

MINNESOTA DEPARTMENT OF NATURAL RESOURCES DIVISION OF FORESTRY

NOTICE OF SALE OF STUMPAGE ON STATE LANDS IN THE FOLLOWING AREAS:

DEER RIVER AREA, AITKIN AREA, HIBBING AREA, TOWER AREA, CLOQUET AREA, TWO HARBORS AREA, LITTLEFORK AREA, NORTHEAST REGION

STATUS: COMPLETED REGULAR AUCTION - SALE #1 SEALED BID

Notice is hereby given that I offered for sale by sealed bid auction, timber belonging to the State of Minnesota. Bid forms were required to be submitted at the address listed on the bid form prior to 2:00 PM on Wednesday, January 17, 2018. All tracts were awarded at the Minnesota Discovery Center (Ironworld) at 9:30 AM on January 18th, 2018 in Chisholm, MN.

Some of the timber offered was certified by SFI or FSC or both. See the certification notes in the descriptions for the individual tracts for details.

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 SEALED BID TIMBER SALE DEER RIVER AREA, AITKIN AREA, HIBBING AREA, TOWER AREA, CLOQUET AREA, TWO HARBORS AREA, LITTLEFORK AREA, NORTHEAST REGION

SEALED BIDS MUST BE RECEIVED PRIOR TO 2:00 PM on January 17, 2018

Bids will be awarded at the following location:

Minnesota Discovery Center (Ironworld) at 9:30 AM on January 18th, 2018 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 the responsible bidder who bids the highest price for all timber species advertised for bidding on each tract. Bids must be submitted on bid forms provided by the State, each bid must be sealed in a separate envelope, the envelope must be clearly marked with the tract number and bidder's name on the outside of the envelope. Bid forms may be obtained from the Forestry Area Office(s) listed above. Bids may be submitted by mail or in person at any time during regular business hours prior to the bid submission deadline (January 17, 2018). 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)].

ADVANCE PAYMENT

- The advance payment of fifteen (15) percent of the appraised value of the timber is due within fourteen (14) days from the bid award date. Advance payments will not be accepted with the bid. Failure to provide the advance payment within 14 days of the bid opening date will result in forfeiture of the permit and the purchaser will be held liable for the advance payment. The successful bidders's advance payment will be kept on deposit by the State and applied against any billings for timber.

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 an advance payment and bid guarantee. Security can be furnished in the following forms: Corporate surety bond, 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 advance 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 advance 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 January 17, 2019, at the following Area Headquarters: Deer River Area, Aitkin Area, Hibbing Area, Tower Area, Cloquet Area, Two Harbors Area, Littlefork Area, Northeast Region.

TRACT B1 COUNTY: AITKIN

AREA: AITKIN AREA

ACRES: 197.1

Permit Number: B013854 Expiration Date: 05/31/2020

> Purchased By: Address:

		APPRAISED				BID:			
5	PECIES		PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	TAMARACK BLACK SPRUCE		WOODSRUN CORDWOOD WOODSRUN CORDWOOD	2,500.00 100.00		3.83 10.20	9,575.00 1,020.00	3.83 10.20	9,575.00 1,020.00
+	- BID SPECIES	*	SOLD ON APPRAISED VOLUME	Ą		SED TOTAL = PAYMENT =	\$10,595.00 \$1,589.25	BID TOTA	L = \$ 10,595.00

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

TAMARACK	PULPWOOD	660.00 Cd	3.83	2,527.80
ANY LISTED SPECIES	BIOMASS	940.00 Tons	1.00	940.00

Cutting and Felling:

- Harvest Tamarack and Black Spruce.

Season of Operations:

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

Sale Conditions:

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

Marketing Conditions:

Sale Location: From intersection of Aitkin Co. Hwy's 18 and 5, Go north on winter road 1.0 mile to old logging road. Sale is located 1.0-1.5 miles east through bog from this location.

Average tree: 6-8'; 3-4 stick. Some pockets of 9-11 inch wood.

Optional timber: 5-7"; 3 stick average. This timber, if purchased, will be sold at bid price.

Successful bidder will be supplied with GPS and digital georeferenced map for cutting lines.

Price Adjustments:

Road Construction Costs: -15% Haul Distance to Nearest Mill: 0% Stand Density: 0% Operational Constraints: 0% Other Price Factor: -10% (History of unsold tamarack in area)

Certification Note:

The timber on this tract is SFI and FSC certified.

