



MINNESOTA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY

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

STATUS: COMPLETED
REGULAR AUCTION - SALE #1
ORAL BID

Notice is hereby given that I offered for sale at public auction in Backus, MN at 10:00 AM on Thursday, May 24, 2018, timber belonging to the State of Minnesota. All tracts were offered at the Cass County Land Department Building in Backus, MN.

All of the timber offered was SFI and FSC certified.

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



The resource management of the Minnesota DNR's state forests and wildlife management areas meets the objectives of the SFI ® program (Certificate No. NSF-SFI-FM-6Y921) and the principles of the FSC ® certification standard (Certificate No. SCS-FM/COC-00088N).

FSC
100%



MINNESOTA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY
REGULAR AUCTION
ORAL BID TIMBER SALE
BACKUS AREA

10:00 AM on May 24, 2018
Cass County Land Department Building in Backus, MN

TERMS OF SALE

- This auction sale will be held according to Minnesota Statutes Sections 90.101 and 90.14. Timber shall be offered and sold by the same unit of measure as it was appraised. Sale shall be made to 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 May 24, 2019, at the following Area Headquarters: Backus Area.

TRACT B1

COUNTY: CASS

AREA: BACKUS AREA

ACRES: 47.5

Permit Number: B013913
Expiration Date: 05/31/2021

Purchased By: Sappi Cloquet LLC
Address: 20 N. 22nd Street PO Box 511, Cloquet, MN 55720

SESW,SWSE,SWSW of Section 10; NENW,NWNE,SENW,SWNW of Section 15 - Township 134, Range 30W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 60	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	WOODSRUN MIXED PRODUCTS	508.00	Cd	22.80	11,582.40	36.48	18,531.84
+ OAK SPECIES	WOODSRUN MIXED PRODUCTS	413.00	Cd	28.90	11,935.70	46.24	19,097.12
RED MAPLE	WOODSRUN CORDWOOD	49.00	Cd	12.35	605.15	12.35	605.15
PAPER BIRCH	WOODSRUN CORDWOOD	48.00	Cd	12.35	592.80	12.35	592.80
ASH	WOODSRUN CORDWOOD	6.00	Cd	9.50	57.00	9.50	57.00
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$24,773.05	BID TOTAL = \$ 38,883.91
				ADVANCE PAYMENT =		\$3,715.96	

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

ANY LISTED SPECIES BIOMASS 570.00 Tons 1.00 570.00

Mixed Species Description:

Aspen Species Woodsrun Mixed Products includes: Largetooth Aspen 90%; Trembling Aspen 10%.
Oak Species Woodsrun Mixed Products includes: Bur Oak 4%; Red Oak 96%.

Mixed Product Description:

Aspen Species Woodsrun Mixed Products includes: Bolts 17%; Pulpwood 83%.
Oak Species Woodsrun Mixed Products includes: Bolts 14%; Pulpwood 67%; Sawtimber 19%.

Cutting and Felling:

- Harvest all sale species 2" dbh and larger.

Season of Operations:

- No sale operations allowed between May 1st and June 30th , without written permission from State.
- Conduct sale operations on dry / frozen soil conditions only, except with written permission from State.

Sale Conditions:

- Access is across state land.
- Notice to begin harvest must be given at least five working days prior to the date they will commence roading operations due to recreation trail, between December 1st and March 31st.

Marketing Conditions:

Two different access routes will be needed to access all cutting areas, one off County Highway 1 and the other off the Walkingstick MMR.
Aspen will average 12" dbh and 6 sticks, oak will average 14" and 5 sticks.

Price Adjustments:

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

Appraiser:

William H. Salo

(Appraisal ID 13424-0; Cutting Block ID 15642-0)

TRACT B2

COUNTY: CASS

AREA: BACKUS AREA

ACRES: 24.1

Permit Number: B013914
Expiration Date: 05/31/2019

Purchased By:
Address:

UNSOLD

NWSE,SWNE of Section 13; NESE,SENE of Section 11; NWSW,SWNW of Section 12 - Township 134, Range 30W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID:	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	PULPWOOD	200.00	Cd	9.60	1,920.00	9.60	1,920.00
+ PAPER BIRCH	PULPWOOD	140.00	Cd	5.20	728.00	5.20	728.00
+ WHITE PINE	PULPWOOD	100.00	Cd	4.40	440.00	4.40	440.00
+ NORWAY PINE	PULPWOOD	50.00	Cd	4.40	220.00	4.40	220.00
+ OAK SPECIES	PULPWOOD	50.00	Cd	7.20	360.00	7.20	360.00
+ RED MAPLE	PULPWOOD	50.00	Cd	5.20	260.00	5.20	260.00
+ JACK PINE	PULPWOOD	20.00	Cd	4.40	88.00	4.40	88.00

