



MINNESOTA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY

**NOTICE OF SALE OF STUMPAGE ON STATE LANDS IN THE FOLLOWING AREAS:
DEER RIVER AREA, AITKIN AREA, HIBBING AREA, TOWER AREA, CLOQUET AREA, TWO
HARBORS AREA, LITTLEFORK AREA**

**STATUS: COMPLETED
REGULAR AUCTION - SALE #1
SEALED BID**

Notice is hereby given that I offered for sale by sealed bid auction, timber belonging to the State of Minnesota. Bid forms were required to be submitted at the address listed on the bid form prior to 4:30 PM on Tuesday, June 11, 2019. All tracts were awarded at the DNR Forestry Northeast Region Office at 1:30 PM on June 12th, 2019 in Grand Rapids, MN.

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

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



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

**SEALED BIDS MUST BE RECEIVED PRIOR TO
4:30 PM on June 11, 2019**

Bids will be awarded at the following location:

DNR Forestry Northeast Region Office at 1:30 PM on June 12th, 2019 in Grand Rapids, MN

TERMS OF SALE

- This auction sale will be held according to Minnesota Statutes Sections 90.101 and 90.14. Timber shall be offered and sold by the same unit of measure as it was appraised. Sale shall be made to the responsible bidder who bids the highest price for all timber species advertised for bidding on each tract. Bids must be submitted on bid forms provided by the State, each bid must be sealed in a separate envelope, the envelope must be clearly marked with the tract number and bidder's name on the outside of the envelope. Bid forms may be obtained from the Forestry Area Office(s) listed above. Bids may be submitted by mail or in person at any time during regular business hours prior to the bid submission deadline (June 11, 2019). Any or all bids may be rejected and sales canceled for good and sufficient reasons.

REGISTRATION AND ELIGIBLE BIDDERS

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

ADVANCE PAYMENT

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

BID GUARANTEE

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

PURCHASER AND LOGGER QUALIFICATIONS AND OPERATIONS REQUIREMENTS

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

SECURITY REQUIRED

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

PERMIT TERMS

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

UNSOLD TRACTS

- On the next regular business day (8:00 AM - 4:30 PM, Monday - Friday, except holidays) after the date of the auction sale, unsold tracts may be available for over-the-counter purchase at the appraised price for a period of no more than one year. Unless canceled for reoffer at an earlier date, unsold tracts will be available until June 11, 2020, at the following Area Headquarters: Deer River Area, Aitkin Area, Hibbing Area, Tower Area, Cloquet Area, Two Harbors Area, Littlefork Area.

TRACT B1 COUNTY: AITKIN AREA: AITKIN AREA ACRES: 198.0

Permit Number: B014278
Expiration Date: 05/31/2022

Purchased By: Rice River Logging LLC
Address: 21293 Dam Lake Street, McGregor, MN 55760

NWSE,SESW,SWSW of Section 21; NESW,NWNE,NWNW,SENE,SENW,SWNE of Section 26;
NENE,NESE,SENE,SESE,SWSE of Section 22;
NENW,NESE,NWNW,NWSE,NWSW,SENE,SESE,SESW,SWNW,SWSE,SWSW of Section 23 - Township
45, Range 23W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 57	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	PULPWOOD	4,323.00	Cd	19.00	82,137.00	29.83	128,955.09
+ MIXED SPRUCE	PULP & BOLTS	433.00	Cd	19.29	8,352.57	30.29	13,115.57
+ MAPLE SPECIES	PULP & BOLTS	275.00	Cd	12.92	3,553.00	20.28	5,577.00
PAPER BIRCH	PULPWOOD	224.00	Cd	10.45	2,340.80	10.45	2,340.80
NORTHERN HARDWOODS	PULP & BOLTS	151.00	Cd	7.36	1,111.36	7.36	1,111.36

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$97,494.73
ADVANCE PAYMENT = \$14,624.21
BID TOTAL = \$ 151,099.82

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

ANY LISTED SPECIES BIOMASS 2,552.00 Tons 1.00 2,552.00

Mixed Species Description:

Aspen Species Pulpwood includes: Largetooth Aspen 25%; Trembling Aspen 75%.
Maple Species Pulp & Bolts includes: Red Maple 40%; Sugar Maple 60%.
Mixed Spruce Pulp & Bolts includes: Black Spruce 10%; White Spruce 90%.
Northern Hardwoods Pulp & Bolts includes: Ash 50%; Basswood 50%.