Appraiser:

Matthew P. Huseby

AREA: CLOQUET AREA

TRACT B2 COUNTY: ST. LOUIS

Permit Number: B013855

Permit Number: B013855 Expiration Date: 05/31/2021 Purchased By: Address: UNSW SENIE SENIW SW/NE SW/NW of Section 36 T/

NENE,NESE,NESW,NWNE,NWSE,NWSW,SENE,SENW,SWNE,SWNW of Section 36 - Township 53, Range 19W.

				APPRAISED		BID:				
				UNIT		UNIT				
SPECIES	PRODUCT		UNIT		\$ VALUE	PRICE	\$ VALUE			
+ TAMARACK	WOODSRUN CORDWOOD	3,300.00	Cd	4.86	16,038.00	4.86	16,038.00			
+ BID SPECIES	✿ SOLD ON APPRAISED VOLUME			SED TOTAL = PAYMENT =	\$16,038.00 \$2,405.70	BID TOTA	L = \$ 16,038.00			
Optional Timber (may be purchased with an Added Timber Agreement):										
ANY LISTED SPEC	CIES BIOMASS	650.00	Tons	0.75	487.50					

Cutting and Felling:

- Harvest all merchantable tamarack to required top diameters.

- Reserve the 9-12 dominant large crowned tamarack seed trees per acre which have been painted pink. All white cedar and black spruce are also reserved.

Season of Operations:

- Frozen ground access only.
- Frozen ground access across state.

Slash Disposal:

- Biomass harvest is allowed on this permit. An Added Timber Agreement is required.

Sale Conditions:

- Access is across state land.

Marketing Conditions:

600 cords of tamarack fuelwood have been appraised as part of the woodsrun cordwood due to the larch beetle infestation. Fuelwood trees were live but in process of dying or standing dead and sound. Price has been Blended betweeen 82% cordwood and 18% fuelwood at \$5.00 a cord and then reduced by 25% due to the larch beetle infestation. Also a right-of-way permit may be required for access off of St. Louis County 46 (Agnew Rd). The winter access route has already been dozed into the landing.

Tamarack 10" Avg DBH 5-6 stick average.

Bolt percentage is estimated at 30% with some saw-timber also present in this over mature stand.

Price Adjustments:

Road Construction Costs: +10% Haul Distance to Nearest Mill: 0% Stand Density: 0% Operational Constraints: -10% Other Price Factor: -25% (I&D Larch Beetle)

Certification Note:

The timber on this tract is SFI and FSC certified.

ACRES: 156.0

Appraiser:

Wesley J. Habedank

(Appraisal ID 11117-0; Cutting Block ID 12971-0)

AREA: TWO HARBORS AREA

TRACT B3 COUNTY: LAKE

Permit Number: B013856 Expiration Date: 01/17/2023

Purchased By: Fjeran's Forest Prod.

Address: 1801 Hwy 3, Two Harbors, MN 55616

NENE, SENE of Section 20; NESE, SESE of Section 17; NENW, NWNW of Section 21; SESW, SWSW of Section 16 - Township 56, Range 11W.

NWSE, NWSW.SESW, SWSE, SWSW of Section 13; NENW, NWNW, SENW, SWNW of Section 10; SESE of Section 14; NENE, NESE, SENE, SESE, SWNE, SWSE of Section 19 - Township 56, Range 11W.

NWNW of Section 15;

NENE,NENW,NESE,NESW,NWNE,NWNW,NWSE,NWSW,SENE,SENW,SWNE,SWNW,SWSE of Section 16 - Township 56, Range 11W.

NESE, SENE, SWSE of Section 17 - Township 56, Range 11W.

GL06 of Section 18; NENW,NWNW,SENW,SWNW of Section 20; NENE of Section 19 - Township 56, Range 11W.

NENE, SENE, SESE of Section 8 - Township 56, Range 11W.

