



MINNESOTA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY

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

STATUS: COMPLETED
INTERMEDIATE AUCTION - SALE #2
ORAL BID

Notice is hereby given that I offered for sale at public auction in Orr, MN at 9:15 AM on Wednesday, May 30, 2018, timber belonging to the State of Minnesota. All tracts were offered at the Orr American Legion in Orr, 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
INTERMEDIATE AUCTION
ORAL BID TIMBER SALE
TOWER AREA

9:15 AM on May 30, 2018
Orr American Legion in Orr, MN

TERMS OF SALE

- This auction sale will be held according to Minnesota Statutes Sections 90.101 and 90.14. Timber shall be offered and sold by the same unit of measure as it was appraised. Sale shall be made to whoever bids the highest price for all timber species advertised for bidding on each tract. Bidding over the appraised price shall be by increments of one (1) percent or more. The percent bid up will be added to the appraised price of each species indicated as a bid species by a plus symbol (+) on the Notice of Sale. Any or all bids may be rejected and sales canceled for good and sufficient reasons.

REGISTRATION AND ELIGIBLE BIDDERS

- Interested persons must be registered at least four (4) business days prior to the auction by submitting an *Annual Timber Sales Purchaser Registration* form. No bid will be accepted from anyone having a delinquent timber sale account or trespass account or a willful timber trespass with any public agency in Minnesota, or from anyone who does not qualify as a Responsible Bidder as defined in Minnesota Statutes § 90.01 (12), or from anyone who has been debarred for cause by any public agency [M.S. § 90.041 (11)]. Purchase is limited to registered persons or companies with 30 or fewer employees. No bidder may purchase more than twenty-five (25) percent of the tracts offered on the first round of bidding. Purchases or attempts to purchase tracts beyond the twenty-five (25) percent limit will result in the forfeiture of the down payment and loss of the tract.

DOWN PAYMENT

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

BID GUARANTEE

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

PURCHASER AND LOGGER QUALIFICATIONS AND OPERATIONS REQUIREMENTS

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

SECURITY REQUIRED

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

PERMIT TERMS

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

UNSOLD TRACTS

- On the next regular business day (8:00 AM - 4:30 PM, Monday - Friday, except holidays) after the date of the auction sale, unsold tracts may be available for over-the-counter purchase at the appraised price for a period of no more than one year. Unless canceled for reoffer at an earlier date, unsold tracts will be available until May 30, 2019, at the following Area Headquarters: Tower Area. Beginning 30 days after the auction date, an unsold intermediate auction tract may be purchased by any registered responsible bidder, i.e., purchase is no longer limited to businesses with 30 or fewer employees.

TRACT X1

COUNTY: ST. LOUIS

AREA: TOWER AREA

ACRES: 126.0

Permit Number: X015987
Expiration Date: 05/31/2021

Purchased By:
Address:

UNSOLD

GL02, GL03, GL04, GL06 of Section 19 - Township 59, Range 12W.

GL12, GL13, GL14 of Section 18 - Township 59, Range 12W.

NESE of Section 10; SESE of Section 3; NWSW of Section 11 - Township 59, Range 12W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID:	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	PULPWOOD	650.00	Cd	18.00	11,700.00	18.00	11,700.00
+ BLACK SPRUCE	PULP & BOLTS	555.00	Cd	13.80	7,659.00	13.80	7,659.00
+ NORTHERN HARDWOODS	PULPWOOD	305.00	Cd	9.75	2,973.75	9.75	2,973.75
+ BALSAM FIR	PULPWOOD	260.00	Cd	11.25	2,925.00	11.25	2,925.00
+ TAMARACK	PULPWOOD	25.00	Cd	6.00	150.00	6.00	150.00

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL =	\$25,407.75	BID TOTAL = \$	25,407.75
ADVANCE PAYMENT =	\$3,811.16		

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

ANY LISTED SPECIES	BIOMASS	850.00	Tons	1.00	850.00
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Mixed Species Description:

Northern Hardwoods Pulpwood includes: Paper Birch 71%; Red Maple 29%.

Mixed Product Description:

Black Spruce Pulp & Bolts includes: Bolts 10%; Pulpwood 90%.

Cutting and Felling:

- Fell all live black spruce equal to or greater than 5 feet tall (Cutting Blocks 1, 2, and 3).

