

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 REGULAR AUCTION - SALE #1 ORAL BID

Notice is hereby given that I offered for sale at public auction in Bigfork, MN at 9:00 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

REGULAR AUCTION ORAL BID TIMBER SALE BACKUS AREA, DEER RIVER AREA

9:00 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 the responsible bidder who bids the highest price for all timber species advertised for bidding on each tract. Bidding above the appraised price shall be by increments of one (1) percent or more. The percent bid up will be added to the appraised price of each species indicated as a bid species by a plus symbol (+) on the Notice of Sale. Any or all bids may be rejected and sales canceled for good and sufficient reasons.

REGISTRATION AND ELIGIBLE BIDDERS

- Interested persons must be registered at least four (4) business days prior to the auction by submitting an *Annual Timber Sales Purchaser Registration* form. No bid will be accepted from anyone having a delinquent timber sale or trespass account or a willful timber trespass with any public agency in Minnesota, or from anyone who does not qualify as a Responsible Bidder as defined in Minnesota Statutes § 90.01 (12), or from anyone who has been debarred for cause by any public agency [M.S. § 90.041 (11)].

DOWN PAYMENT

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

BID GUARANTEE

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

PURCHASER AND LOGGER QUALIFICATIONS AND OPERATIONS REQUIREMENTS

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

SECURITY REQUIRED

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

PERMIT TERMS

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

UNSOLD TRACTS

- On the next regular business day (8:00 AM - 4:30 PM, Monday - Friday, except holidays) after the date of the auction sale, unsold tracts may be available for over-the-counter purchase at the appraised price for a period of no more than one year. Unless canceled for reoffer at an earlier date, unsold tracts will be available until June 8, 2018, at the following Area Headquarters: Backus Area, Deer River Area.

TRACT B1 COUNTY: ITASCA AREA: DEER RIVER AREA ACRES: 14.3

Permit Number: B013631 Expiration Date: 05/31/2020

Purchased By: Rajala Timber Company

Address: PO Box 217, Deer River, MN 56636

GL01 of Section 16 - Township 55, Range 27W.

					APPR	AISED	BID	%: 51
_	DECIEC	PROPUST	VOLUME	LINUT	UNIT	¢ \/AL 115	UNIT	↑ \/A!!!
<u> </u>	PECIES	PRODUCT	VOLUME_	UNIT	PRICE	\$ VALUE	PRICE -	\$ VALUE
+	ASPEN SPECIES	WOODSRUN CORDWOOD	159.00	Cd	25.96	4,127.64	39.20	6,232.80
+	ASH	WOODSRUN MIXED PRODUCTS	88.00	Cd	10.03	882.64	15.15	1,333.20
+	BALSAM FIR	WOODSRUN MIXED PRODUCTS	40.00	Cd	16.26	650.40	24.55	982.00
+	BID SPECIES	* SOLD ON APPRAISED VOLUME		APPRAIS	SED TOTAL =	\$5,660.68	BID TOTA	L = \$ 8,548.00
			A	DVANCE	PAYMENT =	\$849.10		

164.00 Tons

1.00

164.00

Mixed Species Description:

ANY LISTED SPECIES

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

Mixed Product Description:

Ash Woodsrun Mixed Products includes: Bolts 30%; Pulpwood 70%. Balsam Fir Woodsrun Mixed Products includes: Bolts 25%; Pulpwood 75%.

BIOMASS

Cutting and Felling:

- Harvest all aspen species, all yellow marked ash and all balsam fir >2 sticks.
- Reserve oak, maple, cedar, white spruce, basswood, paper birch, un-marked ash and balsam <2 sticks.

Season of Operations:

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

Sale Conditions:

- Access is across State land.

Marketing Conditions:

Trembling aspen averages 8-14" DBH and 4-5 sticks. Balm of Gilead averages 9-12" DBH and 3-5 sticks. Ash averages 6-12" DBH and 3-5 sticks. Balsam fir averages 7-12" DBH and 3-6 sticks. Ash contains 82% black ash and 18% green ash.

Price Adjustments:

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

Stand Density: 0%

Operational Constraints: 0% Other Price Factor: 0%

Appraiser:

Joshua Matthew Tomlin

(Appraisal ID 12612-0; Cutting Block ID 14747-0)

TRACT B2 COUNTY: ITASCA AREA: DEER RIVER AREA ACRES: 27.0

Permit Number: B013632 Expiration Date: 05/31/2020

Purchased By: UPM - Blandin Paper

Address: 115 First Street SW, Grand Rapids, MN 55744

SESE of Section 16 - Township 56, Range 25W.