		APPRAISED				BID %: 13		
					UNIT		UNIT	
	SPECIES	PRODUCT	VOLUME	UNIT	PRICE	\$ VALUE	PRICE	\$ VALUE
+	ASPEN SPECIES	WOODSRUN CORDWOOD	6,625.00	Cd	26.35	174,568.75	29.78	197,292.50
+	MIXED SPRUCE	WOODSRUN MIXED PRODUCTS	6,530.00	Cd	19.68	128,510.40	22.24	145,227.20
+	JACK PINE	WOODSRUN MIXED PRODUCTS	3,466.00	Cd	26.81	92,923.46	30.30	105,019.80
+	BALSAM FIR	WOODSRUN CORDWOOD	3,046.00	Cd	14.45	44,014.70	16.33	49,741.18
+	NORWAY PINE	WOODSRUN MIXED PRODUCTS	2,079.00	Cd	51.59	107,255.61	58.30	121,205.70
	PAPER BIRCH	WOODSRUN MIXED PRODUCTS	1,439.00	Cd	13.20	18,994.80	13.20	18,994.80
	TAMARACK	WOODSRUN CORDWOOD	747.00	Cd	6.80	5,079.60	6.80	5,079.60
	NORTHERN HARDWOODS	WOODSRUN CORDWOOD	204.00	Cd	11.90	2,427.60	11.90	2,427.60
	+ BID SPECIES * S	SOLD ON APPRAISED VOLUME		APPRAIS	SED TOTAL =	\$573,774.92	BID TOTAL	= \$ 644,988.38

\$86.066.24

Mixed Species Description:

Aspen Species Woodsrun Cordwood includes: Balm of Gilead 1%; Trembling Aspen 99%. Mixed Spruce Woodsrun Mixed Products includes: Black Spruce 72%; White Spruce 28%. Northern Hardwoods Woodsrun Cordwood includes: Ash 1%; Red Maple 75%; Sugar Maple 24%.

Mixed Product Description:

Jack Pine Woodsrun Mixed Products includes: Bolts 58%; Pulpwood 39%; Sawtimber 3%. Mixed Spruce Woodsrun Mixed Products includes: Bolts 26%; Pulpwood 70%; Sawtimber 4%. Norway Pine Woodsrun Mixed Products includes: Pulpwood 24%; Sawtimber 76%. Paper Birch Woodsrun Mixed Products includes: Bolts 25%; Pulpwood 75%.

Cutting and Felling:

- Harvest aspen species, balsam fir, black spruce, white spruce, red maple, sugar maple and paper birch within the clearcut with reserves units identified on map. In the red pine thin units identified on map, harvest red pine down to 90 sq. ft./ac. Spacing between reserved trees is 21' by 21'. In the spruce thin unit identified on map, harvest all balsam fir and thin black and white spruce down to 90 sq. ft./ac (Cutting Block 4).

- Harvest aspen species, balsam fir, tamarack, spruce, paper birch, sugar maple, red maple and black ash (Cutting Block 5).

- Harvest aspen, balsam fir, spruce, and paper birch within the seed tree and clearcut w/ reserve units identified on map (Cutting Block 2).

ACRES: 951.0

ADVANCE PAYMENT =

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Cutting and Felling (Continued):

Harvest jack pine, aspen, balsam fir, and paper birch within the seed tree unit identified on map. In the spruce thin unit identified on map, harvest spruce down to 90 sq. ft./ac. Spacing between reserved trees is 21' by 21' (Cutting Block 3).
Harvest jack pine, aspen, balsam fir, and paper birch within the seed tree unit identified on map. Within the seed tree unit remove one third volume of norway pine as directed by TSA. In the red pine thin unit identified on map, harvest norway pine

down to 90 sq. ft./ac. Spacing between reserved trees is 21' by 21' (Cutting Block 6).

- Harvest jack pine, aspen, balsam fir, spruce, and paper birch within the seed tree units identified on map (Cutting Block 1).

- Multiple cutting block sale, see individual cutting blocks for specifications (Cutting Blocks 1, 2, 3, 4, 5, and 6).

- Reserve 3-5 paper birch per acre on upland stands. Reserve all yellow birch, white cedar, white pine, red pine and jack pine (Cutting Block 5).

- Reserve all hardwood species in the red pine and spruce thin stands identified on map (Cutting Block 4).

- Reserve white pine, tamarack, and 6 jack pine trees per acre within the seed tree unit, approximate spacing 85' by 85' or as directed by TSA (Cutting Block 3).

- Reserve white pine, tamarack, and 6 jack pine trees per acre within the seed tree unit, approximate spacing 85' by 85' or as directed by TSA. Reserve all hardwood species in red pine thin units (Cutting Block 6).

- Reserve white pine, tamarack, and 6 spruce trees per acre within the seed tree unit, approximate spacing 85' by 85' or as directed by TSA (Cutting Blocks 1 and 2).