Mixed Product Description:

Maple Species Pulp & Bolts includes: Bolts 20%; Pulpwood 80%.
Mixed Spruce Pulp & Bolts includes: Bolts 30%; Pulpwood 70%.
Northern Hardwoods Pulp & Bolts includes: Bolts 10%; Pulpwood 90%.

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:

Multiple 5-25 acre blocks located off the East White Pine.

Price Adjustments:

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

Certification Note:

The timber on this tract is SFI and FSC certified.

Appraiser:

Laura Murphy

(Appraisal ID 14764-0; Cutting Block ID 17251-0)

TRACT B2 COUNTY: ST. LOUIS AREA: CLOQUET AREA ACRES: 113.4

Permit Number: B014279
 Expiration Date: 05/31/2022

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

GL02, GL03, GL04, NENE, NENW, NWNE, NWNW, SENE, SENW, SWNE of Section 36 - Township 50, Range 20W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 106	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ PAPER BIRCH	PULP & BOLTS	1,300.00	Cd	14.08	18,304.00	29.00	37,700.00
+ ASPEN SPECIES	PULP & BOLTS	1,150.00	Cd	21.84	25,116.00	44.99	51,738.50
+ MAPLE SPECIES	PULP & BOLTS	400.00	Cd	14.08	5,632.00	29.00	11,600.00
BASSWOOD	PULP & BOLTS	220.00	Cd	10.78	2,371.60	10.78	2,371.60
RED OAK	PULP & BOLTS	45.00	Cd	23.10	1,039.50	23.10	1,039.50
BALSAM FIR	PULP & BOLTS	30.00	Cd	16.50	495.00	16.50	495.00
ASH	PULP & BOLTS	5.00	Cd	8.58	42.90	8.58	42.90
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$53,001.00	BID TOTAL = \$	104,987.50
				ADVANCE PAYMENT =	\$7,950.15		

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

ANY LISTED SPECIES BIOMASS 1,900.00 Tons 1.00 1,900.00

Mixed Species Description:

Aspen Species Pulp & Bolts includes: Balm of Gilead 5%; Largetooth Aspen 5%; Trembling Aspen 90%.
 Maple Species Pulp & Bolts includes: Red Maple 10%; Sugar Maple 90%.

Mixed Product Description:

Ash Pulp & Bolts includes: Bolts 10%; Pulpwood 90%.
 Aspen Species Pulp & Bolts includes: Bolts 15%; Pulpwood 85%.
 Balsam Fir Pulp & Bolts includes: Bolts 10%; Pulpwood 90%.
 Basswood Pulp & Bolts includes: Bolts 40%; Pulpwood 60%.
 Maple Species Pulp & Bolts includes: Bolts 10%; Pulpwood 90%.
 Paper Birch Pulp & Bolts includes: Bolts 20%; Pulpwood 80%.
 Red Oak Pulp & Bolts includes: Bolts 50%; Pulpwood 50%.

Cutting and Felling:

- Harvest , within the Hardwood Seed Tree area, paper birch, aspen, maple species, basswood, balsam fir, and orange-painted oak, leaving 15-20 mixed trees per acre on an average of 60 foot spacing between trees. In the aspen clearcut area, remove all merchantable aspen, retaining 2 large aspen per acre as den trees for wildlife. Within the aspen sale area, there will be inclusions of hardwood species. Treat these inclusions as you would the Hardwood Seed Tree area, reserving 15-20 mixed species trees per acre..
- Fell all snags within 50 feet of the trails/roads.
- Reserve all spruce species, yellow birch, pine species, elm, non-painted oak, and all non-merchantable tree species.
- Reserve all non-hazardous snags.
- 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.
- Do not fell timber into adjoining timber or roads/trails.

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

Slash Disposal (Continued):

- 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%.

Site, Soil and Water Protection:

- If site damage becomes apparent, alter or cease operations and contact State.
- No operations within painted areas and reserve islands.
- Leave at least 5 sound downed logs greater than 6" diameter and 6 feet in length per acre.
- Wetlands requiring filter strips occur on this permit.
- Follow other actions as directed by the sale administrator to minimize the introduction and/or spread of invasive species.

Landings Roads and Trails:

- The location and construction of all roads and landings must be pre-approved by the State.
- Improved or constructed access roads shall not have a finished roadbed width greater than 15 feet and a clearing width of 25 feet , except with written permission from the State. Pullouts may be constructed every 1000 feet as needed.
- Haul roads will be restored to pre-sale conditions.

Sale Conditions:

- Access is across private and county land.
- Permission to cross private land must be obtained by permittee.
- A St. Louis County access agreement has been applied for and will become part of the terms of sale.