Season of Operations:

- Conduct sale operations on dry or frozen soil conditions only, except with written permission from State (Cutting Blocks 1, 2, and 3).
- Frozen ground access across State and USFS to portions of the timber (Cutting Blocks 1, 2, and 3).

Sale Conditions:

- Access is across State and USFS land (Cutting Block 3).
- Access is across county and/or private industrial land (Cutting Block 1).
- Provisions of access and /or water crossing permits will become part of sale terms and conditions for this sale (Cutting Blocks 1, 2, and 3).
- Access is across state land (Cutting Block 2).

Marketing Conditions:

Aspen ave. 12" dbh and 5 sticks
 Spruce ave. 9" dbh and 4 sticks
 Balsam ave. 8" dbh and 4 sticks

Appraised by Jeff Rengo and Krista Starn

Price Adjustments:

Road Construction Costs: -10%
 Haul Distance to Nearest Mill: -10%
 Stand Density: -5%

Operational Constraints: 0%

Other Price Factor: 0%

Appraiser:

Jeffrey J. Rengo

(Appraisal ID 13788-0; Cutting Block ID 12658-0, 16046-0, 12815-0)

TRACT X2

COUNTY: ST. LOUIS

AREA: TOWER AREA

ACRES: 74.8

Permit Number: X015988
Expiration Date: 05/31/2021

Purchased By: Mike Nielsen Logging
Address: 1979 Sotlich Road, Ely, MN 55731

NENE,NESW,NWNE,NWSW,SESW,SWNE,SWSE,SWSW of Section 36 - Township 60, Range 16W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ NORWAY PINE	PULP & BOLTS	530.00	Cd	17.63	9,343.90	17.63	9,343.90
+ JACK PINE	PULPWOOD	70.00	Cd	6.75	472.50	6.75	472.50
+ TREMBLING ASPEN	PULPWOOD	40.00	Cd	18.00	720.00	18.00	720.00
BALSAM FIR	PULPWOOD	15.00	Cd	11.25	168.75	11.25	168.75
WHITE SPRUCE	PULP & BOLTS	15.00	Cd	18.75	281.25	18.75	281.25
PAPER BIRCH	PULPWOOD	5.00	Cd	9.75	48.75	9.75	48.75

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$11,035.15 BID TOTAL = \$ 11,035.15
ADVANCE PAYMENT = \$1,655.27

Mixed Product Description:

Norway Pine Pulp & Bolts includes: Bolts 50%; Pulpwood 50%.
White Spruce Pulp & Bolts includes: Bolts 50%; Pulpwood 50%.

Season of Operations:

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

Slash Disposal:

- Lop and scatter slash evenly over the harvest site to within 3 feet of the ground.

Landings Roads and Trails:

- Road right of way crossing approval from County DOT, and private landowner may be required.

Sale Conditions:

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

Marketing Conditions:

Summer Chance

Price Adjustments:

Road Construction Costs: 0%
Haul Distance to Nearest Mill: 0%
Stand Density: 0%
Operational Constraints: 0%
Other Price Factor: -25% (pine first thin)

Appraiser:

Steven W. Horndt

TRACT X3

COUNTY: ST. LOUIS

AREA: TOWER AREA

ACRES: 49.8

Permit Number: X015989
Expiration Date: 05/31/2021

Purchased By: Mike Nielsen Logging
Address: 1979 Sotlich Road, Ely, MN 55731

GL01, GL07, NESE, NWSE, SESE, SWSE of Section 4 - Township 61, Range 14W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 52	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ NORWAY PINE	WOODSRUN MIXED PRODUCTS	915.00	Cd	43.89	40,159.35	66.71	61,039.65
JACK PINE	PULPWOOD	15.00	Cd	7.65	114.75	7.65	114.75
BALSAM FIR	PULPWOOD	10.00	Cd	12.75	127.50	12.75	127.50
PAPER BIRCH	PULPWOOD	10.00	Cd	11.05	110.50	11.05	110.50
TREMBLING ASPEN	PULPWOOD	10.00	Cd	20.40	204.00	20.40	204.00
WHITE PINE	PULPWOOD	10.00	Cd	7.65	76.50	7.65	76.50
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$40,792.60	BID TOTAL = \$	61,672.90
				ADVANCE PAYMENT =	\$6,118.89		

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

ANY LISTED SPECIES BIOMASS 410.00 Tons 1.00 410.00

Mixed Product Description:

Norway Pine Woodsrunk Mixed Products includes: Bolts 8%; Pulpwood 20%; Sawlog-Grade 3 72%.