- Full tree skidding required on sale operations during non-frozen soil conditions, except for thinning units (Cutting Blocks 1, 2, 3, and 6).

Season of Operations:

- Conduct sale operations on dry or frozen soil conditions only, except with written permission from State (Cutting Blocks 1, 2, 3, and 6).

- Conduct sale operations on frozen soil conditions only, except with written permission from State (Cutting Blocks 4 and 5).

- Frozen ground access across USFS, State and private (Cutting Blocks 4 and 5).

- No harvest May 30 - Oct 1. Wood turtle management area (Cutting Blocks 1 and 2).

- Portions of this cutting block (<10 acres) may be frozen ground harvest only. Contact TSA for more information (Cutting Block 3).

Sale Conditions:

- Access is across private and USFS land (Cutting Blocks 1, 2, 3, 4, 5, and 6).

- Permission to cross private land must be obtained by permittee (Cutting Blocks 1, 2, 3, 4, 5, and 6).

- Provisions of access and /or water crossing permits will become part of sale terms and conditions for this sale (Cutting Block 5).

- THIS TIMBER HARVEST PERMIT IS LOCATED ON US FOREST SERVICE LANDS. This state timber permit, authorized by the Minnesota Good Neighbor agreement, may be suspended, modified or cancelled if the Forest Service is required to interrupt or cancel operations due to a court order or to comply with NEPA or other legal sanction (Cutting Blocks 1, 2, 3, 4, and 6).

Marketing Conditions:

Access is across private, US Forest Service and State Lands. It is the permit holder's responsibility to obtain permission to cross private lands. There is an access agreement available for the permit holder and private landowner. Please contact the Two Harbors Area office for the Tentmakers Inc. (Erik Hofstad) contact information and a draft of the terms and conditions.

Averages

Norway pine: 15" DBH, 8 sticks Jack pine: 11" DBH, 7 sticks Mixed spruce: 9" DBH, 6 sticks Aspen: 13" DBH, 6 sticks Balsam fir: 8" DBH, 5 sticks Paper birch: 9" 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%

Certification Note:

The timber on this tract is from non-certified land.

Appraiser:

Trevor Karl Poyhonen

(Appraisal ID 13419-0; Cutting Block ID 15665-0, 15663-0, 15669-0, 15668-0, 15670-0, 15611-0)

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TRACT B4 COUNTY: KOOCHICHING

AREA: LITTLEFORK AREA

Permit Number: B013857 Expiration Date: 05/31/2019

> Purchased By: Address:

GL01,GL02,GL03,GL04,NESE,SENE,SENW,SWNE,SWNW of Section 2; NESW,NWSW,SENW,SWNW of Section 1 - Township 65, Range 26W.

GL01,GL02,NESW,NWSW,SENW,SWNW of Section 35 - Township 66, Range 26W.

					APPR	AISED	BID:	
					UNIT		UNIT	
1	SPECIES	PRODUCT	VOLUME	UNIT	PRICE	\$ VALUE	PRICE	\$ VALUE
+	TAMARACK	WOODSRUN CORDWOOD	8,660.00	Cd	6.80	58,888.00	6.80	58,888.00
+	BLACK SPRUCE	WOODSRUN CORDWOOD	740.00	Cd	14.45	10,693.00	14.45	10,693.00
	BALSAM FIR	WOODSRUN CORDWOOD	150.00	Cd	14.45	2,167.50	14.45	2,167.50
	ASPEN SPECIES	WOODSRUN CORDWOOD	50.00	Cd	26.15	1,307.50	26.15	1,307.50
	WHITE CEDAR	WOODSRUN CORDWOOD	50.00	Cd	5.10	255.00	5.10	255.00
	PAPER BIRCH	WOODSRUN CORDWOOD	30.00	Cd	11.90	357.00	11.90	357.00
	+ BID SPECIES * S	SOLD ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$73,668.00 \$11,050.20	BID TOTAI	_ = \$ 73,668.00

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

ANY LISTED SPECIES BIOMASS 3,000.00 Tons 1.00 3,000.00
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Mixed Species Description:

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

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

Sale Conditions:

- Access is across state and county land.
- Permission to cross county land must be obtained by permittee.
- The sale will expire 5/31/2019 due to larch beetle infestation.