Marketing Conditions:

- On the hardwood portion of this site, the TSA would like to encourage soil scarification take place to aid in natural seeding post harvest.
- The adjacent landowner, Dan Heikkala, has the best access through his property. He encourages access through his property, and is open to any interested bidder speaking to him about access. Please see the TSA for Dan's contact information.
- Due to access through the Heikkala land, the landowner has concerns about any operations taking place during the firearm deer season.
- There is a very good logging road that runs through the larger portion of the stand. It is on the sale map, but hard to see as it runs along the blue paint line along the western edge.
- The sale is approximately 7.5 miles NW of Cromwell, and 3 miles east of Hwy. 73. The access to the stand is on Heikkala Rd., which goes east off of 73. The site is along an esker area, with primarily sandy/gravelly soils.
- A shapefile/Avenza map of the sale is available upon request.
- TSA - Pat Wherley; (218) 878-5646 or patrick.wherley@state.mn.us

Price Adjustments:

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

Certification Note:

The timber on this tract is SFI and FSC certified.

Appraiser:

Patrick J. Wherley

TRACT B3

COUNTY: AITKIN

AREA: AITKIN AREA

ACRES: 16.0

Permit Number: B014280
Expiration Date: 05/31/2022

Purchased By:
Address:

UNSOLD

NENW,SENW of Section 22 - Township 51, Range 26W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID: _____	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ NORWAY PINE	PULPWOOD	133.00	Cd	5.40	718.20	5.40	718.20
+ ASPEN SPECIES	PULPWOOD	40.00	Cd	11.96	478.40	11.96	478.40
PAPER BIRCH	PULPWOOD	3.00	Cd	6.60	19.80	6.60	19.80
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$1,216.40	BID TOTAL = \$	1,216.40
				ADVANCE PAYMENT =	\$182.46		

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

ANY LISTED SPECIES BIOMASS 62.00 Tons 0.60 37.20

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 2%; Trembling Aspen 98%.

Cutting and Felling:

- 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.
- If residual tree damage may occur, then no skidding with branches will be allowed and trees may have to be cut into shorter lengths before skidding. To avoid residual tree damage, processing at the stump and forwarding cut products is recommended.

Season of Operations:

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

Landings Roads and Trails:

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

Sale Conditions:

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

Marketing Conditions:

Located just south of County Hwy 7 and half a mile west of hwy 169

Price Adjustments:

- Road Construction Costs: 0%
- Haul Distance to Nearest Mill: 0%
- Stand Density: 0%
- Operational Constraints: 0%
- Other Price Factor: -40% (first time thinning and re offered wood)

Certification Note:

The timber on this tract is SFI and FSC certified.

Appraiser:

Steven Anthony Sovinski

TRACT B4

COUNTY: ST. LOUIS

AREA: CLOQUET AREA

ACRES: 156.0

Permit Number: B014281
Expiration Date: 05/31/2023

Purchased By:
Address:

UNSOLD

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

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID: _____	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+* TAMARACK	PULP & BOLTS	3,200.00	Cd	2.18	6,976.00	2.18	6,976.00
* ASH	PULPWOOD	100.00	Cd	2.45	245.00	2.45	245.00
* BLACK SPRUCE	PULPWOOD	35.00	Cd	5.65	197.75	5.65	197.75

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$7,418.75 BID TOTAL = \$ 7,418.75
ADVANCE PAYMENT = \$1,112.81

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

ANY LISTED SPECIES BIOMASS 1,920.00 Tons 0.30 576.00

SOAV Option:

Sold on Appraised Volume (SOAV) option is available. If elected, Permittee must sign option agreement on date of permit purchase.

Mixed Product Description:

Tamarack Pulp & Bolts includes: Bolts 22%; Pulpwood 78%.

Season of Operations:

- Conduct felling, skidding and hauling on frozen soil conditions only, except with written permission from State.

Sale Conditions:

- Access is across state land.

Marketing Conditions:

Permit is located 2 miles east and 2 miles south of Meadowlands, MN off of County Rd 47 - Agnew Rd. Stand has an active larch beetle infestation which has been causing a slow decline and death in the stand. Prices have been reduced 65 percent as 43 percent of this stand has been appraised as standing dead in April 2018. Due to tamaracks rot resistant qualities the wood has remained and may remain merchantable for some time. The winter access route has already been dozed into the landing. An easement for this portion of the Alborn snowmobile trail is owned by the State so the proposed access route off County Rd 47 (Agnew Rd) is across State land.

Prices reduced additional 15% of last appraised price due to re-offer.