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL =	\$4,016.00	BID TOTAL = \$	4,016.00
ADVANCE PAYMENT =	\$602.40		

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

ANY LISTED SPECIES	BIOMASS	550.00 Tons	1.00	550.00
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Mixed Species Description:

Oak Species Pulpwood includes: Bur Oak 30%; Red Oak 70%.

Cutting and Felling:

- Reserve unmarked and undamaged trees, except aspen and paper birch, as well as any trees within pockets of dense pine regeneration in cutting block 1.
- Trees broken off >20' in cutting block 1 & 2 will be reserved.
- Reserve all unmarked and undamaged trees in cutting block 2.
- Damaged reserve trees will be charged according to the liquidated damages schedule. Damage is defined as 10% of stem circumference and greater than 30% of live crown.
- Damaged timber is defined as trees which are tipped, broken at <20' in height, or with canopy damage >30%.

Season of Operations:

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

Sale Conditions:

- Access is across state and private land.
- Permission to cross private land must be obtained by permittee.
- The sale will expire in 1 year due to utilization of blowdown timber.

Marketing Conditions:

This is a salvage sale, with >50% of the permit from the 2015 windstorm. Price has been reduced 60%. Cutting block 1 is both salvage removal and opening the stand to promote and enhance existing pockets of 8-12' white pine regeneration. Falling, skidding, and slash management will be tailored to protect these pockets. Cutting block 2 is salvage removal and a thinning, where necessary.

95% of the White Pine is blowdown, majority of which is root tipped, averages 14" diameter & 6 sticks.

60% of the Aspen is blowdown, majority of which is broken off at 15', averages 11", 7 sticks.

40% of Paper birch is blowdown, majority is broken off, averages 8", 5 sticks.

Purchase of biomass is highly encouraged, but a % may be past the point of utilization due to deterioration.

Access is across existing trails on state and private land.

Price Adjustments:

Road Construction Costs: 0%

Haul Distance to Nearest Mill: 0%

Stand Density: 0%

Operational Constraints: 0%

Other Price Factor: -60% (salvage timber)

Appraiser:

Karla Regina Sandstrom

(Appraisal ID 13501-0; Cutting Block ID 15711-0)

TRACT B3 COUNTY: CASS AREA: BACKUS AREA ACRES: 30.6

Permit Number: B013915
Expiration Date: 05/31/2021

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

SESE of Section 30; NENE,NWNE of Section 31 - Township 137, Range 31W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	PULPWOOD	115.00	Cd	21.60	2,484.00	21.60	2,484.00
+ MAPLE SPECIES	PULPWOOD	106.00	Cd	10.71	1,135.26	10.71	1,135.26
+ OAK SPECIES	PULP & BOLTS	80.00	Cd	17.65	1,412.00	17.65	1,412.00
+ PAPER BIRCH	PULP & BOLTS	55.00	Cd	14.20	781.00	14.20	781.00
NORWAY PINE	PULP & BOLTS	15.00	Cd	26.90	403.50	26.90	403.50
BASSWOOD	PULP & BOLTS	14.00	Cd	11.48	160.72	11.48	160.72

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$6,376.48 BID TOTAL = \$ 6,376.48
 ADVANCE PAYMENT = \$956.47

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

ANY LISTED SPECIES BIOMASS 172.00 Tons 1.00 172.00

Mixed Species Description:

Aspen Species Pulpwood includes: Largetooth Aspen 90%; Trembling Aspen 10%.
Maple Species Pulpwood includes: Red Maple 60%; Sugar Maple 40%.
Oak Species Pulp & Bolts includes: Bur Oak 40%; Red Oak 60%.

Mixed Product Description:

Basswood Pulp & Bolts includes: Bolts 50%; Pulpwood 50%.
Norway Pine Pulp & Bolts includes: Bolts 70%; Pulpwood 30%.
Oak Species Pulp & Bolts includes: Bolts 20%; Pulpwood 80%.
Paper Birch Pulp & Bolts includes: Bolts 40%; Pulpwood 60%.