Marketing Conditions:

Tamarack average 5 sticks and 9 inch d.b.h. Spruce average 4 sticks and 7 inch d.b.h.

Appraised by Keith Flood and Jon McDonald

Price Adjustments:

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

Certification Note:

The timber on this tract is SFI and FSC certified.

Appraiser:

Keith Flood

(Appraisal ID 12836-0; Cutting Block ID 15052-0)

TRACT B5 COUNTY: ST. LOUIS

AREA: TOWER AREA

Permit Number: B013858 Expiration Date: 05/31/2020

Purchased By: Boise White Paper LLC

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

NENE,NESE,NESW,NWSE,SENE,SENW,SESW,SWNE,SWSE of Section 16 - Township 66, Range 18W. NESW,NWSW,SWNW,SWSW of Section 16 - Township 66, Range 18W.

					APPR	AISED	BID %: 10	
	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
-	DFECIES					⇒ VALUE		VALUE
+	ASPEN SPECIES	WOODSRUN CORDWOOD	3,675.00	Cd	21.08	77,469.00	23.19	85,223.25
+	PINE SPECIES	WOODSRUN MIXED PRODUCTS	925.00	Cd	35.62	32,948.50	39.18	36,241.50
+	MIXED SPRUCE	WOODSRUN MIXED PRODUCTS	305.00	Cd	23.51	7,170.55	25.86	7,887.30
	NORTHERN HARDWOODS	WOODSRUN CORDWOOD	140.00	Cd	8.68	1,215.20	8.68	1,215.20
	BALSAM FIR	WOODSRUN CORDWOOD	70.00	Cd	11.56	809.20	11.56	809.20
4	BID SPECIES *	SOLD ON APPRAISED VOLUME		APPRAIS	SED TOTAL =	\$119,612.45	BID TOTAL	. = \$ 131,376.45

ADVANCE PAYMENT = \$17,941.87

ADVANCE PAYME

Mixed Species Description:

Aspen Species Woodsrun Cordwood includes: Largetooth Aspen 9%; Trembling Aspen 91%. Mixed Spruce Woodsrun Mixed Products includes: Black Spruce 1%; White Spruce 99%. Northern Hardwoods Woodsrun Cordwood includes: Ash 31%; Paper Birch 43%; Red Maple 26%. Pine Species Woodsrun Mixed Products includes: Jack Pine 1%; Norway Pine 22%; White Pine 77%.

Mixed Product Description:

Mixed Spruce Woodsrun Mixed Products includes: Bolts 55%; Pulpwood 22%; Sawtimber 23%. Pine Species Woodsrun Mixed Products includes: Bolts 21%; Pulpwood 15%; Sawtimber 64%.

Cutting and Felling:

- Multiple cutting block sale, see individual cutting blocks for specifications (Cutting Blocks 1 and 2).

Season of Operations:

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

Sale Conditions:

- Access is across USFS and State land (Cutting Blocks 1 and 2).
- Permission to cross USFS land must be obtained by permittee (Cutting Blocks 1 and 2).

Marketing Conditions:

Access on FR601 and 601A. FR601 groomed for snowmobiles. CB 1 is dry summer chance with trail improvement, CB 2 generally winter access on unimproved trails and new construction.

Aspen average 15"dbh (range 12-18") and 7-8 sticks. Pine average 24"dbh (range 18-30") and 7-8 sticks. White pine has blister rust with cull, salvage of sound product will be required. Spruce average 15"dbh (range 10-20") and 7 sticks. Base price reduced 20% for haul distance and operational constraints. Appraisers Dave Sopoci and David Tyler.

Price Adjustments:

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

Certification Note:

The timber on this tract is SFI and FSC certified.

Appraiser:

David T. Sopoci

(Appraisal ID 13405-0; Cutting Block ID 15633-0, 15636-0)

TRACT B6 COUNTY: KOOCHICHING

AREA: DEER RIVER AREA

Permit Number: B013859 Expiration Date: 05/31/2021

Purchased By: Michael H. Rieger

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

GL01 of Section 35; NWSE,SESW,SWSE of Section 27; GL04,NENE,NENW,NESE,NWNE,SENE,SWNE of Section 34 - Township 151, Range 27W.