4 year sale length due to winter frozen ground access and operation in a lowland tamarack swamp forest.

Bolt percentage is estimated at 22% with some saw-timber also present in this mature stand.

This permit has been cruised in April 2018 to allow for SOAV option.

Digital map or GPS shapefile of the permit area is available upon request to permit holder for use as a general reference.

At the time of purchase this permit is not within the MDA Ash Quarantine Area.

Appraiser: Wes Habedank 476-7022 Floodwood Field Station

Price Adjustments:

Road Construction Costs: 0%
Haul Distance to Nearest Mill: 0%
Stand Density: 0%
Operational Constraints: 0%
Other Price Factor: -65% (I&D Larch Beetle & -15% dicappraised price)

Certification Note:

The timber on this tract is SFI and FSC certified.

Appraiser:

Wesley J. Habedank

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

TRACT B5

COUNTY: ST. LOUIS

AREA: CLOQUET AREA

ACRES: 29.3

Permit Number: B014282
Expiration Date: 05/31/2023

Purchased By:
Address:

UNSOLD

SESW,SWSW of Section 25; NENW,NWNW,NWSW,SESW,SWNW of Section 36 - Township 54, Range 21W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID: _____	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASH	WOODSRUN MIXED PRODUCTS	375.00	Cd	5.40	2,025.00	5.40	2,025.00
+ BALSAM FIR	PULP & BOLTS	75.00	Cd	8.37	627.75	8.37	627.75
ASPEN SPECIES	PULPWOOD	35.00	Cd	9.44	330.40	9.44	330.40
PAPER BIRCH	PULP & BOLTS	15.00	Cd	5.57	83.55	5.57	83.55
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$3,066.70	BID TOTAL = \$	3,066.70
				ADVANCE PAYMENT =	\$460.01		

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

ANY LISTED SPECIES BIOMASS 345.00 Tons 1.00 345.00

Mixed Species Description:

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

Mixed Product Description:

Ash Woodsrun Mixed Products includes: Bolts 10%; Pulpwood 75%; Sawtimber 15%.

Balsam Fir Pulp & Bolts includes: Bolts 10%; Pulpwood 90%.

Paper Birch Pulp & Bolts includes: Bolts 10%; Pulpwood 90%.

Cutting and Felling:

- Site is operable to an operator of a conventional logging system. Getting ahead 1-2 weeks or more on felling is recommended to aid in further freezing down the site to prepare the weak wet soils for skidding and hauling by building more frost in the soil.

Season of Operations:

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

Sale Conditions:

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

Marketing Conditions:

Timber Sale is located 1.5 miles east of Hwy 73 and then North 1 mile at the end of the Heikkila Rd.

4 year sale due to winter frozen ground access and operation in a lowland black ash swamp forest.

At the time of purchase this permit is not within the Ash Quarantine Area.

Prices have been reduced due to the tract being re-offered.

Permission to cross private land must be obtained by the permittee. The landowner on the way to this permit is open to discussing access through his land. Contact the appraiser for more details.

Appraiser: Wes Habedank 476-7022 Floodwood Field Station

An Avenza digital pdf map or GPS shapefile of the permit area is available upon request for use as a general reference.

Price Adjustments:

Road Construction Costs: 0%
Haul Distance to Nearest Mill: 0%
Stand Density: 0%
Operational Constraints: -10%
Other Price Factor: -30% (2nd re-offer of previously appraised price)

Certification Note:

The timber on this tract is SFI and FSC certified.

Appraiser:

Wesley J. Habedank

(Appraisal ID 12848-0; Cutting Block ID 15027-0)

TRACT B6

COUNTY: ST. LOUIS

AREA: TOWER AREA

ACRES: 467.0

Permit Number: B014283
Expiration Date: 05/31/2022

Purchased By:
Address:

UNSOLD

NWSE,SWSE of Section 11; NWNE,SWNE of Section 14 - Township 64, Range 19W.
NESW,SESW,SWSW of Section 14; NWNE of Section 22; SESE,SWSE of Section 15 - Township 64, Range 19W.
NESW,NWSE,SESE,SESW,SWNE,SWSE of Section 14; NENE,NENW,NWNE,SENE,SWNW of Section 23;
NESE of Section 22 - Township 64, Range 19W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID: _____	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	PULPWOOD	5,500.00	Cd	17.00	93,500.00	17.00	93,500.00
RED MAPLE	PULPWOOD	1,300.00	Cd	10.20	13,260.00	10.20	13,260.00
MIXED SPRUCE	PULPWOOD	850.00	Cd	14.45	12,282.50	14.45	12,282.50
PAPER BIRCH	PULPWOOD	500.00	Cd	9.35	4,675.00	9.35	4,675.00
RED OAK	PULPWOOD	500.00	Cd	9.00	4,500.00	9.00	4,500.00
BALSAM FIR	PULPWOOD	400.00	Cd	11.90	4,760.00	11.90	4,760.00
NORWAY PINE	WOODSRUN MIXED PRODUCTS	200.00	Cd	34.05	6,810.00	34.05	6,810.00
WHITE PINE	WOODSRUN MIXED PRODUCTS	115.00	Cd	27.10	3,116.50	27.10	3,116.50