Cutting and Felling:

- Harvest all ORANGE painted trees and all maple under 10" DBH.
- Full tree or tree length skidding required for silviculture purposes.

Season of Operations:

- Conduct sale operations on dry / 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 land.

Marketing Conditions:

Sale is located off the Snoway 1, SE of Spider Lake.
Stand has been thinned to a basal area of 80 square feet.
Skids may have to be cut into shorter lengths to avoid damage to residuals.

Price Adjustments:

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

Appraiser:

Brody J. Geiselman

(Appraisal ID 13505-0; Cutting Block ID 15778-0)

TRACT B4

COUNTY: CROW WING

AREA: BACKUS AREA

ACRES: 52.2

Permit Number: B013916
Expiration Date: 05/31/2021

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

NENW,NWNW,SWNW of Section 13 - Township 138, Range 29W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 12	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	WOODSRUN CORDWOOD	1,176.00	Cd	24.00	28,224.00	26.88	31,610.88
+ NORTHERN HARDWOODS	WOODSRUN MIXED PRODUCTS	225.00	Cd	15.95	3,588.75	17.86	4,018.50
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$31,812.75	BID TOTAL = \$ 35,629.38
				ADVANCE PAYMENT =		\$4,771.91	

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

ANY LISTED SPECIES BIOMASS 846.00 Tons 1.00 846.00

Mixed Species Description:

Northern Hardwoods Woodsrun Mixed Products includes: Ash 5%; Basswood 10%; Bur Oak 22%; Paper Birch 10%; Red Maple 42%; Red Oak 9%; Sugar Maple 2%.

Mixed Product Description:

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

Cutting and Felling:

- Harvest all aspen, oak, maple, basswood, ash, and paper birch.

Season of Operations:

- Frozen ground access only.

Sale Conditions:

- Access is across county and State or private land.
- Permission to cross county or private land must be obtained by permittee.
- Provisions of access and /or water crossing permits will become part of sale terms and conditions for this sale.

Marketing Conditions:

Aspen averages 7-9" DBH and 5-6 sticks.
Oak averages 11-13" DBH and 5-6 sticks.
Maple averages 6-8" DBH and 4-5 sticks.
Access is off Ramsey road unless accessed across private.
Sale is located to the NE of Pine River.

Price Adjustments:

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

Appraiser:

Brody J. Geiselman

TRACT B5

COUNTY: CASS

AREA: BACKUS AREA

ACRES: 24.7

Permit Number: B013917
Expiration Date: 05/31/2021

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

NWNW,SWNW of Section 22; SENE of Section 21 - Township 138, Range 31W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 25	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	PULPWOOD	862.00	Cd	26.40	22,756.80	33.00	28,446.00
BALSAM FIR	PULP & BOLTS	27.00	Cd	19.52	527.04	19.52	527.04
NORTHERN HARDWOODS	PULPWOOD	21.00	Cd	14.38	301.98	14.38	301.98
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$23,585.82	BID TOTAL = \$	29,275.02
				ADVANCE PAYMENT =	\$3,537.87		

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

ANY LISTED SPECIES BIOMASS 545.00 Tons 1.00 545.00

Mixed Species Description:

Aspen Species Pulpwood includes: Largetooth Aspen 5%; Trembling Aspen 95%.
Northern Hardwoods Pulpwood includes: Ash 29%; Basswood 17%; Bur Oak 36%; Paper Birch 16%; Red Maple 2%.

Mixed Product Description:

Balsam Fir Pulp & Bolts includes: Bolts 25%; Pulpwood 75%.

Cutting and Felling:

- Harvest all aspen species, balsam fir, paper birch, red maple, basswood, ash species and bur oak north of yellow paint line. South of yellow paint line harvest all aspen species, bur oak <9" DBH, basswood and ash species.

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:

Access is off of 60th Ave. from Co. Rd. 2 west of Pine River. An existing road goes to the stand and was previously opened during the winter of 2017-2018. The one wetland crossing is right before the stand. The crossing would require freezing below a beaver dam or using billets to cross the creek at a non-frozen time of year.