					APPRAISED UNIT			%: 0
3	SPECIES	PRODUCT	VOLUME	UNIT	PRICE _	\$ VALUE	UNIT PRICE	\$ VALUE
+	ASPEN SPECIES	WOODSRUN CORDWOOD	810.00	Cd	28.99	23,481.90	28.99	23,481.90
	PAPER BIRCH	WOODSRUN CORDWOOD	50.00	Cd	13.09	654.50	13.09	654.50
	BALSAM FIR	WOODSRUN CORDWOOD	23.00	Cd	15.90	365.70	15.90	365.70
	RED MAPLE	WOODSRUN CORDWOOD	18.00	Cd	13.09	235.62	13.09	235.62
	BASSWOOD	WOODSRUN CORDWOOD	7.00	Cd	11.22	78.54	11.22	78.54
	ASH	WOODSRUN CORDWOOD	5.00	Cd	9.35	46.75	9.35	46.75
	WHITE SPRUCE	WOODSRUN CORDWOOD	5.00	Cd	15.90	79.50	15.90	79.50
•	+ BID SPECIES *	SOLD ON APPRAISED VOLUME			SED TOTAL = PAYMENT =	\$24,942.51 \$3,741.38	BID TOTAL	_=\$ 24,942.51

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

ANY LISTED SPECIES BIOMASS 540.00 Tons 1.10 594.00

Mixed Species Description:

Aspen Species Woodsrun Cordwood includes: Balm of Gilead 5%; Largetooth Aspen 5%; Trembling Aspen 90%.

Season of Operations:

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

Sale Conditions:

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

Marketing Conditions:

trembling aspen averages 4-5 sticks, 7-8" dbh balsam fir averages 3-4 stick, 9" dbh paper birch averages 3-4 stick, 10" dbh

Dry summer chance possible depending on condition of woods road.

12 miles primary roads + .25 miles woods road to the nearest mill.

Price Adjustments:

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

Stand Density: 0%

Operational Constraints: 0% Other Price Factor: 0%

Appraiser:

Christopher J. Bergquist

TRACT B3 COUNTY: ITASCA AREA: DEER RIVER AREA ACRES: 177.3

Permit Number: B013633 Expiration Date: 05/31/2020

Purchased By: UPM - Blandin Paper

Address: 115 First Street SW, Grand Rapids, MN 55744

GL01,GL02,GL03,NENE,NESE,NWNE,NWSE,SESE,SWSE of Section 19; NENE of Section 30;

GL04, SESE, SWSE of Section 18; NWNW of Section 20 - Township 60, Range 24W.

					APPF	RAISED	BID	%: 0
S	PECIES	PRODUCT	VOLUME	UNIT	UNIT	\$ VALUE	UNIT PRICE	\$ VALUE
+	TREMBLING ASPEN	WOODSRUN CORDWOOD	3,130.00	Cd	28.99	90,738.70	28.99	90,738.70
+	BLACK SPRUCE	WOODSRUN CORDWOOD	353.00	Cd	15.90	5,612.70	15.90	5,612.70
+	BALSAM FIR	WOODSRUN CORDWOOD	300.00	Cd	15.90	4,770.00	15.90	4,770.00
	NORTHERN HARDWOODS	WOODSRUN MIXED PRODUCTS	180.00	Cd	12.18	2,192.40	12.18	2,192.40
	TAMARACK	WOODSRUN CORDWOOD	143.00	Cd	7.48	1,069.64	7.48	1,069.64
	JACK PINE	WOODSRUN MIXED PRODUCTS	25.00	Cd	18.89	472.25	18.89	472.25
+	BID SPECIES * SO	LD ON APPRAISED VOLUME			SED TOTAL = PAYMENT =	\$104,855.69 \$15,728.35	BID TOTAL	_ = \$ 104,855.69

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

ANY LISTED SPECIES BIOMASS 2,401.00 Tons 1.00 2,401.00

Mixed Species Description:

Northern Hardwoods Woodsrun Mixed Products includes: Ash 33%; Basswood 12%; Paper Birch 42%; Sugar Maple 13%.

Mixed Product Description:

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

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

Cutting and Felling:

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

Season of Operations:

- Conduct sale operations on dry/frozen soil conditions only, except with written permission from State.
- No sale operations allowed within 660 feet of eagle nest between 15 Feb through 15 Aug.

Sale Conditions:

- Access is across State, county, and private land.
- Permission to cross county, and private land must be obtained by permittee.
- Notice to begin harvest must be given at least five working days prior to the date operations begin due to recreation trail.

Marketing Conditions:

Trembling aspen dbh average 8" and average 5-6 sticks.

Black spruce dbh average 6" and average 4 sticks.

Balsam fir dbh average 8" and average 3-6 sticks.

Northern hardwoods dbh average 7" and average 2-5 sticks.

Tamarack dbh average 8" and average 3'6 sticks.

Jack pine dbh average 10" and average 4-6 sticks.

