

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 Tuesday, December 4, 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).



MINNESOTA DEPARTMENT OF NATURAL RESOURCES

DIVISION OF FORESTRY INTERMEDIATE AUCTION ORAL BID TIMBER SALE

TOWER AREA

9:15 AM on December 4, 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 *Cerfification of Compliance with the Minnesota Workers' Compensation Law* form must be submitted each year. Before the start of harvest operations, the purchaser must certify that a designated foreperson, who will be supervising active logging operations, has a current certificate of completion from a logger education program (e.g., MLEP or FISTA) approved by the Commissioner of Natural Resources.

SECURITY REQUIRED

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

PERMIT TERMS

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

UNSOLD TRACTS

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

Permit Number: X016303

AREA: TOWER AREA

ACRES: 16.5

Expiration Date: 05/31/2022

Purchased By: Address:

GL03 of Section 2 - Township 60, Range 19W. SESW,SWSE of Section 35 - Township 61, Range 19W.

						AISED	BID:	
5	SPECIES	PRODUCT	VOLUME		UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	TREMBLING ASPEN	PULPWOOD	265.00	Cd	14.10	3,736.50	14.10	3,736.50
	BALSAM FIR	PULPWOOD	15.00	Cd	8.30	124.50	8.30	124.50
	BLACK SPRUCE	PULPWOOD	10.00	Cd	8.85	88.50	8.85	88.50
	WHITE CEDAR	PULPWOOD	10.00	Cd	3.30	33.00	3.30	33.00
4	► BID SPECIES ★ SOL	O ON APPRAISED VOLUME			ED TOTAL =	\$3,982.50	BID TOTA	L = \$ 3,982.50
			A	DVANCE F	PAYMENT =	\$597.38		
0	ptional Timber (<i>may</i>	be purchased with an Added	Timber Agr	eement)	:			

ANY LISTED SPECIES	BIOMASS	165.00 Tons	1.00	165.00	

Cutting and Felling:

- Harvest species listed on permit, only cut White Cedar to access the aspen.

Season of Operations:

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

Sale Conditions:

- Access is across Private land.
- Permission to cross Private land must be obtained by permittee.

Marketing Conditions:

Aspen 10"dbh, 6 stick avg. 19cds./acre, 1 % Balm of Gilead. This sale is reduced 15% for reoffer ,10% road work and 10% due to the white cedar residual you have to work around.

Price Adjustments:

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

Appraiser:

Terry R. Bergstrom

(Appraisal ID 12502-0; Cutting Block ID 14606-0)

JNSOLD

TRACT X2 COUNTY: LAKE

AREA: TOWER AREA

ACRES: 88.0

Permit Number: X016304 Expiration Date: 05/31/2021

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

NENW,SENW of Section 17 - Township 61, Range 8W. SESE,SWSE of Section 23 - Township 61, Range 8W.

					APPR	AISED	BID	%: 0
	SPECIES	PRODUCT	VOLUME		UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	BLACK SPRUCE	PULP & BOLTS	775.00	Cd	13.55	10,501.25	13.55	10,501.25
+	JACK PINE	PULP & BOLTS	270.00	Cd	10.35	2,794.50	10.35	2,794.50
+	 TREMBLING ASPEN 	PULPWOOD	260.00	Cd	15.60	4,056.00	15.60	4,056.00
	PAPER BIRCH	PULPWOOD	120.00	Cd	7.15	858.00	7.15	858.00
	TAMARACK	PULPWOOD	65.00	Cd	3.90	253.50	3.90	253.50
	BALSAM FIR	PULPWOOD	60.00	Cd	11.05	663.00	11.05	663.00
_	+ BID SPECIES * SOLD	ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$19,126.25 \$2,868.94	BID TOTAI	_ = \$ 19,126.25

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

ANY LISTED SPECIES	BIOMASS	725.00 Tons	1.00	725.00	

Mixed Product Description:

Black Spruce Pulp & Bolts includes: Bolts 15%; Pulpwood 85%. Jack Pine Pulp & Bolts includes: Bolts 30%; Pulpwood 70%.