+ BID SPECIES

* SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$142,904.00 BID TOTAL = \$ 142,904.00
ADVANCE PAYMENT = \$21,435.60

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

ANY LISTED SPECIES BIOMASS 6,000.00 Tons 1.00 6,000.00

Mixed Species Description:

Aspen Species Pulpwood includes: Largetooth Aspen 60%; Trembling Aspen 40%.
Mixed Spruce Pulpwood includes: Black Spruce 86%; White Spruce 14%.

Mixed Product Description:

Norway Pine Woodsrunk Mixed Products includes: Bolts 45%; Pulpwood 10%; Sawtimber (Softwood Only) 45%.
White Pine Woodsrunk Mixed Products includes: Bolts 35%; Pulpwood 20%; Sawtimber (Softwood Only) 45%.

Cutting and Felling:

- Harvest all merchantable aspen, paper birch, maple, oak, balsam fir, spruce, and norway pine. Harvest only those white pine with a dbh greater than 15 inches (Cutting Blocks 1, 2, and 3).
- Fell all live black spruce equal to or greater than 5 feet tall (Cutting Block 3).

Season of Operations:

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

Sale Conditions:

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

Marketing Conditions:

Appraised by Andrew Erickson, Jeff Rengo, and Krista Starn.

Most of the sale area will be summer operable with new road construction. The lowland black spruce areas located in cutting block 3 are winter operable only.

Price Adjustments:

Road Construction Costs: -10%

Haul Distance to Nearest Mill: 0%

Stand Density: -5%

Operational Constraints: 0%

Other Price Factor: 0%

Certification Note:

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

Appraiser:

Jeffrey J. Rengo

(Appraisal ID 14526-0; Cutting Block ID 17329-0, 16919-0, 17328-0)

TRACT B7

COUNTY: KOOCHICHING

AREA: LITTLEFORK AREA

ACRES: 10.6

Permit Number: B014284
Expiration Date: 05/31/2022

Purchased By:
Address:

UNSOLD

GL01, GL02 of Section 33; GL04 of Section 32 - Township 69, Range 22W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID: _____	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ BLACK SPRUCE	PULPWOOD	120.00	Cd	11.05	1,326.00	11.05	1,326.00
TAMARACK	PULPWOOD	12.00	Cd	3.90	46.80	3.90	46.80
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$1,372.80	BID TOTAL = \$ 1,372.80
				ADVANCE PAYMENT =		\$205.92	

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

ANY LISTED SPECIES	BIOMASS	60.00 Tons	1.00	60.00
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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.

Sale Conditions:

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

Marketing Conditions:

Black spruce varies from 5-7" dbh 1-5 sticks/ tree. SI-28 Age 156 years

Site is located approximately 1 mile east off the end of Town Road #181 using old logging roads. The logging road also serves as a snowmobile trail to access Ray, MN.

Approximately .3 miles of new winter road construction will be necessary to access sale area.

Price reduced 15% for first re-offer.

Price Adjustments:

- Road Construction Costs: -15%
- Haul Distance to Nearest Mill: +10%
- Stand Density: -5%
- Operational Constraints: 0%
- Other Price Factor: -25% (-10 % poor quality -15% first re-offer)

Certification Note:

The timber on this tract is SFI and FSC certified.