Price Adjustments:

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

Stand Density: +5%

06/08/2017 REGULAR AUCTION - SALE #1

Operational Constraints: 0% Other Price Factor: 0%

Appraiser:

Christopher Henkel

(Appraisal ID 12665-0; Cutting Block ID 14779-0)

TRACT B4 COUNTY: ITASCA AREA: DEER RIVER AREA ACRES: 15.7

Permit Number: B013634 Expiration Date: 05/31/2020

Purchased By: Boise White Paper LLC

Address: 400 3rd Ave E, International Falls, MN 56649

SESW of Section 8 - Township 62, Range 24W.

					APPR	AISED	BID %: 0				
	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE			
+	ASPEN SPECIES	WOODSRUN CORDWOOD	370.00	Cd	24.69	9,135.30	24.69	9,135.30			
	BLACK SPRUCE	WOODSRUN CORDWOOD	10.00	Cd	13.73	137.30	13.73	137.30			
	+ BID SPECIES * SOLD	ON APPRAISED VOLUME			SED TOTAL = E PAYMENT =	\$9,272.60 \$1,390.89	BID TOTA	AL = \$ 9,272.60			
C	Optional Timber (may be purchased with an Added Timber Agreement):										
	ANY LISTED SPECIES	BIOMASS	170.00	Tons	1.00	170.00					

Mixed Species Description:

Aspen Species Woodsrun Cordwood includes: Balm of Gilead 9%; Trembling Aspen 91%.

Season of Operations:

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

Sale Conditions:

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

Marketing Conditions:

Aspen 6-9" dbh, 4-6 sticks.

Price Adjustments:

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

Stand Density: 0%

Operational Constraints: 0% Other Price Factor: 0%

Appraiser:

Steven A. Moberg

(Appraisal ID 12976-0; Cutting Block ID 15110-0)

TRACT B5 COUNTY: KOOCHICHING AREA: DEER RIVER AREA ACRES: 19.0

Permit Number: B013635 Expiration Date: 05/31/2020 Purchased Over-the-Counter Date: 06/23/2017

Purchased By: Verso Corporation

Address: 25809 Clara Ave, Cohasset, MN 55721

SESW,SWSE,SWSW of Section 15; SESE of Section 16 - Township 63, Range 26W.

						RAISED		%: 0
5	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	BLACK SPRUCE	WOODSRUN CORDWOOD	215.00	Cd	11.56	2,485.40	11.56	2,485.40
+	TREMBLING ASPEN	WOODSRUN CORDWOOD	60.00	Cd	21.08	1,264.80	21.08	1,264.80
+	NORTHERN HARDWOODS	WOODSRUN CORDWOOD	40.00	Cd	8.35	334.00	8.35	334.00
+	BALSAM FIR	WOODSRUN CORDWOOD	30.00	Cd	11.56	346.80	11.56	346.80
	TAMARACK	WOODSRUN CORDWOOD	10.00	Cd	5.44	54.40	5.44	54.40
+	· BID SPECIES * SOL	D ON APPRAISED VOLUME			SED TOTAL = PAYMENT =	\$4,485.40 \$672.81	BID TOTA	L = \$ 4,485.40
0	ptional Timber (<i>may</i>	be purchased with an Adde	d Timber Agr	eement):			
	ANY LISTED SPECIES	BIOMASS	160.00	Tons	1.00	160.00		

Mixed Species Description:

Northern Hardwoods Woodsrun Cordwood includes: Ash 43%; Paper Birch 57%.

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

Marketing Conditions:

Spruce averages 7" DBH and 4 sticks.

Aspen averages 12" DBH and 6 sticks.

Spruce stand approximately 30-40% impacted by blow down.

Base price reduced 20% for blow down and sale reoffer.

Reoffer from 12/10/2014 auction.

Cruised by Ben Becker.

Price Adjustments:

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

Stand Density: 0%

Operational Constraints: 0%

Other Price Factor: -20% (blowdown and reoffer)

Appraiser:

Steven A. Moberg

TRACT B6 COUNTY: CASS AREA: BACKUS AREA ACRES: 16.0

Permit Number: B013636 Expiration Date: 05/31/2020

Purchased By:
Address:

NENE of Section 26 - Township 142, Range 28W.