Season of Operations:

- Conduct sale operations on frozen soil conditions only, except with written permission from State (Cutting Block 1).
- Conduct sale operations on frozen, dry soil conditions only, except with written permission from State (Cutting Block 2).
- Frozen ground access only (Cutting Block 1).

Landings Roads and Trails:

- Road right of way crossing approval from USFS may be required (Cutting Blocks 1 and 2).

Sale Conditions:

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

Marketing Conditions:

Excellent access off of Tomahawk Forest Road and Forest Road 379.

Price Adjustments:

Road Construction Costs: 0% Haul Distance to Nearest Mill: 0% Stand Density: 0% Operational Constraints: 0% Other Price Factor: -35% (Lake County Discount)

Appraiser:

Krista M. Starn

(Appraisal ID 14255-0; Cutting Block ID 16612-0, 16639-0)

- PAGE 6 -

TRACT X3 COUNTY: ST. LOUIS

AREA: TOWER AREA

ACRES: 57.5

Permit Number: X016305 Expiration Date: 05/31/2021

Purchased By: Scheff Logging & Trucking Inc.

Address: 48985 State Hwy 3849301 Chokecherry Lane, Marcell, MN 56657

NESE of Section 20; NWSW,SENW,SWNW of Section 21 - Township 61, Range 19W.

					APPRAISED		BID %: 36	
					UNIT		UNIT	
S	PECIES	PRODUCT		UNIT	PRICE	\$ VALUE	PRICE	\$ VALUE
+	BLACK SPRUCE	PULPWOOD	920.00	Cd	19.95	18,354.00	27.13	24,959.60
+	TREMBLING ASPEN	PULPWOOD	265.00	Cd	25.20	6,678.00	34.27	9,081.55
	TAMARACK	PULPWOOD	250.00	Cd	6.30	1,575.00	6.30	1,575.00
	BALSAM FIR	PULPWOOD	70.00	Cd	17.85	1,249.50	17.85	1,249.50
	ASH	PULPWOOD	35.00	Cd	9.45	330.75	9.45	330.75
+	BID SPECIES * SOL	D ON APPRAISED VOLUME		APPRAIS	ED TOTAL =	\$28,187.25	BID TOTAI	L = \$ 37,196.40
					PAYMENT =	\$4,228.09		. ,

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, private and possibly county.

Sale Conditions:

- Access crosses Public Waters. A Permit is not required if using a snow / ice bridge.
- Access is across private and county land.

Marketing Conditions:

(N/A)

Price Adjustments:

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

Appraiser:

Christine Ann Martin

(Appraisal ID 14245-0; Cutting Block ID 16635-0)

TRACT X4 COUNTY: ST. LOUIS

AREA: TOWER AREA

ACRES: 61.0

Permit Number: X016306 Expiration Date: 05/31/2021

Purchased By: John Rolle Logging Inc.

Address: 1200 - 5th Ave. NW, Chisholm, MN 55719

GL03,GL04,GL05,NESW,SENW of Section 6 - Township 62, Range 21W.

					APPR	AISED	BID	%: 30
	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	TREMBLING ASPEN	PULPWOOD	1,150.00		24.00	27,600.00	31.20	35,880.00
+	BALSAM FIR MIXED SPRUCE	PULPWOOD PULPWOOD	170.00 125.00		17.00 19.00	2,890.00 2,375.00	22.10 24.70	3,757.00 3,087.50
	ASH	PULPWOOD	80.00	Cd	9.00	720.00	9.00	720.00
	NORTHERN HARDWOODS	PULPWOOD	40.00	Cd	11.62	464.80	11.62	464.80
	+ BID SPECIES * SO	LD ON APPRAISED VOLUME			SED TOTAL = E PAYMENT =	\$34,049.80 \$5,107.47	BID TOTAI	_ = \$ 43,909.30

Optional Timber (may be purchased with an Added Timber Agreement):								
ANY LISTED SPECIES	BIOMASS	851.00 Tons	1.00	851.00				

Mixed Species Description:

Mixed Spruce Pulpwood includes: Black Spruce 80%; White Spruce 20%. Northern Hardwoods Pulpwood includes: Paper Birch 38%; Red Maple 62%.