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 county land.

Marketing Conditions:

1st entry thinning is approximately 12.6 acres and mature pine thinning is 37.2 acres.

Access to the sale is off of Walsh Rd south of the Eagle Nest Lake # 3 or off of the Murray rd.

Price Adjustments:

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

Appraiser:

Keith Flood

TRACT X4

COUNTY: ST. LOUIS

AREA: TOWER AREA

ACRES: 87.1

Permit Number: X015990
Expiration Date: 05/31/2021

Purchased By:
Address:

UNSOLD

NESE,NESW,NWSE,SENE,SENW,SWNE of Section 34 - Township 62, Range 17W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID: _____	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TAMARACK	PULPWOOD	630.00	Cd	7.20	4,536.00	7.20	4,536.00
+ BLACK SPRUCE	PULPWOOD	270.00	Cd	17.10	4,617.00	17.10	4,617.00
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$9,153.00	BID TOTAL = \$	9,153.00
				ADVANCE PAYMENT =	\$1,372.95		

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

ANY LISTED SPECIES	BIOMASS	325.00 Tons	1.00	325.00
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Cutting and Felling:

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

Season of Operations:

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

Sale Conditions:

- Access is across state land.

Marketing Conditions:

(N/A)

Price Adjustments:

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

Appraiser:

Joseph Weflen

TRACT X5

COUNTY: ST. LOUIS

AREA: TOWER AREA

ACRES: 17.0

Permit Number: X015991
Expiration Date: 05/31/2021

Purchased By: Rutar Logging LLC.
Address: 5601 River Road, Buyck, MN 55771

SESE of Section 3; SESW of Section 2 - Township 65, Range 19W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ NORWAY PINE	WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	32.00	MBF	104.00	3,328.00	104.00	3,328.00
+ ASPEN SPECIES	PULPWOOD	180.00	Cd	19.10	3,438.00	19.10	3,438.00
+ BALSAM FIR	PULPWOOD	70.00	Cd	12.00	840.00	12.00	840.00
+ WHITE SPRUCE	PULP & BOLTS	45.00	Cd	22.40	1,008.00	22.40	1,008.00
PAPER BIRCH	PULPWOOD	5.00	Cd	10.40	52.00	10.40	52.00
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$8,666.00	BID TOTAL = \$ 8,666.00
				ADVANCE PAYMENT =		\$1,299.90	

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 3%; Largetooth Aspen 2%; Trembling Aspen 95%.

Mixed Product Description:

Norway Pine Woodsrun Sawtimber (Softwood only) includes: Bolts 20%; Sawlog-Grade 3 80%.
White Spruce Pulp & Bolts includes: Bolts 75%; Pulpwood 25%.

Season of Operations:

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

Landings Roads and Trails:

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

Sale Conditions:

- Access is across State land.

Marketing Conditions:

Access to the east Cutting block off CR 180 may require Permit from County Public Works. Purchaser responsibility. Dry summer chance. Aspen and Balsam have large range of size and quality. Base price reduced 20% for Stand density and Operational constraints.

Price Adjustments:

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

Appraiser:

David T. Sopoci

TRACT X6

COUNTY: ST. LOUIS

AREA: TOWER AREA

ACRES: 106.0

Permit Number: X015992
Expiration Date: 05/31/2021

Purchased By: Sokoloski Logging Inc.
Address: PO Box 146, Orr, MN 55771

GL03, GL04 of Section 30 - Township 65, Range 20W.
NESE, SENE, SESE of Section 25; GL01, GL02, NWNE of Section 36 - Township 65, Range 21W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	PULPWOOD	550.00	Cd	18.00	9,900.00	18.00	9,900.00
+ MIXED SPRUCE	PULP & BOLTS	350.00	Cd	15.60	5,460.00	15.60	5,460.00
+ NORTHERN HARDWOODS	PULPWOOD	350.00	Cd	9.75	3,412.50	9.75	3,412.50
+ ASH	PULP & BOLTS	320.00	Cd	8.55	2,736.00	8.55	2,736.00
+ PINE SPECIES	SAWTIMBER	120.00	Cd	50.65	6,078.00	50.65	6,078.00
BALSAM FIR	PULPWOOD	100.00	Cd	11.25	1,125.00	11.25	1,125.00
JACK PINE	PULP & BOLTS	30.00	Cd	16.70	501.00	16.70	501.00
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$29,212.50	BID TOTAL = \$	29,212.50
				ADVANCE PAYMENT =	\$4,381.88		