Appraiser Is Jake Corty

Price Adjustments:

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

Appraiser:

Darren S. Bundy

TRACT B6

COUNTY: CASS

AREA: BACKUS AREA

ACRES: 148.1

Permit Number: B013918
Expiration Date: 05/31/2021

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

GL03, GL04, NENW, NESW, NWNW, NWSW, SENW, SESW, SWNW, SWSW of Section 36 - Township 138, Range 32W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 91	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ PINE SPECIES	PULP & BOLTS	1,790.00	Cd	14.53	26,008.70	27.75	49,672.50
+ TREMBLING ASPEN	PULPWOOD	154.00	Cd	22.80	3,511.20	43.55	6,706.70
NORTHERN HARDWOODS	PULPWOOD	65.00	Cd	15.06	978.90	15.06	978.90
BALSAM FIR	PULPWOOD	8.00	Cd	14.25	114.00	14.25	114.00
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$30,612.80	BID TOTAL = \$	57,472.10
				ADVANCE PAYMENT =	\$4,591.92		

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

ANY LISTED SPECIES BIOMASS 266.00 Tons 1.00 266.00

Mixed Species Description:

Northern Hardwoods Pulpwood includes: Bur Oak 20%; Paper Birch 40%; Red Maple 3%; Red Oak 37%.
Pine Species Pulp & Bolts includes: Jack Pine 22%; Norway Pine 77%; White Pine 1%.

Mixed Product Description:

Pine Species Pulp & Bolts includes: Bolts 38%; Pulpwood 62%.

Cutting and Felling:

- Harvest every 5th row and thin in between to target BA. If unable to see rows, harvest all species within a 12-14' access strip and space them every 40-50'. Thin between strips as necessary to a target BA of 100 sqft in north stands and 110 sqft in south stand by removing poor quality and suppressed trees to release dominant, well-formed, single topped trees. Selection should be systematic throughout thinning areas and not in clumps, to provide equal spacing between crop/reserve trees. Only harvest aspen, birch and oak directly competing with pine. In areas directed by forester, jack pine will be reserved (favored) over red pine. In clear cut areas, harvest all red pine, jack pine, aspen, oak, birch, maple and balsam fir while reserving all white pine and trees marked with yellow paint.
- In thinning areas, forwarding or tree length skidding only. No skidding with branches allowed. Trees may have to be cut into shorter lengths before skidding.

Season of Operations:

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

Slash Disposal:

- In thinning areas, lop and scatter slash evenly over the harvest site to within 2 ft of the ground. In clearcut areas, biomass is allowed. If biomass is not purchased, tightly pile slash on landings as designated by TSA. Piles should be free of dirt, stumps, root wads, and prohibited materials. Piles should be placed a minimum of 50 feet from standing timber.

Landings Roads and Trails:

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

Sale Conditions:

- Access is across state land. Best access to parts of sale is across private land. Permission to cross private land must be obtained by permittee.

Marketing Conditions:

Sale is 12.5 miles west of Pine River and 1 mile east of State Hwy 64.

Price Adjustments:

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

Appraiser:

Elena A. Teich

(Appraisal ID 13850-0; Cutting Block ID 15690-0)

TRACT B7 COUNTY: CASS AREA: BACKUS AREA ACRES: 81.0

Permit Number: B013919
Expiration Date: 05/31/2021

Purchased By: Rajala Timber Company
Address: PO Box 217, Deer River, MN 56636

NWNW,SWNW of Section 14 - Township 139, Range 25W.
NESE,SESE,SESW,SWSE of Section 16; NENW,NWNW of Section 21 - Township 139, Range 25W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 49	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	WOODSRUN CORDWOOD	1,418.00	Cd	26.40	37,435.20	39.34	55,784.12
+ NORWAY PINE	WOODSRUN MIXED PRODUCTS	300.00	Cd	29.03	8,709.00	43.25	12,975.00
+ BALSAM FIR	WOODSRUN MIXED PRODUCTS	183.00	Cd	19.53	3,573.99	29.10	5,325.30
+ RED OAK	WOODSRUN MIXED PRODUCTS	150.00	Cd	23.06	3,459.00	34.36	5,154.00
+ MAPLE SPECIES	WOODSRUN CORDWOOD	120.00	Cd	14.30	1,716.00	21.31	2,557.20
PAPER BIRCH	WOODSRUN MIXED PRODUCTS	65.00	Cd	15.22	989.30	15.22	989.30
WHITE SPRUCE	WOODSRUN MIXED PRODUCTS	25.00	Cd	22.09	552.25	22.09	552.25
ASH	WOODSRUN CORDWOOD	2.00	Cd	11.00	22.00	11.00	22.00