			A			AISED	BID %: 56	
	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	ASPEN SPECIES	WOODSRUN CORDWOOD	5,450.00	Cd	25.95	141,427.50	40.48	220,616.00
	ASH	WOODSRUN MIXED PRODUCTS	300.00	Cd	9.00	2,700.00	9.00	2,700.00
	PAPER BIRCH	WOODSRUN CORDWOOD	40.00	Cd	11.90	476.00	11.90	476.00
	AMERICAN ELM	WOODSRUN CORDWOOD	10.00	Cd	5.10	51.00	5.10	51.00
	+ BID SPECIES * SOLD	ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$144,654.50 \$21,698.18	BID TOTAL	_ = \$ 223,843.00

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 10%; Trembling Aspen 90%.

Mixed Product Description:

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

Season of Operations:

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

Landings Roads and Trails:

- The existing access trail is to be left open and slash free when harvest operations are complete.

Sale Conditions:

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

Marketing Conditions:

This stand was thinned in 2005/2006. Aspen averages 4 1/2 sticks per tree, 9" DBH and 48 years old. Ash averages 4 sticks per tree.

Price Adjustments:

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

Certification Note:

The timber on this tract is SFI and FSC certified.

Appraiser:

Scott A. Bergloff

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

DEER RIVER AREA, AITKIN AREA, HIBBING AREA, TOWER AREA - ORR FIELD STATION, CLOQUET AREA, TWO HARBORS AREA, LITTLEFORK AREA, NORTHEAST REGION

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: January 17, 2018

01/17/2018 REGULAR AUCTION - SALE #1

DEER RIVER AREA, AITKIN AREA, HIBBING AREA, TOWER AREA, CLOQUET AREA, TWO HARBORS AREA, LITTLEFORK AREA, NORTHEAST REGION

	SUMMARY FOR SO	<u>OLD</u> TRACTS			
PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE
WOODSRUN MIXED	ASH	300.00	Cd	9.00	2,700.00
PRODUCTS	PAPER BIRCH	1,439.00	Cd	13.20	18,994.80
	PINE SPECIES	925.00	Cd	39.18	36,241.50
	NORWAY PINE	2,079.00	Cd	58.30	121,205.70
	JACK PINE	3,466.00	Cd	30.30	105,019.80
	MIXED SPRUCE	6,835.00	Cd	22.40	153,114.50
WOODSRUN CORDWOOD	AMERICAN ELM	10.00	Cd	5.10	51.00
	ASPEN SPECIES	15,750.00	Cd	31.94	503,131.75
	PAPER BIRCH	40.00	Cd	11.90	476.00
	NORTHERN HARDWOODS	344.00	Cd	10.59	3,642.80
	BALSAM FIR	3,116.00	Cd	16.22	50,550.38
	TAMARACK	747.00	Cd	6.80	5,079.60
BIOMASS	ANY LISTED SPECIES (optional)	2,700.00	Tons	-	0.00

TOTAL SOLD TRACTS CONVERTED TO CORDS:35,051.00TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS:\$ 838,041.87TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS:\$ 1,000,207.83TOTAL ACRES SOLD:1,371.0SOLD TRACT NUMBERS:3, 5, 6TOTAL NUMBER OF TRACTS SOLD:3

SUMMARY FOR UNSOLD TRACTS									
				APPRAISED					
		TOTAL		AVERAGE	APPRAISED				
PRODUCT	SPECIES	VOLUME	UNIT	UNIT PRICE	\$ VALUE				
WOODSRUN CORDWOOD	ASPEN SPECIES	50.00	Cd	26.15	1,307.50				
	PAPER BIRCH	30.00	Cd	11.90	357.00				
	BALSAM FIR	150.00	Cd	14.45	2,167.50				
	BLACK SPRUCE	840.00	Cd	13.94	11,713.00				
	TAMARACK	14,460.00	Cd	5.84	84,501.00				
	WHITE CEDAR	50.00	Cd	5.10	255.00				
PULPWOOD	TAMARACK (optional)	660.00	Cd	3.83	2,527.80				
BIOMASS	ANY LISTED SPECIES (optional)	4,590.00	Tons	0.96	4,427.50				
TOTAL UNS	OLD TRACTS CONVERTED TO CORDS:	15,580.00							
TOTAL APPRAISED	DOLLAR VALUE OF UNSOLD TRACTS:	\$ 100,301.00							
	TOTAL ACRES UNSOLD:	688.8							
	UNSOLD TRACT NUMBERS:	1, 2, 4							
	TOTAL NUMBER OF TRACTS UNSOLD:	3							