Appraiser:

Chris J. Scofield

TRACT B8 COUNTY: CASS AREA: DEER RIVER AREA ACRES: 169.0

Permit Number: B014285
 Expiration Date: 05/31/2022

Purchased By: Dukek Logging Inc.
 Address: 23873 Timber Trail Drive, Bemidji, MN 56601

NESW,NWNE,NWSE,NWSW,SENE,SESW,SWNE,SWNW,SWSE,SWSW of Section 36 - Township 143, Range 27W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 89	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	PULPWOOD	2,920.00	Cd	19.70	57,524.00	37.23	108,711.60
+ PAPER BIRCH	PULP & BOLTS	375.00	Cd	12.35	4,631.25	23.34	8,752.50
+ MAPLE SPECIES	PULPWOOD	260.00	Cd	12.00	3,120.00	22.68	5,896.80
+ ASH	PULP & BOLTS	240.00	Cd	8.20	1,968.00	15.50	3,720.00
BASSWOOD	PULP & BOLTS	40.00	Cd	8.40	336.00	8.40	336.00
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$67,579.25	BID TOTAL = \$	127,416.90
				ADVANCE PAYMENT =	\$10,136.89		

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

ANY LISTED SPECIES BIOMASS 2,140.00 Tons 1.00 2,140.00

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 10%; Largetooth Aspen 5%; Trembling Aspen 85%.
 Maple Species Pulpwood includes: Red Maple 66%; Sugar Maple 34%.

Mixed Product Description:

Ash Pulp & Bolts includes: Bolts 15%; Pulpwood 85%.
 Basswood Pulp & Bolts includes: Bolts 20%; Pulpwood 80%.
 Paper Birch Pulp & Bolts includes: Bolts 15%; Pulpwood 85%.

Cutting and Felling:

- Full tree skidding preferred but not required.

Season of Operations:

- Conduct sale operations on very dry/ frozen soil conditions only, except with written permission from State.
 - Summer access will require road improvements in at least 4 locations for 90% sale access.

Slash Disposal:

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

Sale Conditions:

- Access is across State land.

Marketing Conditions:

Summer access will require road improvements in at least 4 locations along Minimum Maintenance Road, possibly including culverts and fill. Improvements will allow access to 90% of timber volume. Nearest state gravel pit is 16 miles away.

Price Adjustments:

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

Certification Note:

The timber on this tract is SFI and FSC certified.

Appraiser:

John J. Segari

(Appraisal ID 14759-0; Cutting Block ID 16850-0)

TRACT B9 COUNTY: ITASCA AREA: DEER RIVER AREA ACRES: 63.0

Permit Number: B014286
Expiration Date: 05/31/2022

Purchased By: Haley Logging Company
Address: 60697 State Hwy 38, Bigfork, MN 56628

NENW,NESW,NWNW,SESW,SWNE,SWNW,SWSW of Section 21 - Township 150, Range 25W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 83	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	PULPWOOD	1,334.00	Cd	20.00	26,680.00	36.60	48,824.40
+ ASH	PULP & BOLTS	277.00	Cd	10.20	2,825.40	18.67	5,171.59
+ PAPER BIRCH	PULP & BOLTS	106.00	Cd	13.25	1,404.50	24.25	2,570.50
RED MAPLE	PULPWOOD	20.00	Cd	12.00	240.00	12.00	240.00
BALSAM FIR	PULPWOOD	8.00	Cd	14.00	112.00	14.00	112.00

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$31,261.90 BID TOTAL = \$ 56,918.49
 ADVANCE PAYMENT = \$4,689.29

Mixed Product Description:

Ash Pulp & Bolts includes: Bolts 40%; Pulpwood 60%.
Paper Birch Pulp & Bolts includes: Bolts 25%; Pulpwood 75%.

Cutting and Felling:

- Harvest all aspen, paper birch, ash, red maple and balsam fir.

Season of Operations:

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

Sale Conditions:

- Access is across USFS, State, and 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.
- THIS TIMBER HARVEST PERMIT IS LOCATED ON US FOREST SERVICE LANDS. This state timber permit, authorized by the Minnesota Good Neighbor agreement, may be suspended, modified or cancelled if the Forest Service is required to interrupt or cancel operations due to a court order or to comply with NEPA or other legal sanction.

Marketing Conditions:

Best access is through private land off of Boggie Road. 2 miles of light brushing and 1 mile of moderate dozer work will be needed to access sale.

Price Adjustments:

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

Certification Note:

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

Appraiser:

Joshua Matthew Tomlin

TRACT B10

COUNTY: ITASCA

AREA: DEER RIVER AREA

ACRES: 64.2

Permit Number: B014287
Expiration Date: 05/31/2022

Purchased By: Haley Logging Company
Address: 60697 State Hwy 38, Bigfork, MN 56628

NESW,NWSW,SWSW of Section 25; NENW,NESW,NWNE,SENW,SESW,SWNE of Section 27 - Township 150, Range 25W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 93	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	PULPWOOD	1,226.00	Cd	19.00	23,294.00	36.67	44,957.42
ASH	PULP & BOLTS	163.00	Cd	9.69	1,579.47	9.69	1,579.47
BALSAM FIR	PULP & BOLTS	30.00	Cd	15.68	470.40	15.68	470.40
RED MAPLE	PULPWOOD	8.00	Cd	11.40	91.20	11.40	91.20

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$25,435.07 BID TOTAL = \$ 47,098.49
ADVANCE PAYMENT = \$3,815.26

Mixed Product Description:

Ash Pulp & Bolts includes: Bolts 40%; Pulpwood 60%.
Balsam Fir Pulp & Bolts includes: Bolts 25%; Pulpwood 75%.