3	SPECIES	PRODUCT	VOLUME	UNIT	APPR UNIT PRICE	AISED	BID: UNIT PRICE	\$ VALUE		
+	TAMARACK	WOODSRUN CORDWOOD	180.00	Cd	6.80	1,224.00	6.80	1,224.00		
+	BLACK SPRUCE	WOODSRUN CORDWOOD	90.00	Cd	14.45	1,300.50	14.45	1,300.50		
	ASH	WOODSRUN CORDWOOD	5.00	Cd	8.50	42.50	8.50	42.50		
	BALSAM FIR	WOODSRUN CORDWOOD	5.00	Cd	14.45	72.25	14.45	72.25		
-	BID SPECIES * SOLD	ON APPRAISED VOLUME			SED TOTAL = E PAYMENT =	\$2,639.25 \$395.89	BID TOTA	L = \$ 2,639.25		
0	Optional Timber (may be purchased with an Added Timber Agreement):									
	ANY LISTED SPECIES	BIOMASS	145.00	Tons	1.00	145.00				

Cutting and Felling:

- Reserve 8 - 10 well formed seed trees per acre.

Landings Roads and Trails:

- Use only snow / ice in ditch crossing.

Sale Conditions:

- Access is across state land off of county rd 157.

Marketing Conditions:

Tamarack 6-10 inch diameter 3-6stks Black Spruce 5-8 inch diameter 3-5 stks Ash 5-8 inch diameter 3-4 stks Balsam Fir 6-8 inch diameter 3-5 stks

Price Adjustments:

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

Stand Density: -5%

Operational Constraints: 0% Other Price Factor: 0%

Appraiser:

Michael H. Aultman

(Appraisal ID 13028-0; Cutting Block ID 15224-0)

TRACT B7 COUNTY: CASS AREA: BACKUS AREA ACRES: 9.0

Permit Number: B013637 Expiration Date: 05/31/2020

Purchased By: Stangler Logging

Address: 7287 - 124th Street NE, Deer River, MN 56636

SESW of Section 22 - Township 144, Range 25W.

				АРРБ	AISED	BID	%: 5
SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	WOODSRUN CORDWOOD	160.00	Cd	25.75	4,120.00	27.04	4,326.40
ASH	WOODSRUN MIXED PRODUCTS	20.00	Cd	9.52	190.40	9.52	190.40
BALSAM FIR	WOODSRUN MIXED PRODUCTS	10.00	Cd	16.10	161.00	16.10	161.00
PAPER BIRCH	WOODSRUN MIXED PRODUCTS	10.00	Cd	12.41	124.10	12.41	124.10
RED MAPLE	WOODSRUN CORDWOOD	5.00	Cd	11.90	59.50	11.90	59.50
+ BID SPECIES	* SOLD ON APPRAISED VOLUME			SED TOTAL = PAYMENT =	\$4,655.00 \$698.25	BID TOTA	L = \$ 4,861.40
Optional Timber	(may be purchased with an Adde	d Timber Agr	eement):			
ANY LISTED SPE	CIES BIOMASS	110.00	Tons	1.00	110.00		

Mixed Species Description:

Aspen Species Woodsrun Cordwood includes: Balm of Gilead 15%; Trembling Aspen 85%.

Mixed Product Description:

Ash Woodsrun Mixed Products includes: Bolts 20%; Pulpwood 80%. Balsam Fir Woodsrun Mixed Products includes: Bolts 15%; Pulpwood 85%. Paper Birch Woodsrun Mixed Products includes: Bolts 10%; Pulpwood 90%.

Cutting and Felling:

- No skidding through the ash type on west side of sale. Identified on map as type 402 Ash 43.

Marketing Conditions:

Aspen species 6-10 inch diameter 3-5 stks, variable stand mixed young wood with old.

Ash 6-8 inch diameter. 3-5 stks Balsam fir 6-8 inch diameter 3-4 stks Birch 6-8 inch diameter 3-5 stks Maple 6-8 inch, diameter 3-4 stks 2 miles of road to plow, winter access

Price Adjustments:

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

Stand Density: 0%

Operational Constraints: 0% Other Price Factor: 0%

Appraiser:

Michael H. Aultman

TRACT B8 COUNTY: CASS AREA: BACKUS AREA ACRES: 23.9

Permit Number: B013638 Expiration Date: 05/31/2020

Purchased By: Randy J. Erickson

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

NENE, SENE of Section 8 - Township 144, Range 27W.

					APPR	AISED	BID	%: 15
	SPECIES	PRODUCT	VOLUME	UNIT	UNIT	\$ VALUE	UNIT PRICE	\$ VALUE
	<u> </u>	- FRODUCT	- VOLUME	ONT	_ <u> </u>	T VALUE	- FRICE	T VALUE
4	PINE SPECIES	WOODSRUN MIXED PRODUCTS	160.00	Cd	15.58	2,492.80	17.92	2,867.20
4	TREMBLING ASPEN	WOODSRUN CORDWOOD	80.00	Cd	21.08	1,686.40	24.24	1,939.20
	BALSAM FIR	WOODSRUN CORDWOOD	5.00	Cd	9.52	47.60	9.52	47.60
	RED MAPLE	WOODSRUN CORDWOOD	5.00	Cd	11.56	57.80	11.56	57.80
_	+ BID SPECIES * SOL	D ON APPRAISED VOLUME			ISED TOTAL = E PAYMENT =	\$4,284.60 \$642.69	BID TOTA	AL = \$ 4,911.80

Mixed Species Description:

Pine Species Woodsrun Mixed Products includes: Jack Pine 6%; Norway Pine 94%.