Season of Operations:

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

Marketing Conditions:

Many wet Tamarak pockets throughout sale, might be better operating while frozen, but dry possible.

Price Adjustments:

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

Appraiser:

Christine Ann Martin

(Appraisal ID 14110-0; Cutting Block ID 16477-0)

TRACT X5 COUNTY: ST. LOUIS

AREA: TOWER AREA

ACRES: 18.9

Permit Number: X016307 Expiration Date: 05/31/2022

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

NWNE of Section 36 - Township 63, Range 13W.

					APPR	AISED	BID	%: 31
	SPECIES	PRODUCT	VOLUME		UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
÷	NORWAY PINE	WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	330.00	Cd	51.00	16,830.00	66.81	22,047.30
+	ASPEN SPECIES	PULPWOOD	140.00	Cd	20.40	2,856.00	26.72	3,740.80
	BALSAM FIR	PULPWOOD	5.00	Cd	14.45	72.25	14.45	72.25
	PAPER BIRCH	PULPWOOD	5.00	Cd	9.35	46.75	9.35	46.75
_	+ BID SPECIES * SOL	D ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$19,805.00 \$2,970.75	BID TOTA	L = \$ 25,907.10

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

ANY LISTED SPECIES	BIOMASS	225.00 Tons	1.00	225.00	

Mixed Species Description:

Aspen Species Pulpwood includes: Largetooth Aspen 10%; Trembling Aspen 90%.

Mixed Product Description:

Norway Pine Woodsrun Sawtimber (Softwood only) includes: Bolts 35%; Pulpwood 5%; Sawtimber (Softwood Only) 60%.

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 just off Grant-McMahon Blvd. about 0.5 miles north of Hwy 169.

West side of sale is along a power line.

Price Adjustments:

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

Appraiser:

Keith Flood

(Appraisal ID 14239-0; Cutting Block ID 16625-0)

TRACT X6 COUNTY: ST. LOUIS

AREA: TOWER AREA

ACRES: 16.5

Permit Number: X016308 Expiration Date: 05/31/2022

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

SENE, SWNE of Section 25 - Township 63, Range 20W.

					APPR	AISED	BID) %: 0
					UNIT		UNIT	
	SPECIES			UNIT		\$ VALUE	PRICE	\$ VALUE
+	BLACK SPRUCE	PULPWOOD	220.00	Cd	9.80	2,156.00	9.80	2,156.00
+	ASH	PULPWOOD	100.00	Cd	5.80	580.00	5.80	580.00
+	TAMARACK	PULPWOOD	95.00	Cd	4.65	441.75	4.65	441.75
	BALSAM FIR	PULPWOOD	2.00	Cd	9.80	19.60	9.80	19.60
	+ BID SPECIES	★ SOLD ON APPRAISED VOLUME			SED TOTAL = E PAYMENT =	\$3,197.35 \$479.60	BID TOTA	AL = \$ 3,197.35

Cutting and Felling:

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

Season of Operations:

- Frozen ground access only.

Landings Roads and Trails:

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

Sale Conditions:

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

Marketing Conditions:

BS 8-9" 4 stick avg., Ash 8" 4-5 stick avg. Prices reduced 20% due to quality and # of small ash trees to work around. Reduced .15% more due to reoffer

Price Adjustments:

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

Appraiser:

Terry R. Bergstrom

(Appraisal ID 13240-0; Cutting Block ID 15414-0)

TRACT X7 COUNTY: ST. LOUIS

AREA: TOWER AREA

ACRES: 26.4

Permit Number: X016309 Expiration Date: 05/31/2021

Purchased By: Wagner Construction Inc.

Address: PO Box B300 Van Lynn Rd, South International Falls, MN 56679

NENE, NWNW, SENE of Section 22 - Township 63, Range 20W.

					APPR	AISED	BID	%: 22
5	SPECIES	PRODUCT	VOLUME		UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	TREMBLING ASPEN	PULPWOOD	530.00	Cd	25.20	13,356.00	30.74	16,292.20
	BALSAM FIR	PULPWOOD	55.00	Cd	17.85	981.75	17.85	981.75
-	BID SPECIES * SOLE	ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$14,337.75 \$2,150.66	BID TOTA	L = \$ 17,273.95

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.

