching County and State land.
- Permission to cross Koochiching County land must be obtained by permittee.

# **Marketing Conditions:**

Estimated volumes average 38.8 cords per acre (all appraised species).

Base prices decreased by 10% for "FAIR" Access Road Construction and increased by 10% for "EXCELLENT" Stand Density.

Aspen average 6-7 sticks, 18" DBH. Balm of Gilead average 5-6 sticks, 14" DBH. Balsam fir average 4 sticks, 10" DBH. Black ash average 3 sticks, 10" DBH. Paper birch average 4 sticks, 10" DBH.

Permit is located approximately 3/4 miles west of county gravel pit at end of Town Road 39.

# **Price Adjustments:**

Road Construction Costs: -10% Haul Distance to Nearest Mill: 0% Stand Density: +10% 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: June 8, 2017

# BACKUS AREA, DEER RIVER AREA

	SUMMARY FOR SO	<u>LD</u> TRACTS			
PRODUCT	SPECIES	TOTAL VOLUME		SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE
WOODSRUN MIXED	ASH	1,026.00	Cd	15.76	16,170.56
PRODUCTS	PAPER BIRCH	412.00	Cd	10.56	4,351.29
	NORTHERN HARDWOODS	1,173.00	Cd	21.78	25,547.94
	BASSWOOD	310.00	Cd	9.56	2,964.40
	NORWAY PINE	189.00	Cd	30.08	5,685.28
	NORWAY PINE (optional)	85.00	Cd	-	0.00
	WHITE SPRUCE	210.00	Cd	31.08	6,526.50
WOODSRUN CORDWOOD	ASH	64.00	Cd	7.91	506.24
	ASPEN SPECIES	5,546.00	Cd	49.06	272,065.05
	TREMBLING ASPEN	4,725.00	Cd	31.87	150,568.65
	PAPER BIRCH	87.00	Cd	11.96	1,040.21
	MAPLE SPECIES	28.00	Cd	8.67	242.76
	NORTHERN HARDWOODS	270.00	Cd	14.31	3,863.70
	RED MAPLE	70.00	Cd	9.42	659.62
	BASSWOOD	10.00	Cd	8.50	85.00
	WHITE SPRUCE	2.00	Cd	11.56	23.12
	BALSAM FIR	523.00	Cd	20.53	10,739.22
	BLACK SPRUCE	480.00	Cd	25.24	12,113.40
	TAMARACK	150.00	Cd	13.24	1,986.00
	MIXED SPRUCE	180.00	Cd	20.56	3,700.80
BIOMASS	ANY LISTED SPECIES (optional)	8,383.03	Tons	-	0.00
TOTAL APPRAIS	SOLD TRACTS CONVERTED TO CORDS: SED DOLLAR VALUE OF SOLD TRACTS: -UP DOLLAR VALUE OF SOLD TRACTS: TOTAL ACRES SOLD: SOLD TRACT NUMBERS: TOTAL NUMBER OF TRACTS SOLD:	\$ 342,351.34 \$ 518,839.74 693.9 1, 2, 3, 4, 5, 6	5, 8, 9, 11, 12, 13	, 14	
	SUMMARY FOR UNS	OLD TRACTS			
PRODUCT	SPECIES	TOTAL VOLUME	UNIT	APPRAISED AVERAGE UNIT PRICE	APPRAISED \$ VALUE
WOODSRUN MIXED	TREMBLING ASPEN	50.00	Cd	21.08	1,054.00
PRODUCTS	PAPER BIRCH	30.00	Cd	10.96	328.70
	MAPLE SPECIES	160.00	Cd	14.15	2,264.00
	BASSWOOD	132.00	Cd	12.60	1,663.20
	BALSAM FIR	55.00	Cd	12.45	684.75
	MIXED SPRUCE	30.00	Cd	13.50	405.00
WOODSRUN CORDWOOD	TREMBLING ASPEN	16.00	Cd	23.72	379.52
	RED MAPLE	5.00		9.52	47.60
	TAMARACK	1,370.00		5.44	7,452.80
BIOMASS	ANY LISTED SPECIES (optional)	1,591.00	Tons	1.00	1,591.00
	SOLD TRACTS CONVERTED TO CORDS: DOLLAR VALUE OF UNSOLD TRACTS: TOTAL ACRES UNSOLD: UNSOLD TRACT NUMBERS:	\$ 14,279.57 106.7			

UNSOLD TRACT NUMBERS: 7, 10 TOTAL NUMBER OF TRACTS UNSOLD: 2