Mixed Product Description:

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

Cutting and Felling:

- Harvest all norway pine by prescription to maintain 90 140 ft of basal area per acre. Harvest all aspen balsam and maple within these plantations.
- Trees must be processed at the stump and cut products forwarded to the landing.

Landings Roads and Trails:

- Post "Trucks Hauling" signs 200 feet beyond either end of road/trail section being used.

Marketing Conditions:

Pine species 6-12 inch diameter 3-5 stks Aspen 6-9 inch diameter 3-5 stks Balsam Fir 5-8 inch diameter 3-4 stks Maple 6-8 inch diameter 3-4 stks

Prescription harvest Norway Pine Plantation

Price Adjustments:

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

Stand Density: 0%

Operational Constraints: 0%

Other Price Factor: -25% (First time thinning)

Appraiser:

Michael H. Aultman

(Appraisal ID 13029-0; Cutting Block ID 15208-0)

TRACT B9 COUNTY: ITASCA AREA: DEER RIVER AREA ACRES: 8.0

Permit Number: B013639 Expiration Date: 05/31/2020

Purchased By: Rajala Timber Company

Address: PO Box 217, Deer River, MN 56636

SESW of Section 20 - Township 145, Range 26W.

				APPR	AISED	BID	%: 16
SPECIES PROD	DUCT V	OLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
	DSRUN MIXED DUCTS	100.00	Cd	28.02	2,802.00	32.50	3,250.00
+ BID SPECIES * SOLD ON APPR	RAISED VOLUME	-		D TOTAL = AYMENT =	\$2,802.00 \$420.30	BID TOTA	AL = \$ 3,250.00
Optional Timber (may be purc	chased with an Added Tir	mber Agre	eement):				
ANY LISTED SPECIES BIOMA	ASS	52.00	Tons	1.00	52.00		

Mixed Product Description:

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

Cutting and Felling:

- Logger select Norway pine thinning. Thin to 90 sq ft of basal area.

Season of Operations:

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

Sale Conditions:

- Access is across USFS and State land.

Marketing Conditions:

Norway Pine avg. 13" DBH, 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:

Ryan K. Brubaker

(Appraisal ID 12891-0; Cutting Block ID 15037-0)

TRACT B10 COUNTY: ITASCA AREA: DEER RIVER AREA ACRES: 50.3

Permit Number: B013640 Expiration Date: 05/31/2021

Purchased By: Scheff Logging & Trucking Inc.

Address: 48985 State Hwy 38, Marcell, MN 56657

GL03, NENE, SENE, SENW of Section 16; SWNW of Section 15 - Township 146, Range 26W.

S	PECIES	PRODUCT	VOLUME	UNIT	APPR UNIT PRICE	\$ VALUE	BID UNIT PRICE	%: 79 \$ VALUE
+	TREMBLING ASPEN	WOODSRUN CORDWOOD	720.00	Cd	31.62	22,766.40	56.60	40,752.00
+	ASH	WOODSRUN MIXED PRODUCTS	350.00	Cd	12.03	4,210.50	21.53	7,535.50
	PAPER BIRCH	WOODSRUN CORDWOOD	30.00	Cd	14.28	428.40	14.28	428.40
	BALSAM FIR	WOODSRUN CORDWOOD	20.00	Cd	17.34	346.80	17.34	346.80
+	* SOLD	ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$27,752.10 \$4,162.82	BID TOTA	AL = \$ 49,062.70

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

ANY LISTED SPECIES BIOMASS 555.00 Tons 1.20 666.00

Mixed Product Description:

Ash 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.

Landings Roads and Trails:

- Accesses are gated by Division of Wildlife. Due to the area being a Wildlife Management Area, it is restricted from motorized vehicle traffic. Gates will need to be closed during hunting seasons if harvest operations are interrupted for a period of time.

Marketing Conditions:

Sale lends itself to a CTL operation due to harvesting in ash.

Ash 8-16" dbh 3-6 stick. Aspen 11-13" dbh 4-8 stick. Birch 8-12" dbh 3-6 stick. Balsam 7-9" dbh 2-5 stick.

Price Adjustments:

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

Stand Density: +10%

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

Appraiser:

Daniel D. Hertle

^{*}Trembling aspen volume includes 5% balm of gilead, no price reduction.

^{*}A 4 year sale to accomodate winter harvest of a wetland forest.