- Any permits needed are the responsibility of the purchaser.

Marketing Conditions:

aspen along the road can be cut in summer, the block to the west will need to be cut in the winter. There is a creek that will need to be froze down in order to cross it.

Price Adjustments:

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

Appraiser:

Christine Ann Martin

(Appraisal ID 14108-0; Cutting Block ID 16452-0)

12/04/2018 INTERMEDIATE AUCTION - SALE #2

AREA: TOWER AREA

ACRES: 16.0

Permit Number: X016310 Expiration Date: 05/31/2021

TRACT X8

Purchased By:

COUNTY: ST. LOUIS

Address:

NENE, SENE of Section 10; NWNW of Section 11 - Township 64, Range 17W.

					APPR UNIT	AISED	BID: UNIT	
S	PECIES	PRODUCT	VOLUME			\$ VALUE		\$ VALUE
+	TREMBLING ASPEN	PULPWOOD	190.00	Cd	17.95	3,410.50	17.95	3,410.50
+	NORWAY PINE	SAWTIMBER (SOFTWOOD ONLY)	80.00	Cd	31.20	2,496.00	31.20	2,496.00
	BALSAM FIR	PULPWOOD	55.00	Cd	9.80	539.00	9.80	539.00
	WHITE SPRUCE	PULPWOOD	45.00	Cd	9.80	441.00	9.80	441.00
	NORTHERN HARDWOODS	PULPWOOD	40.00	Cd	8.10	324.00	8.10	324.00
+	BID SPECIES * SOLD	ON APPRAISED VOLUME		-	ED TOTAL = PAYMENT =	\$7,210.50 \$1,081.58	BID TOTAL	. = \$ 7,210.50

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

ANY LISTED SPECIES	BIOMASS	230.00 Tons	1.00	230.00	

Mixed Species Description:

Northern Hardwoods Pulpwood includes: Paper Birch 96%; Red Maple 4%.

Season of Operations:

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

Slash Disposal:

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

Landings Roads and Trails:

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

Sale Conditions:

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

Marketing Conditions:

Aspen 10" 5 stick avg., NP 14" 6 stick avg. Prices reduced 20% due to quality and accessibility of the wood. Reduced another 15 % due to reoffer.

Price Adjustments:

Road Construction Costs: -10% Haul Distance to Nearest Mill: 0% Stand Density: 0% Operational Constraints: 0% Other Price Factor: -25% (quality an reoffer)

Appraiser:

Terry R. Bergstrom

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TRACT X9

COUNTY: ST. LOUIS

AREA: TOWER AREA

ACRES: 40.4

Permit Number: X016311 Expiration Date: 05/31/2022

> Purchased By: Address:

SENE of Section 13 - Township 64, Range 18W. GL02, NESE, SENW, SWNE of Section 18; NWSW of Section 17 - Township 64, Range 17W.

					APPR	AISED	BID:	
	SPECIES	PRODUCT	VOLUME			\$ VALUE	UNIT PRICE	\$ VALUE
+	- TREMBLING ASPEN	PULPWOOD	660.00	Cd	15.70	10,362.00	15.70	10,362.00
+	 PINE SPECIES 	PULP & BOLTS	215.00	Cd	15.90	3,418.50	15.90	3,418.50
+	- BALSAM FIR	PULPWOOD	170.00	Cd	8.60	1,462.00	8.60	1,462.00
+	 MIXED SPRUCE 	PULPWOOD	110.00	Cd	8.60	946.00	8.60	946.00
	NORTHERN HARDWOODS	PULPWOOD	35.00	Cd	7.10	248.50	7.10	248.50
_	+ BID SPECIES * SOLD	ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$16,437.00 \$2,465.55	BID TOTAI	L = \$ 16,437.00

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

Mixed Species Description:

Mixed Spruce Pulpwood includes: Black Spruce 70%; White Spruce 30%. Northern Hardwoods Pulpwood includes: Paper Birch 71%; Red Maple 29%. Pine Species Pulp & Bolts includes: Jack Pine 60%; Norway Pine 40%.