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$56,456.74
ADVANCE PAYMENT = \$8,468.51
BID TOTAL = \$ 83,359.17

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

ANY LISTED SPECIES BIOMASS 1,000.00 Tons 1.00 1,000.00

Mixed Species Description:

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

Mixed Product Description:

Balsam Fir Woodsrun Mixed Products includes: Bolts 25%; Pulpwood 75%.
Norway Pine Woodsrun Mixed Products includes: Bolts 57%; Pulpwood 43%.
Paper Birch Woodsrun Mixed Products includes: Bolts 12%; Pulpwood 88%.
Red Oak Woodsrun Mixed Products includes: Bolts 37%; Pulpwood 63%.
White Spruce Woodsrun Mixed Products includes: Bolts 16%; Pulpwood 84%.

Cutting and Felling:

- Harvest all orange marked trees and sugar maple 10" or less (Cutting Block 2).
- Harvest all trembling aspen, paper birch, balsam fir, white spruce, sugar maple, red oak and orange marked red pine (Cutting Block 1).
- Reserve all unmarked red pine (Cutting Block 1).
- Reserve all unmarked trees (Cutting Block 2).

Season of Operations:

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

Slash Disposal:

- If biomass is purchased with an Added Timber Agreement, 20% of the tops and limbs must be left on the site or hauled back from the landing and redistributed in the general harvest area. This percentage may be adjusted up or down to meet the 1/3 retention goal if incidental breakage is more or less than 10-15% (Cutting Blocks 1 and 2).

Landings Roads and Trails:

Landings Roads and Trails (Continued):

- The location and construction of all roads and landings must be pre-approved by the State (Cutting Blocks 1 and 2).
- 5 working days notice must be given prior to road operations due to recreation trail (Cutting Block 2).

Sale Conditions:

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

Marketing Conditions:

This sale is located east of Outing, MN 6 miles.

Half of cutting block 1 is frozen ground access only. This block is a clear cut.

Cutting block 2 is dry access and is a marked hardwood thinning.

Trembling aspen 5 stick average 9" DBH average

Norway pine 6 stick average 10" DBH average

Red oak 4 stick average 12" DBH average

Paper birch 3 stick average 7" inch DBH average

Price Adjustments:

Road Construction Costs: 0%

Haul Distance to Nearest Mill: +5%

Stand Density: +5%

Operational Constraints: 0%

Other Price Factor: 0%

Appraiser:

Cody Crawford

TRACT B8 COUNTY: CASS AREA: BACKUS AREA ACRES: 30.7

Permit Number: B013920
 Expiration Date: 05/31/2021

Purchased By: Croatt Enterprises Inc.
 Address: PO Box 821087 State 6 NE, Outing, MN 56662

NESE,NESW,NWSE,SESW,SWSE of Section 36 - Township 139, Range 26W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 60	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ RED OAK	PULP & BOLTS	537.00	Cd	22.26	11,953.62	35.62	19,127.94
+ ASPEN SPECIES	PULPWOOD	373.00	Cd	25.20	9,399.60	40.32	15,039.36
+ MAPLE SPECIES	PULPWOOD	132.00	Cd	13.65	1,801.80	21.84	2,882.88
PAPER BIRCH	PULP & BOLTS	28.00	Cd	15.85	443.80	15.85	443.80
ASH	PULPWOOD	2.00	Cd	10.50	21.00	10.50	21.00
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$23,619.82	BID TOTAL = \$	37,514.98
				ADVANCE PAYMENT =	\$3,542.97		

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

ANY LISTED SPECIES BIOMASS 633.00 Tons 1.00 633.00

Mixed Species Description:

Aspen Species Pulpwood includes: Largetooth Aspen 60%; Trembling Aspen 40%.
 Maple Species Pulpwood includes: Red Maple 30%; Sugar Maple 70%.

Mixed Product Description:

Paper Birch Pulp & Bolts includes: Bolts 30%; Pulpwood 70%.
 Red Oak Pulp & Bolts includes: Bolts 40%; Pulpwood 60%.

Cutting and Felling:

- Harvest all red oak, aspen species, maple species, paper birch and ash species.
- Reserve all orange painted trees.
- Full tree skidding encouraged. If operator doesn't have a skidder, any means can be used to obtain scarified soil as long as 80% of soil is scuffed up or exposed.