TRACT B11 COUNTY: ITASCA AREA: DEER RIVER AREA ACRES: 36.0

Permit Number: B013641 Expiration Date: 05/31/2020

Purchased By: Michael H. Rieger

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

SESW,SWSW of Section 2 - Township 149, Range 27W.

					APPR	AISED	BID	%: 11		
3	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE		
+	TREMBLING ASPEN	WOODSRUN CORDWOOD	433.00	Cd	26.35	11,409.55	29.25	12,665.25		
+	BALSAM FIR	WOODSRUN CORDWOOD	215.00	Cd	14.45	3,106.75	16.04	3,448.60		
+	SUGAR MAPLE	WOODSRUN MIXED PRODUCTS	116.00	Cd	14.45	1,676.20	16.04	1,860.64		
+	PAPER BIRCH	WOODSRUN CORDWOOD	103.00	Cd	11.90	1,225.70	13.21	1,360.63		
+	BASSWOOD	WOODSRUN MIXED PRODUCTS	91.00	Cd	12.75	1,160.25	14.15	1,287.65		
4	- BID SPECIES * SOLD	ON APPRAISED VOLUME		_	ED TOTAL = PAYMENT =	\$18,578.45 \$2,786.77	BID TOTA	L = \$ 20,622.77		
0	Optional Timber (may be purchased with an Added Timber Agreement):									
	ANY LISTED SPECIES	BIOMASS	465.00	Tons	1.00	465.00				

Mixed Product Description:

Basswood Woodsrun Mixed Products includes: Bolts 75%; Pulpwood 25%. Sugar Maple Woodsrun Mixed Products includes: Bolts 50%; Pulpwood 50%.

Season of Operations:

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

Marketing Conditions:

Aspen ave. 12" DBH, 6 Sticks Balsam ave. 8" DBH, 4 Sticks Sugar Maple ave. 14" DBH, 4 Sticks Paper Birch ave. 8" DBH, 3 Sticks Basswood ave.17" DBH, 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:

Ryan K. Brubaker

(Appraisal ID 12858-0; Cutting Block ID 14832-0)

TRACT B12 COUNTY: ITASCA AREA: DEER RIVER AREA ACRES: 167.0

Permit Number: B013642 Expiration Date: 05/31/2020

Purchased By: Boise White Paper LLC

Address: 400 3rd Ave E, International Falls, MN 56649

NESE, NWSE, SESE, SWSE of Section 14; NWNW of Section 24; NENE, NENW, NWNE, NWNW, SWNE of

Section 23 - Township 149, Range 28W.

					APPR	AISED	BID	%: 81
S	PECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	TREMBLING ASPEN	WOODSRUN CORDWOOD	3,218.00	Cd	27.67	89,042.06	50.08	161,157.44
	ASH	WOODSRUN MIXED PRODUCTS	125.00	Cd	10.08	1,260.00	10.08	1,260.00
	TAMARACK	WOODSRUN CORDWOOD	82.00	Cd	7.14	585.48	7.14	585.48
	BLACK SPRUCE	WOODSRUN CORDWOOD	45.00	Cd	15.17	682.65	15.17	682.65
	PAPER BIRCH	WOODSRUN MIXED PRODUCTS	43.00	Cd	13.57	583.51	13.57	583.51
	BASSWOOD	WOODSRUN MIXED PRODUCTS	40.00	Cd	15.71	628.40	15.71	628.40
+	BID SPECIES * SOL	D ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$92,782.10 \$13,917.32	BID TOTAL	_ = \$ 164,897.48

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

ANY LISTED SPECIES BIOMASS 2,105.00 Tons 1.05 2,210.25

Mixed Product Description:

Ash Woodsrun Mixed Products includes: Bolts 10%; Pulpwood 85%; Sawtimber 5%.

Basswood Woodsrun Mixed Products includes: Bolts 40%; Pulpwood 45%; Sawtimber 15%.

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

Season of Operations:

- Conduct sale operations on extremely dry/frozen soil conditions only, except with written permission from State.
- Approximately 50% of the site is summer accessible during an extremely dry summer/ fall through the private land.

Sale Conditions:

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

Marketing Conditions:

Approximately 50% of the sale area is summer accessible through the private land during an extremely dry summer/fall. Aspen averages 9" DBH and 6 sticks in the "Mature Aspen" stands and 6" DBH and 5 sticks in the "Young Aspen" stands. Portions of permit area will contain moderate amounts of residual trees, which may limit maneuverability and make full-tree skidding difficult.

Electronic and mobile maps available upon request.

Price Adjustments:

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

Stand Density: +5%

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

Appraiser:

John J. Segari

TRACT B13 COUNTY: ITASCA AREA: DEER RIVER AREA ACRES: 143.8

Permit Number: B013643 Expiration Date: 05/31/2020

Purchased By: Michael H. Rieger

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

GL01,NESE,NESW,NWSE,SENE,SENW,SESE,SWNE,SWSE of Section 1 - Township 150, Range 27W.