Mixed Product Description:

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

Season of Operations:

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

Sale Conditions:

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

Marketing Conditions:

Aspen avg. dbh 8-12", 5 stick, Jack Pine 10" dbh 6 stick Prices were reduced 30% due to road construction and terrain and 15% due to reoffer. There is dry summer chance, a lot of roadwork would be needed to make it summer chance.

Price Adjustments:

Road Construction Costs: -15% Haul Distance to Nearest Mill: -5% Stand Density: 0% **Operational Constraints: -10%** Other Price Factor: -15% (reoffer)

Appraiser:

Terry R. Bergstrom

TRACT X10 COUNTY: ST. LOUIS

AREA: TOWER AREA

ACRES: 13.0

Permit Number: X016312 Expiration Date: 05/31/2021

> Purchased By: Address:

V.S GL07 of Section 30 - Township 65, Range 19W.

APPRAISED BID: UNIT UNIT SPECIES PRODUCT VOLUME UNIT PRICE **\$ VALUE** PRICE **\$ VALUE** BLACK SPRUCE PULPWOOD 270.00 Cd 15.20 4,104.00 15.20 4,104.00 4.80 TAMARACK PULPWOOD 10.00 Cd 48.00 4.80 48.00 + BID SPECIES ★ SOLD ON APPRAISED VOLUME APPRAISED TOTAL = \$4,152.00 BID TOTAL = \$ 4,152.00 ADVANCE PAYMENT = \$622.80

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.

Landings Roads and Trails:

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

Sale Conditions:

- Access is across state land.

Marketing Conditions:

(N/A)

Price Adjustments:

Road Construction Costs: -5% Haul Distance to Nearest Mill: 0% Stand Density: 0% **Operational Constraints: 0%** Other Price Factor: -15% (Re-offer of unsold permit)

Appraiser:

Jeffrey J. Rengo

(Appraisal ID 13993-0; Cutting Block ID 15865-0)

TRACT X11 COUNTY: ST. LOUIS

AREA: TOWER AREA

ACRES: 36.8

Permit Number: X016313 Expiration Date: 05/31/2021

Purchased By: Address:

NESW,NWSE,SENE,SENW of Section 16 - Township 67, Range 17W. NWNE,SENE,SWNE of Section 16 - Township 67, Range 17W.

					APPR	APPRAISED		
	SPECIES	PRODUCT	VOLUME		UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	- ASPEN SPECIES	PULPWOOD	340.00	Cd	22.80	7,752.00	22.80	7,752.00
+	- BALSAM FIR	PULPWOOD	200.00	Cd	16.15	3,230.00	16.15	3,230.00
+	 MIXED SPRUCE 	PULP & BOLTS	155.00	Cd	22.50	3,487.50	22.50	3,487.50
+	- PAPER BIRCH	PULPWOOD	107.00	Cd	10.45	1,118.15	10.45	1,118.15
	NORTHERN HARDWOODS	PULPWOOD	95.00	Cd	9.15	869.25	9.15	869.25
+	- WHITE PINE	WOODSRUN MIXED PRODUCTS	60.00	Cd	34.80	2,088.00	34.80	2,088.00
_	+ BID SPECIES * SOI	LD ON APPRAISED VOLUME			SED TOTAL = E PAYMENT =	\$18,544.90 \$2,781.74	BID TOTA	L = \$ 18,544.90

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

ANY LISTED SPECIES BIOMASS 540.00 Tons 1.00 540.00
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Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 5%; Largetooth Aspen 8%; Trembling Aspen 87%. Mixed Spruce Pulp & Bolts includes: Black Spruce 18%; White Spruce 82%. Northern Hardwoods Pulpwood includes: Ash 45%; Basswood 20%; Red Maple 35%.

Mixed Product Description:

Mixed Spruce Pulp & Bolts includes: Bolts 39%; Pulpwood 61%. White Pine Woodsrun Mixed Products includes: Bolts 35%; Pulpwood 20%; Sawtimber (Softwood Only) 45%.