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

ANY LISTED SPECIES	BIOMASS	1,800.00	Tons	1.00	1,800.00
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Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 3%; Largetooth Aspen 5%; Trembling Aspen 92%.
Mixed Spruce Pulp & Bolts includes: Black Spruce 80%; White Spruce 20%.
Northern Hardwoods Pulpwood includes: Paper Birch 46%; Red Maple 54%.
Pine Species Sawtimber includes: Norway Pine 35%; White Pine 65%.

Mixed Product Description:

Ash Pulp & Bolts includes: Bolts 20%; Pulpwood 80%.
Jack Pine Pulp & Bolts includes: Bolts 35%; Pulpwood 65%.
Mixed Spruce Pulp & Bolts includes: Bolts 15%; Pulpwood 85%.
Pine Species Sawtimber includes: Bolts 40%; Pulpwood 25%; Sawlog-Grade 3 35%.

Season of Operations:

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

Sale Conditions:

- Access is across state and/or private land.
- Permission to cross 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:

Prices reduced additional 10 % because upland sites are only accessible/operable with frozen soil conditions

Price Adjustments:

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

Appraiser:

Jeffrey J. Rengo

(Appraisal ID 13560-0; Cutting Block ID 15819-0)

TRACT X7

COUNTY: ST. LOUIS

AREA: TOWER AREA

ACRES: 35.0

Permit Number: X015993
Expiration Date: 05/31/2021

Purchased By: Kraabel Logging LLC
Address: 2758 Hwy 53, Gheen, MN 55771

GL04,SESW of Section 7; GL01 of Section 18 - Township 65, Range 20W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ NORWAY PINE	PULP & BOLTS	375.00	Cd	19.99	7,496.25	19.99	7,496.25
+ TREMBLING ASPEN	PULPWOOD	50.00	Cd	15.60	780.00	15.60	780.00
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$8,276.25	BID TOTAL = \$ 8,276.25
				ADVANCE PAYMENT =		\$1,241.44	

Mixed Product Description:

Norway Pine Pulp & Bolts includes: Bolts 75%; Pulpwood 25%.

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 County land.

Marketing Conditions:

CTL harvest system recommended due to stand working conditions. An average stand Basal Area of 100sqft+ (all species) is desired.

Second thin of Norway pine P1965.

Hauling trails generally winter only without upgrade.

Price reduced (-20% from base) for Stand Density and Operational Constraints. Additional 15% reduction for reoffer.

State will secure access permission across County land.

Price Adjustments:

- Road Construction Costs: 0%
- Haul Distance to Nearest Mill: 0%
- Stand Density: -10%
- Operational Constraints: -10%
- Other Price Factor: -15% (reoffer)

Appraiser:

David T. Sopoci

TRACT X8 COUNTY: ST. LOUIS AREA: TOWER AREA ACRES: 32.0

Permit Number: X015994
 Expiration Date: 05/31/2021

Purchased By: DeLack Logging Inc.
 Address: PO Box 354, Littlefork, MN 56653

NWNW,SENW,SWNE,SWNW of Section 21 - Township 67, Range 20W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	PULP & BOLTS	385.00	Cd	24.00	9,240.00	24.00	9,240.00
+ NORWAY PINE	WOODSRUN MIXED PRODUCTS	185.00	Cd	31.32	5,794.20	31.32	5,794.20
+ MIXED SPRUCE	PULP & BOLTS	135.00	Cd	25.00	3,375.00	25.00	3,375.00
BALSAM FIR	PULPWOOD	95.00	Cd	12.00	1,140.00	12.00	1,140.00
JACK PINE	PULP & BOLTS	20.00	Cd	20.00	400.00	20.00	400.00

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$19,949.20
 ADVANCE PAYMENT = \$2,992.38
 BID TOTAL = \$ 19,949.20

Mixed Species Description:

Mixed Spruce Pulp & Bolts includes: Black Spruce 20%; White Spruce 80%.