NENW,NWNW of Section 12; NENE of Section 11 - Township 150, Range 27W.

					APPRAISED		BID %: 0	
5	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	ASPEN SPECIES	WOODSRUN CORDWOOD	3,508.00	Cd	27.67	97,066.36	27.67	97,066.36
	ASH	WOODSRUN MIXED PRODUCTS	225.00	Cd	10.12	2,277.00	10.12	2,277.00
	PAPER BIRCH	WOODSRUN CORDWOOD	205.00	Cd	12.50	2,562.50	12.50	2,562.50
	BALSAM FIR	WOODSRUN CORDWOOD	141.00	Cd	15.17	2,138.97	15.17	2,138.97
	RED MAPLE	WOODSRUN CORDWOOD	95.00	Cd	12.50	1,187.50	12.50	1,187.50
	WHITE SPRUCE	WOODSRUN MIXED PRODUCTS	60.00	Cd	23.66	1,419.60	23.66	1,419.60
	NORWAY PINE	WOODSRUN MIXED PRODUCTS	56.00	Cd	21.74	1,217.44	21.74	1,217.44
+	- BID SPECIES * S	SOLD ON APPRAISED VOLUME		_	ED TOTAL = PAYMENT =	\$107,869.37 \$16,180.41	BID TOTAL	_ = \$ 107,869.37

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

ANY LISTED SPECIES BIOMASS 2,439.00 Tons 1.00 2,439.00

Mixed Species Description:

Aspen Species Woodsrun Cordwood includes: Balm of Gilead 7%; Trembling Aspen 93%.

Mixed Product Description:

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

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

Cutting and Felling:

- Harvest aspen species, paper birch, balsam fir, ash, yellow marked white spruce and yellow marked Norway pine (Cutting Block 1)
- Harvest aspen species, paper birch, balsam fir, red maple, and upland ash (Cutting Block 2).

Season of Operations:

- Conduct sale operations on dry/frozen soil conditions only, except with written permission from State (Cutting Block 1).
- Conduct sale operations on frozen soil conditions only, except with written permission from State (Cutting Block 2).
- Frozen ground access across county and State (Cutting Block 1).
- If access is secured through private land, portions of the sale can be harvested in dry conditions. Without private access the sale is frozen access only (Cutting Block 1).

Landings Roads and Trails:

- Frozen ground access is off of Koochiching County 2 (Cutting Blocks 1 and 2).

Sale Conditions:

- Permission to cross county land must be obtained by permittee (Cutting Block 2).
- Permission to cross county, private land must be obtained by permittee (Cutting Block 1).

Marketing Conditions:

Aspen averages 9-15" DBH and 5-8 sticks.

06/08/2017 REGULAR AUCTION - SALE #1

Paper birch averages 8-14" DBH and 4-6 sticks. Balsam fir averages 7-11" DBH and 3-6 sticks. White spruce averages10-14" DBH and 5-8 sticks. Ash averages 7-11" DBH and 3-6 sticks. Red maple averages 7-10 DBH and 3-5 sticks. Norway pine averages 7-10" DBH and 4-6 sticks.

Price Adjustments:

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

Stand Density: +5%

Operational Constraints: 0% Other Price Factor: 0%

Appraiser:

Joshua Matthew Tomlin

(Appraisal ID 12771-0; Cutting Block ID 14928-0, 14949-0)

TRACT B14 COUNTY: KOOCHICHING AREA: DEER RIVER AREA ACRES: 8.5

Permit Number: B013644 Expiration Date: 05/31/2020

Purchased By:
Address:

SESW,SWSW of Section 24 - Township 151, Range 27W.

		APPRAISED		BID:				
					UNIT		UNIT	
S	PECIES	PRODUCT	VOLUME	UNIT	PRICE	\$ VALUE	PRICE	\$ VALUE
+	ASH	WOODSRUN MIXED PRODUCTS	75.00	Cd	9.07	680.25	9.07	680.25
+	ASPEN SPECIES	WOODSRUN CORDWOOD	55.00	Cd	19.84	1,091.20	19.84	1,091.20
+	PAPER BIRCH	WOODSRUN MIXED PRODUCTS	25.00	Cd	13.46	336.50	13.46	336.50
+	BASSWOOD	WOODSRUN MIXED PRODUCTS	10.00	Cd	12.72	127.20	12.72	127.20
	RED MAPLE	WOODSRUN MIXED PRODUCTS	5.00	Cd	13.09	65.45	13.09	65.45
+ BID SPECIES * SOLI		OLD ON APPRAISED VOLUME		APPRAISED TOTAL =		\$2,300.60	BID TOTA	L = \$ 2,300.60
			А	DVANCE	PAYMENT =	\$345.09		
Optional Timber (may be purchased with an Added Timber Agreement):								
	ANY LISTED SPECIES	BIOMASS	91.00	Tons	1.10	100.10		

Mixed Species Description:

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

Mixed Product Description:

Ash Woodsrun Mixed Products includes: Bolts 30%; Pulpwood 70%. Basswood Woodsrun Mixed Products includes: Bolts 45%; Pulpwood 55%. Paper Birch Woodsrun Mixed Products includes: Bolts 30%; Pulpwood 70%. Red Maple Woodsrun Mixed Products includes: Bolts 25%; Pulpwood 75%.