Season of Operations:

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

Marketing Conditions:

Sale is located off the Vermilion Falls Road and USFS road 473. Has more reserve areas than needed due to steep terrain.

Price Adjustments:

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

Appraiser:

Cassandra DeMillo

(Appraisal ID 14228-0; Cutting Block ID 16616-0, 16617-0)

TRACT X12 COUNTY: ST. LOUIS

AREA: TOWER AREA

Permit Number: X016314 Expiration Date: 05/31/2022

Purchased By: DeLack Logging Inc.

Address: PO Box 354, Littlefork, MN 56653

NENW, NWNE, SENE, SENW, SWNE of Section 30; SWSE of Section 19 - Township 68, Range 21W.

					APPRAISED		BID %: 20	
	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	ASPEN SPECIES	PULPWOOD	1,150.00	Cd	27.12	31,188.00	32.54	37,421.00
	ASH	PULPWOOD	60.00	Cd	10.80	648.00	10.80	648.00
	MIXED SPRUCE	PULP & BOLTS	30.00	Cd	32.88	986.40	32.88	986.40
	PAPER BIRCH	PULPWOOD	30.00	Cd	13.20	396.00	13.20	396.00
	BALSAM FIR	PULPWOOD	25.00	Cd	20.40	510.00	20.40	510.00
	AMERICAN ELM	PULPWOOD	15.00	Cd	9.60	144.00	9.60	144.00
	+ BID SPECIES * SC	OLD ON APPRAISED VOLUME			SED TOTAL = PAYMENT =	\$33,872.40 \$5,080.86	BID TOTA	L = \$ 40,105.40

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

ANY LISTED SPECIES	DIOMASS	600.00 Tons	1 20	720.00
ANT LISTED SPECIES	BIOWASS	000.00 1005	1.20	720.00

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 35%; Trembling Aspen 65%. Mixed Spruce Pulp & Bolts includes: Black Spruce 1%; White Spruce 99%.

Mixed Product Description:

Mixed Spruce Pulp & Bolts includes: Bolts 70%; Pulpwood 30%.

Season of Operations:

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

Sale Conditions:

- Access is across state land.

Marketing Conditions:

Sale is located right across the Rat Root River off the Kolar Pit road, also known as the sweet 16 or the Rat Root River East Fork. Access is good, and minimal roads will need to be built. Parts of this sale are summer accessible during very dry conditions, however there are many wet areas that may be problematic for a summer or fall harvest.

Price Adjustments:

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

Appraiser:

Timothy D. St Aubin

(Appraisal ID 14257-0; Cutting Block ID 16640-0)

TRACT X13 COUNTY: KOOCHICHING

AREA: TOWER AREA

ACRES: 94.7

Permit Number: X016315 Expiration Date: 05/31/2021

Purchased By: Little Logging, Inc.

Address: Box 5025049 Industrial Ave, Littlefork, MN 56653

SWSW of Section 20; NESW,NWNW,SESW,SWSW of Section 29 - Township 68, Range 22W.

					APPRAISED		BID %: 0	
	SPECIES	PRODUCT	VOLUME		UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	- ASPEN SPECIES	S PULPWOOD	1,280.00	Cd	24.82	31,769.60	24.82	31,769.60
	TAMARACK	PULPWOOD	230.00	Cd	6.30	1,449.00	6.30	1,449.00
+	 BLACK SPRUCE 	PULPWOOD	180.00	Cd	19.95	3,591.00	19.95	3,591.00
	BALSAM FIR	PULPWOOD	55.00	Cd	17.85	981.75	17.85	981.75
	NORTHERN HARDWOODS	PULPWOOD	50.00	Cd	11.74	587.00	11.74	587.00
_	+ BID SPECIES	* SOLD ON APPRAISED VOLUME			ISED TOTAL = E PAYMENT =	\$38,378.35 \$5,756.75	BID TOTA	L = \$ 38,378.35
			,			\$0,700.70		

Optional Timber (may b	Optional Timber (may be purchased with an Added Timber Agreement):							
ANY LISTED SPECIES	BIOMASS	800.00 Tons	1.00	800.00				

ANY LISTED SPECIES	BIOMASS	800.00	Ions	1.00

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 9%; Trembling Aspen 91%. Northern Hardwoods Pulpwood includes: Ash 16%; Paper Birch 34%; Red Maple 50%.