Season of Operations:

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

Landings Roads and Trails:

- A minimum of four inches of snow must be left on the recreation trail from Dec. 1 - March 31.
- Due to snowmobile trail 5 weekdays notice prior to road operations is required.

Sale Conditions:

- Access is across state land.

Marketing Conditions:

This sale is located east of Outing, MN and SE of Lawrence Lake. Access is through State land on approximately 0.75 miles of snowmobile and 1 mile of previously used access route. This sale is an oak shelterwood and there are approximately 10 leave trees per acre left throughout the sale area.

Appraiser is Jake Corty

Price Adjustments:

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

Stand Density: +10%
Operational Constraints: -5%
Other Price Factor: 0%

Appraiser:

Darren S. Bundy

(Appraisal ID 13633-0; Cutting Block ID 16010-0)

TRACT B9 COUNTY: CASS AREA: BACKUS AREA ACRES: 85.2

Permit Number: B013921
Expiration Date: 05/31/2021

Purchased By: Stangler Logging
Address: 7287 - 124th Street NE, Deer River, MN 56636

GL04 of Section 15 - Township 141, Range 27W.
NWSW,SWSW of Section 4; NENE of Section 18; GL10,GL11 of Section 9; NWNW of Section 8 - Township 141, Range 27W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 30	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	PULPWOOD	551.00	Cd	24.00	13,224.00	31.20	17,191.20
+ OAK SPECIES	PULP & BOLTS	342.00	Cd	20.04	6,853.68	26.05	8,909.10
+ PAPER BIRCH	PULP & BOLTS	298.00	Cd	14.70	4,380.60	19.11	5,694.78
+ BASSWOOD	PULP & BOLTS	258.00	Cd	10.18	2,626.44	13.23	3,413.34
+ MAPLE SPECIES	PULPWOOD	211.00	Cd	13.00	2,743.00	16.90	3,565.90
BALSAM FIR	PULPWOOD	90.00	Cd	15.00	1,350.00	15.00	1,350.00
ASH	PULP & BOLTS	89.00	Cd	11.27	1,003.03	11.27	1,003.03
JACK PINE	PULP & BOLTS	38.00	Cd	21.80	828.40	21.80	828.40
MIXED SPRUCE	PULP & BOLTS	16.00	Cd	21.34	341.44	21.34	341.44
NORWAY PINE	PULP & BOLTS	5.00	Cd	21.80	109.00	21.80	109.00

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$33,459.59
ADVANCE PAYMENT = \$5,018.94
BID TOTAL = \$ 42,406.19

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

ANY LISTED SPECIES BIOMASS 1,097.00 Tons 1.00 1,097.00

Mixed Species Description:

Aspen Species Pulpwood includes: Largetooth Aspen 10%; Trembling Aspen 90%.
Maple Species Pulpwood includes: Red Maple 52%; Sugar Maple 48%.
Mixed Spruce Pulp & Bolts includes: Black Spruce 10%; White Spruce 90%.
Oak Species Pulp & Bolts includes: Bur Oak 58%; Red Oak 42%.

Mixed Product Description:

Ash Pulp & Bolts includes: Bolts 18%; Pulpwood 82%.
Basswood Pulp & Bolts includes: Bolts 36%; Pulpwood 64%.
Jack Pine Pulp & Bolts includes: Bolts 40%; Pulpwood 60%.
Mixed Spruce Pulp & Bolts includes: Bolts 30%; Pulpwood 70%.
Norway Pine Pulp & Bolts includes: Bolts 40%; Pulpwood 60%.
Oak Species Pulp & Bolts includes: Bolts 26%; Pulpwood 74%.
Paper Birch Pulp & Bolts includes: Bolts 24%; Pulpwood 76%.

Cutting and Felling:

- Harvest aspen, oak, paper birch, red maple, ash, balsam fir, basswood, jack pine, spruce, and yellow painted norway pine (Cutting Block 1).
- Harvest oak, basswood, maple, paper birch, aspen and ash. In RMZ, only remove orange painted trees (Cutting Block 2).
- Reserve all elm, white pine, black cherry, cedar, and all YELLOW painted oak. In the stand located in section 9, reserve all oak (Cutting Block 1).
- Reserve all pine and trees marked with a blue X (Cutting Block 2).

Season of Operations:

- Conduct sale operations on frozen soil conditions only, except with written permission from State (Cutting Blocks 1 and 2).
- Frozen ground access across county and USFS (Cutting Blocks 1 and 2).