Cutting and Felling:

- Harvest all aspen, ash, red maple and balsam fir.

Season of Operations:

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

Sale Conditions:

- Access is across USFS and State land.
- Provisions of access and /or water crossing permits will become part of sale terms and conditions for this sale.
- THIS TIMBER HARVEST PERMIT IS LOCATED ON US FOREST SERVICE LANDS. This state timber permit, authorized by the Minnesota Good Neighbor agreement, may be suspended, modified or cancelled if the Forest Service is required to interrupt or cancel operations due to a court order or to comply with NEPA or other legal sanction.

Marketing Conditions:

Price reduced 5% for road construction costs.

Best access is going west off of Co Rd 6. 2.8 miles of access road will require light brushing, 0.6 miles will require moderate dozer work. There are 2 flowages to freeze down and cross.

Price Adjustments:

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

Certification Note:

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

Appraiser:

Joshua Matthew Tomlin

TRACT B11

COUNTY: KOOCHICHING

AREA: LITTLEFORK AREA

ACRES: 119.6

Permit Number: B014288
 Expiration Date: 05/31/2022

Purchased By: Little Logging, Inc.

Address: Box 5025049 Industrial Ave, Littlefork, MN 56653

NESE,NWSE,SESE,SWNE,SWSE of Section 32; NWSW,SWSW of Section 33 - Township 156, Range 27W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 55	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	PULPWOOD	4,675.00	Cd	23.93	111,872.75	37.09	173,395.75
MIXED HARDWOODS	PULPWOOD	210.00	Cd	11.28	2,368.80	11.28	2,368.80
BALSAM FIR	PULPWOOD	150.00	Cd	16.80	2,520.00	16.80	2,520.00
TAMARACK	PULPWOOD	5.00	Cd	7.20	36.00	7.20	36.00
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$116,797.55	BID TOTAL = \$	178,320.55
				ADVANCE PAYMENT =	\$17,519.63		

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

ANY LISTED SPECIES BIOMASS 2,340.00 Tons 1.00 2,340.00

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 2%; Trembling Aspen 98%.
 Mixed Hardwoods Pulpwood includes: Ash 40%; Paper Birch 60%.

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

Marketing Conditions:

Site borders Pine Island gravel pit and access is off the Pine Island SFR, 5 miles from Gates Corner.

Sale is dry summer chance.

Price Adjustments:

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

Certification Note:

The timber on this tract is SFI and FSC certified.

Appraiser:

Victoria Jari

TRACT B12

COUNTY: KOOCHICHING

AREA: LITTLEFORK AREA

ACRES: 108.8

Permit Number: B014289
Expiration Date: 05/31/2022

Purchased By: Little Logging, Inc.
Address: Box 5025049 Industrial Ave, Littlefork, MN 56653

GL01, GL02, GL03, SENE, SWNE of Section 5 - Township 157, Range 26W.
NESW, NWSW, SESW, SWSE, SWSW of Section 32 - Township 158, Range 26W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 62	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	PULPWOOD	4,630.00	Cd	22.00	101,860.00	35.64	165,013.20
+ BALSAM FIR	PULPWOOD	460.00	Cd	16.10	7,406.00	26.08	11,996.80
NORTHERN HARDWOODS	PULPWOOD	325.00	Cd	10.50	3,412.50	10.50	3,412.50
WHITE SPRUCE	PULPWOOD	40.00	Cd	19.55	782.00	19.55	782.00

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$113,460.50
ADVANCE PAYMENT = \$17,019.08
BID TOTAL = \$ 181,204.50

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

ANY LISTED SPECIES BIOMASS 2,735.00 Tons 1.00 2,735.00

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 29%; Trembling Aspen 71%.
Northern Hardwoods Pulpwood includes: Ash 47%; Paper Birch 52%; Red Maple 1%.

Season of Operations:

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

Sale Conditions:

- Access crosses Public Waters. A Permit is not required if using a snow / ice bridge.
- Access is across county, private, industry, and state land.
- Permission to cross county, private, and industry 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:

Access to this sale can be achieved by opening approximately 8 miles of existing roads starting at the Red Barn Road Bridge.