Mixed Product Description:

Jack Pine Pulp & Bolts includes: Bolts 50%; Pulpwood 50%.
 Mixed Spruce Pulp & Bolts includes: Bolts 50%; Pulpwood 50%.
 Norway Pine Woodsrunk Mixed Products includes: Bolts 63%; Pulpwood 19%; Sawlog-Grade 3 18%.
 Trembling Aspen Pulp & Bolts includes: Bolts 10%; Pulpwood 90%.

Cutting and Felling:

- Shelterwood- Harvest norway pine. Reserve all aspen, spruce <4 stick, and 2 pine/acre. Limit skid trails to protect white pine saplings. Thin- Harvest norway pine and balsam leaving 90sqft basal area (15x15ft spacing) evenly spaced residual stand. Retain jack pine, aspen, and spruce to be included in residual stand. Keep skid trails 15ft wide. CCwRSV- Harvest to reserved specification above. Increase retention adjacent to cabin lease sites.

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 across State land. Summer operable with dry conditions. Harvest includes Shelterwood canopy removal over 15ft WPine, Thinning 30yr NPine, and Clearcut units. Base Price reduced 20% on NPine and Balsam.
 NPine avg 13"dbh at 7 sticks(shelterwood) and 9"dbh at 5 sticks(thin)
 Trembling Aspen has 1% Balm and 1% Bigtooth.

Price Adjustments:

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

Appraiser:

David T. Sopoci

TRACT X9

COUNTY: ST. LOUIS

AREA: TOWER AREA

ACRES: 98.1

Permit Number: X015995
 Expiration Date: 05/31/2021

Purchased By: DeLack Logging Inc.
 Address: PO Box 354, Littlefork, MN 56653

GL04 of Section 19; GL01, GL02, NWNE, SENW, SWNE of Section 30 - Township 68, Range 20W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 10	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	PULPWOOD	1,055.00	Cd	24.00	25,320.00	26.40	27,852.00
ASH	PULPWOOD	80.00	Cd	10.00	800.00	10.00	800.00
+ NORWAY PINE	PULP & BOLTS	80.00	Cd	26.40	2,112.00	29.04	2,323.20
BALSAM FIR	PULPWOOD	50.00	Cd	15.00	750.00	15.00	750.00
WHITE SPRUCE	PULPWOOD	40.00	Cd	19.00	760.00	19.00	760.00
BALM OF GILEAD	PULPWOOD	20.00	Cd	20.00	400.00	20.00	400.00
PAPER BIRCH	PULPWOOD	15.00	Cd	13.00	195.00	13.00	195.00

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$30,337.00 BID TOTAL = \$ 33,080.20
 ADVANCE PAYMENT = \$4,550.55

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

ANY LISTED SPECIES BIOMASS 550.00 Tons 1.00 550.00

Mixed Product Description:

Norway Pine Pulp & Bolts includes: Bolts 60%; Pulpwood 40%.

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:

Norway pine harvest allowed in thinning area only, see map. Harvest 15' strip every 45 feet, reach into 45' strips and thin to approx. 90 sq. ft basal area, current BA is approx 115. Pine is summer harvestable if dry. All Norway pine outside thinning area is reserved.

Spruce thinning area: Harvest 15' strip every 45 feet, reach into 45' strips and thin to approx. 90 sq. ft basal area, current BA is approx 115. Outside of spruce thinning area: all spruce reserved except ORANGE marked trees may be harvested.

Some aspen is summer harvestable.

Non listed species are reserved.
 Yellow marked trees are reserved.

Price Adjustments:

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

Appraiser:

Edward A. Schoon

TRACT X10

COUNTY: ST. LOUIS

AREA: TOWER AREA

ACRES: 76.0

Permit Number: X015996
Expiration Date: 05/31/2021

Purchased By: Wagner Logging LLC
Address: 3151 Hwy 53, International Falls, MN 56649

GL02,NENW,NESE,NWNE,NWSE,SENE,SENW,SWNE of Section 18 - Township 68, Range 21W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 86	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	PULPWOOD	1,955.00	Cd	26.00	50,830.00	48.36	94,543.80
NORTHERN HARDWOODS	PULPWOOD	60.00	Cd	12.72	763.20	12.72	763.20
BALSAM FIR	PULPWOOD	48.00	Cd	16.50	792.00	16.50	792.00
WHITE SPRUCE	PULPWOOD	15.00	Cd	20.90	313.50	20.90	313.50
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$52,698.70	BID TOTAL = \$ 96,412.50
				ADVANCE PAYMENT =		\$7,904.81	

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

ANY LISTED SPECIES BIOMASS 980.00 Tons 1.00 980.00

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 9%; Trembling Aspen 91%.
Northern Hardwoods Pulpwood includes: Ash 48%; Paper Birch 52%.