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:

Ash: 9" dbh. 4 sticks.

Basswood:11" dbh, 4 sticks.

Paper birch: 12" dbh, 4 sticks with occasional trees up to 20" dbh.

Aspen sp:12" dbh, 5 sticks.

Base price increased 10% due to excellent access.

Price Adjustments:

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

Stand Density: 0%

Operational Constraints: 0%

Other Price Factor: +10% (Excellent access)

Appraiser:

Elias Rasch Anoszko

(Appraisal ID 12986-0; Cutting Block ID 15190-0)

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 <u>SOLD</u> TRACTS						
PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE	
WOODSRUN MIXED	ASH	808.00	Cd	15.59	12,596.10	
PRODUCTS	PAPER BIRCH	53.00	Cd	13.35	707.61	
	NORTHERN HARDWOODS	180.00	Cd	12.18	2,192.40	
	SUGAR MAPLE	116.00	Cd	16.04	1,860.64	
	BASSWOOD	131.00	Cd	14.63	1,916.05	
	PINE SPECIES	160.00	Cd	17.92	2,867.20	
	NORWAY PINE	156.00	Cd	28.64	4,467.44	
	JACK PINE	25.00	Cd	18.89	472.25	
	WHITE SPRUCE	60.00	Cd	23.66	1,419.60	
	BALSAM FIR	50.00	Cd	22.86	1,143.00	
WOODSRUN CORDWOOD	ASH	5.00	Cd	9.35	46.75	
	ASPEN SPECIES	5,007.00	Cd	28.01	140,242.76	
	TREMBLING ASPEN	7,641.00	Cd	40.38	308,517.39	
	PAPER BIRCH	388.00	Cd	12.90	5,006.03	
	NORTHERN HARDWOODS	40.00	Cd	8.35	334.00	
	RED MAPLE	123.00	Cd	12.52	1,540.42	
	BASSWOOD	7.00	Cd	11.22	78.54	
	WHITE SPRUCE	5.00	Cd	15.90	79.50	
	BALSAM FIR	734.00	Cd	15.62	11,464.47	
	BLACK SPRUCE	623.00	Cd	14.31	8,918.05	
	TAMARACK	235.00	Cd	7.27	1,709.52	
BIOMASS	ANY LISTED SPECIES (optional)	9,161.00	Tons	-	0.00	

TOTAL SOLD TRACTS CONVERTED TO CORDS: 16,547.00
TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS: \$407,940.50
TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS: \$507,579.72
TOTAL ACRES SOLD: 691.3

SOLD TRACT NUMBERS: 1, 2, 3, 4, 5, 7, 8, 9, 10, 11, 12, 13

TOTAL NUMBER OF TRACTS SOLD: 12

SUMMARY FOR <u>UNSOLD</u> TRACTS								
PRODUCT	SPECIES	TOTAL VOLUME	UNIT	APPRAISED AVERAGE UNIT PRICE	APPRAISED \$ VALUE			
WOODSRUN MIXED	ASH	75.00	Cd	9.07	680.25			
PRODUCTS	PAPER BIRCH	25.00	Cd	13.46	336.50			
	RED MAPLE	5.00	Cd	13.09	65.45			
	BASSWOOD	10.00	Cd	12.72	127.20			
WOODSRUN CORDWOOD	ASH	5.00	Cd	8.50	42.50			
	ASPEN SPECIES	55.00	Cd	19.84	1,091.20			
	BALSAM FIR	5.00	Cd	14.45	72.25			
	BLACK SPRUCE	90.00	Cd	14.45	1,300.50			
	TAMARACK	180.00	Cd	6.80	1,224.00			
BIOMASS	ANY LISTED SPECIES (optional)	236.00	Tons	1.04	245.10			

TOTAL UNSOLD TRACTS CONVERTED TO CORDS: 450.00
TOTAL APPRAISED DOLLAR VALUE OF UNSOLD TRACTS: \$ 4,939.85
TOTAL ACRES UNSOLD: 24.5

UNSOLD TRACT NUMBERS: 6, 14
TOTAL NUMBER OF TRACTS UNSOLD: 2