Another option for accessing this sale is by coming from the north through private. This would require opening approximately 2 miles of existing roads, and an ice bridge would need to be made to cross the Black River.

Price Adjustments:

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

Certification Note:

The timber on this tract is SFI and FSC certified.

Appraiser:

Jonathan George McDonald

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

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

The right is reserved to reject any and all bids.

For the Commissioner
MINNESOTA DEPARTMENT OF NATURAL RESOURCES

By: _____
Authorized Signature
Division Of Forestry
Dated: June 11, 2019

- SUMMARY SHEET -

06/11/2019 REGULAR AUCTION - SALE #1

COMPLETED - DATA AS OF 06/28/2019

DEER RIVER AREA, AITKIN AREA, HIBBING AREA, TOWER AREA, CLOQUET AREA, TWO HARBORS AREA, LITTLEFORK 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	685.00	Cd	15.35	10,513.96
	ASPEN SPECIES	1,150.00	Cd	44.99	51,738.50
	PAPER BIRCH	1,781.00	Cd	27.53	49,023.00
	MAPLE SPECIES	675.00	Cd	25.45	17,177.00
	NORTHERN HARDWOODS	151.00	Cd	7.36	1,111.36
	BASSWOOD	260.00	Cd	10.41	2,707.60
	RED OAK	45.00	Cd	23.10	1,039.50
	BALSAM FIR	60.00	Cd	16.09	965.40
	MIXED SPRUCE	433.00	Cd	30.29	13,115.57
PULPWOOD	ASPEN SPECIES	16,548.00	Cd	34.81	576,075.64
	TREMBLING ASPEN	2,560.00	Cd	36.63	93,781.82
	PAPER BIRCH	224.00	Cd	10.45	2,340.80
	MAPLE SPECIES	260.00	Cd	22.68	5,896.80
	NORTHERN HARDWOODS	325.00	Cd	10.50	3,412.50
	RED MAPLE	28.00	Cd	11.83	331.20
	WHITE SPRUCE	40.00	Cd	19.55	782.00
	BALSAM FIR	618.00	Cd	23.67	14,628.80
	TAMARACK	5.00	Cd	7.20	36.00
	MIXED HARDWOODS	210.00	Cd	11.28	2,368.80
BIOMASS	ANY LISTED SPECIES (optional)	11,667.00	Tons	-	0.00

TOTAL SOLD TRACTS CONVERTED TO CORDS: 26,058.00
TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS: \$ 505,030.00
TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS: \$ 847,046.25
TOTAL ACRES SOLD: 836.0
SOLD TRACT NUMBERS: 1, 2, 8, 9, 10, 11, 12
TOTAL NUMBER OF TRACTS SOLD: 7

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>
PULP & BOLTS	PAPER BIRCH	15.00	Cd	5.57	83.55
	BALSAM FIR	75.00	Cd	8.37	627.75
	TAMARACK	3,200.00	Cd	2.18	6,976.00
WOODSRUN MIXED PRODUCTS	ASH	375.00	Cd	5.40	2,025.00
	WHITE PINE	115.00	Cd	27.10	3,116.50
	NORWAY PINE	200.00	Cd	34.05	6,810.00
PULPWOOD	ASH	100.00	Cd	2.45	245.00
	ASPEN SPECIES	5,575.00	Cd	16.92	94,308.80
	PAPER BIRCH	503.00	Cd	9.33	4,694.80
	RED MAPLE	1,300.00	Cd	10.20	13,260.00
	RED OAK	500.00	Cd	9.00	4,500.00
	NORWAY PINE	133.00	Cd	5.40	718.20
	BALSAM FIR	400.00	Cd	11.90	4,760.00
	BLACK SPRUCE	155.00	Cd	9.83	1,523.75
	TAMARACK	12.00	Cd	3.90	46.80
	MIXED SPRUCE	850.00	Cd	14.45	12,282.50
BIOMASS	ANY LISTED SPECIES (optional)	8,387.00	Tons	0.84	7,018.20

- SUMMARY SHEET (Continued) -

TOTAL UNSOLD TRACTS CONVERTED TO CORDS: 13,508.00
TOTAL APPRAISED DOLLAR VALUE OF UNSOLD TRACTS: \$ 155,978.65
TOTAL ACRES UNSOLD: 678.9
UNSOLD TRACT NUMBERS: 3, 4, 5, 6, 7
TOTAL NUMBER OF TRACTS UNSOLD: 5