Season of Operations:

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

Sale Conditions:

- Access is across state and industry land.
- Permission to cross industry land must be obtained by permittee.

Marketing Conditions:

Sale has good access off of Hwy 53 through Leslie Rd.

Existing roads go through middle of both patches of wood, very little road work except some removal of brush in some areas.

Price Adjustments:

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

Appraiser:

Andrew J. Erickson

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

TOWER AREA - ORR FIELD STATION

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 30, 2018

- SUMMARY SHEET -

05/30/2018 INTERMEDIATE AUCTION - SALE #2

COMPLETED - DATA AS OF 06/08/2018

TOWER AREA

SUMMARY FOR SOLD TRACTS

PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE
PULP & BOLTS	ASH	320.00	Cd	8.55	2,736.00
	TREMBLING ASPEN	385.00	Cd	24.00	9,240.00
	NORWAY PINE	985.00	Cd	19.46	19,163.35
	JACK PINE	50.00	Cd	18.02	901.00
	WHITE SPRUCE	60.00	Cd	21.49	1,289.25
	MIXED SPRUCE	485.00	Cd	18.22	8,835.00
WOODSRUN MIXED PRODUCTS	NORWAY PINE	1,100.00	Cd	60.76	66,833.85
SAWTIMBER	PINE SPECIES	120.00	Cd	50.65	6,078.00
PULPWOOD	ASH	80.00	Cd	10.00	800.00
	ASPEN SPECIES	2,685.00	Cd	40.18	107,881.80
	TREMBLING ASPEN	1,155.00	Cd	25.59	29,556.00
	PAPER BIRCH	35.00	Cd	11.61	406.25
	BALM OF GILEAD	20.00	Cd	20.00	400.00
	NORTHERN HARDWOODS	410.00	Cd	10.18	4,175.70
	WHITE PINE	10.00	Cd	7.65	76.50
	JACK PINE	85.00	Cd	6.91	587.25
	WHITE SPRUCE	55.00	Cd	19.52	1,073.50
	BALSAM FIR	388.00	Cd	12.74	4,943.25
BIOMASS	ANY LISTED SPECIES (optional)	3,740.00	Tons	-	0.00
WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	NORWAY PINE	32.00	MBF	104.00	3,328.00

TOTAL SOLD TRACTS CONVERTED TO CORDS: 8,492.00
TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS: \$ 200,967.40
TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS: \$ 268,304.70
TOTAL ACRES SOLD: 488.7
SOLD TRACT NUMBERS: 2, 3, 5, 6, 7, 8, 9, 10
TOTAL NUMBER OF TRACTS SOLD: 8

SUMMARY FOR UNSOLD TRACTS

PRODUCT	SPECIES	TOTAL VOLUME	UNIT	APPRAISED AVERAGE UNIT PRICE	APPRAISED \$ VALUE
PULP & BOLTS	BLACK SPRUCE	555.00	Cd	13.80	7,659.00
PULPWOOD	TREMBLING ASPEN	650.00	Cd	18.00	11,700.00
	NORTHERN HARDWOODS	305.00	Cd	9.75	2,973.75
	BALSAM FIR	260.00	Cd	11.25	2,925.00
	BLACK SPRUCE	270.00	Cd	17.10	4,617.00
	TAMARACK	655.00	Cd	7.15	4,686.00
BIOMASS	ANY LISTED SPECIES (optional)	1,175.00	Tons	1.00	1,175.00

TOTAL UNSOLD TRACTS CONVERTED TO CORDS: 2,695.00
TOTAL APPRAISED DOLLAR VALUE OF UNSOLD TRACTS: \$ 34,560.75
TOTAL ACRES UNSOLD: 213.1
UNSOLD TRACT NUMBERS: 1, 4
TOTAL NUMBER OF TRACTS UNSOLD: 2