Sale Conditions:

- Access is across county, USFS, and State land (Cutting Blocks 1 and 2).
- Permission to cross county land must be obtained by permittee (Cutting Blocks 1 and 2).
- State will apply for USFS permit; Provisions of access and /or water crossing permits will become part of sale terms and conditions for this sale (Cutting Blocks 1 and 2).

Marketing Conditions:

Aspen averages 12-14" DBH and 6 sticks.
Oak averages 10-13" DBH and 5 sticks.
Paper Birch averages 10-13" DBH and 5-6 sticks.
Red maple averages 8-10" DBH and 4-5 sticks.
Balsam Fir averages 10-12" DBH and 4 sticks.
Basswood averages 11-12" DBH and 4-5 sticks.

Sale is located NE of Longville near the intersection of Hwy 200 and the Boy River. Sale is comprised of 5 separate cutting areas that will require moving equipment on transport.

Price Adjustments:

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

Appraiser:

Brody J. Geiselman

(Appraisal ID 13665-0; Cutting Block ID 15775-0, 16317-0)

TRACT B10

COUNTY: CASS

AREA: BACKUS AREA

ACRES: 51.7

Permit Number: B013922
Expiration Date: 05/31/2021

Purchased By: Rajala Timber Company
Address: PO Box 217, Deer River, MN 56636

GL02, GL03, NWSE, SENW, SWNE of Section 2 - Township 145, Range 27W.
SWSE of Section 35 - Township 146, Range 27W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 46	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ PINE SPECIES	WOODSRUN MIXED PRODUCTS	415.00	Cd	39.95	16,579.25	58.33	24,206.95
+ TAMARACK	WOODSRUN MIXED PRODUCTS	225.00	Cd	9.20	2,070.00	13.43	3,021.75
+ NORTHERN HARDWOODS	WOODSRUN CORDWOOD	210.00	Cd	14.44	3,032.40	21.08	4,426.80
+ BLACK SPRUCE	WOODSRUN CORDWOOD	100.00	Cd	17.00	1,700.00	24.82	2,482.00
+ BALSAM FIR	WOODSRUN CORDWOOD	55.00	Cd	15.00	825.00	15.00	825.00
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$24,206.65	
				ADVANCE PAYMENT =		\$3,631.00	
						BID TOTAL = \$ 34,962.50	

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

ANY LISTED SPECIES BIOMASS 450.00 Tons 1.00 450.00

Mixed Species Description:

Northern Hardwoods Woodsrun Cordwood includes: Ash 36%; Paper Birch 17%; Red Maple 17%; Red Oak 13%; Trembling Aspen 17%.

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

Mixed Product Description:

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

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

Cutting and Felling:

- Harvest tamarack, black spruce, ash, balsam fir, paper birch, red maple, red oak, aspen, jack pine, and norway pine.
- 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 USFS and State land.
- State will apply for USFS permit; provisions of access and /or water crossing permits will become part of sale terms and conditions for this sale.

Marketing Conditions:

Tamarack averages 7-10" DBH and 4-5 sticks.
Spruce averages 5-8" DBH and 3-4 sticks.
Norway pine averages 14-18" DBH and 9 sticks.
Sale is located south of the Winnibigoshish Dam off of county road 9.
Summer chance for most southern stand.
Biomass is not allowed in tamarack and black spruce portions of the sale.

Price Adjustments:

Road Construction Costs: +5%

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

Appraiser:

Brody J. Geiselman

(Appraisal ID 13623-0; Cutting Block ID 15953-0)

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

BACKUS AREA

The right is reserved to reject any and all bids.