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:

Approximately 75% of aspen stand is dry summer accessible.

Price Adjustments:

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

Appraiser:

Edward A. Schoon

(Appraisal ID 14156-0; Cutting Block ID 16431-0)

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: December 4, 2018

TOWER AREA

	SUMMARY FOR SUMMARY	OLD TRACTS			
PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE
PULP & BOLTS	JACK PINE	270.00	Cd	10.35	2,794.50
	BLACK SPRUCE	775.00	Cd	13.55	10,501.25
	MIXED SPRUCE	30.00	Cd	32.88	986.40
PULPWOOD	ASH	275.00	Cd	8.29	2,278.75
	AMERICAN ELM	15.00	Cd	9.60	144.00
	ASPEN SPECIES	2,570.00	Cd	28.38	72,931.40
	TREMBLING ASPEN	2,205.00	Cd	29.62	65,309.75
	PAPER BIRCH	155.00	Cd	8.39	1,300.75
	NORTHERN HARDWOODS	90.00	Cd	11.69	1,051.80
	BALSAM FIR	442.00	Cd	18.63	8,234.85
	BLACK SPRUCE	1,320.00	Cd	23.26	30,706.60
	TAMARACK	640.00	Cd	5.81	3,719.25
	MIXED SPRUCE	125.00	Cd	24.70	3,087.50
BIOMASS	ANY LISTED SPECIES (optional)	3,201.00	Tons	-	0.00
WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	NORWAY PINE	330.00	Cd	66.81	22,047.30

TOTAL SOLD TRACTS CONVERTED TO CORDS: 9,242.00TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS: \$ 190,954.15TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS: \$ 225,094.10TOTAL ACRES SOLD: 409.6SOLD TRACT NUMBERS: 2, 3, 4, 5, 6, 7, 12, 13TOTAL NUMBER OF TRACTS SOLD: 8

	SUMMARY FOR UNS	SOLD TRACTS			
PRODUCT	SPECIES	TOTAL VOLUME	UNIT	APPRAISED AVERAGE UNIT PRICE	APPRAISED \$ VALUE
PULP & BOLTS	PINE SPECIES	215.00	Cd	15.90	3,418.50
	MIXED SPRUCE	155.00	Cd	22.50	3,487.50
WOODSRUN MIXED PRODUCTS	WHITE PINE	60.00	Cd	34.80	2,088.00
PULPWOOD	ASPEN SPECIES	340.00	Cd	22.80	7,752.00
	TREMBLING ASPEN	1,115.00	Cd	15.70	17,509.00
	PAPER BIRCH	107.00	Cd	10.45	1,118.15
	NORTHERN HARDWOODS	170.00	Cd	8.48	1,441.75
	WHITE SPRUCE	45.00	Cd	9.80	441.00
	BALSAM FIR	440.00	Cd	12.17	5,355.50
	BLACK SPRUCE	280.00	Cd	14.97	4,192.50
	TAMARACK	10.00	Cd	4.80	48.00
	WHITE CEDAR	10.00	Cd	3.30	33.00
	MIXED SPRUCE	110.00	Cd	8.60	946.00
BIOMASS	ANY LISTED SPECIES (optional)	1,680.00	Tons	1.00	1,680.00
SAWTIMBER (SOFTWOOD ONLY)	NORWAY PINE	80.00	Cd	31.20	2,496.00

TOTAL UNSOLD TRACTS CONVERTED TO CORDS: 3,137.00TOTAL APPRAISED DOLLAR VALUE OF UNSOLD TRACTS: \$ 50,326.90TOTAL ACRES UNSOLD: 122.7UNSOLD P. TACTS UNSOLD: 122.7

UNSOLD TRACT NUMBERS: 1, 8, 9, 10, 11

TOTAL NUMBER OF TRACTS UNSOLD: 5

(Notice of Sale revision 20171206-RJE, TSM Report ID 3. NoticeOfSale ID 3754, NOSSnapshotSeqNbr 0)