For the Commissioner
MINNESOTA DEPARTMENT OF NATURAL RESOURCES

By: _____
Authorized Signature
Division Of Forestry
Dated: May 24, 2018

- SUMMARY SHEET -

05/24/2018 REGULAR AUCTION - SALE #1

COMPLETED - DATA AS OF 05/24/2018

BACKUS AREA

SUMMARY FOR SOLD TRACTS

<u>PRODUCT</u>	<u>SPECIES</u>	<u>TOTAL VOLUME</u>	<u>UNIT</u>	<u>SOLD AVERAGE UNIT PRICE</u>	<u>TOTAL SOLD \$ VALUE</u>
PULP & BOLTS	ASH	89.00	Cd	11.27	1,003.03
	PAPER BIRCH	381.00	Cd	18.16	6,919.58
	BASSWOOD	272.00	Cd	13.14	3,574.06
	OAK SPECIES	422.00	Cd	24.46	10,321.10
	RED OAK	537.00	Cd	35.62	19,127.94
	PINE SPECIES	1,790.00	Cd	27.75	49,672.50
	NORWAY PINE	20.00	Cd	25.63	512.50
	JACK PINE	38.00	Cd	21.80	828.40
	BALSAM FIR	27.00	Cd	19.52	527.04
	MIXED SPRUCE	16.00	Cd	21.34	341.44
WOODSRUN MIXED PRODUCTS	ASPEN SPECIES	508.00	Cd	36.48	18,531.84
	PAPER BIRCH	65.00	Cd	15.22	989.30
	NORTHERN HARDWOODS	225.00	Cd	17.86	4,018.50
	OAK SPECIES	413.00	Cd	46.24	19,097.12
	RED OAK	150.00	Cd	34.36	5,154.00
	PINE SPECIES	415.00	Cd	58.33	24,206.95
	NORWAY PINE	300.00	Cd	43.25	12,975.00
	WHITE SPRUCE	25.00	Cd	22.09	552.25
	BALSAM FIR	183.00	Cd	29.10	5,325.30
	TAMARACK	225.00	Cd	13.43	3,021.75
WOODSRUN CORDWOOD	ASH	8.00	Cd	9.88	79.00
	TREMBLING ASPEN	2,594.00	Cd	33.69	87,395.00
	PAPER BIRCH	48.00	Cd	12.35	592.80
	MAPLE SPECIES	120.00	Cd	21.31	2,557.20
	NORTHERN HARDWOODS	210.00	Cd	21.08	4,426.80
	RED MAPLE	49.00	Cd	12.35	605.15
	BALSAM FIR	55.00	Cd	15.00	825.00
	BLACK SPRUCE	100.00	Cd	24.82	2,482.00
PULPWOOD	ASH	2.00	Cd	10.50	21.00
	ASPEN SPECIES	1,901.00	Cd	33.22	63,160.56
	TREMBLING ASPEN	154.00	Cd	43.55	6,706.70
	MAPLE SPECIES	449.00	Cd	16.89	7,584.04
	NORTHERN HARDWOODS	86.00	Cd	14.89	1,280.88
	BALSAM FIR	98.00	Cd	14.94	1,464.00
BIOMASS	ANY LISTED SPECIES (optional)	5,579.00	Tons	-	0.00

TOTAL SOLD TRACTS CONVERTED TO CORDS: 11,975.00
TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS: \$ 254,903.70
TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS: \$ 365,879.73
TOTAL ACRES SOLD: 551.7
SOLD TRACT NUMBERS: 1, 3, 4, 5, 6, 7, 8, 9, 10
TOTAL NUMBER OF TRACTS SOLD: 9

SUMMARY FOR UNSOLD TRACTS

<u>PRODUCT</u>	<u>SPECIES</u>	<u>TOTAL VOLUME</u>	<u>UNIT</u>	<u>APPRAISED AVERAGE UNIT PRICE</u>	<u>APPRAISED \$ VALUE</u>
PULPWOOD	TREMBLING ASPEN	200.00	Cd	9.60	1,920.00
	PAPER BIRCH	140.00	Cd	5.20	728.00
	RED MAPLE	50.00	Cd	5.20	260.00
	OAK SPECIES	50.00	Cd	7.20	360.00
	WHITE PINE	100.00	Cd	4.40	440.00

- SUMMARY SHEET (Continued) -

SUMMARY FOR UNSOLD TRACTS

PRODUCT	SPECIES	TOTAL VOLUME	UNIT	APPRAISED AVERAGE UNIT PRICE	APPRAISED \$ VALUE
	NORWAY PINE	50.00	Cd	4.40	220.00
	JACK PINE	20.00	Cd	4.40	88.00
BIOMASS	<i>ANY LISTED SPECIES (optional)</i>	550.00	Tons	1.00	550.00

TOTAL UNSOLD TRACTS CONVERTED TO CORDS: 610.00
TOTAL APPRAISED DOLLAR VALUE OF UNSOLD TRACTS: \$ 4,016.00
TOTAL ACRES UNSOLD: 24.1
UNSOLD TRACT NUMBER: 2
TOTAL NUMBER OF TRACTS UNSOLD: 1