



MINNESOTA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY

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

STATUS: COMPLETED
INTERMEDIATE AUCTION - SALE #2
ORAL BID

Notice is hereby given that I offered for sale at public auction in Silver Bay, MN at 9:45 AM on Thursday, June 13, 2019, timber belonging to the State of Minnesota. All tracts were offered at the Tettegouche State Park Visitor Center in Silver Bay, 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
TWO HARBORS AREA

9:45 AM on June 13, 2019
Tettegouche State Park Visitor Center in Silver Bay, 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 June 13, 2020, at the following Area Headquarters: Two Harbors 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: LAKE

AREA: TWO HARBORS AREA

ACRES: 40.9

Permit Number: X016764
Expiration Date: 05/31/2022

Purchased By:
Address:

UNSOLD

NWSW of Section 6; NWNE, SENE of Section 7 - Township 55, Range 9W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID: _____	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	PULPWOOD	360.00	Cd	20.40	7,344.00	20.40	7,344.00
+ NORTHERN HARDWOODS	PULPWOOD	145.00	Cd	9.61	1,393.45	9.61	1,393.45
+ BALSAM FIR	PULPWOOD	65.00	Cd	14.45	939.25	14.45	939.25
+ WHITE SPRUCE	PULP & BOLTS	45.00	Cd	22.68	1,020.60	22.68	1,020.60
ASH	PULPWOOD	35.00	Cd	7.65	267.75	7.65	267.75
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$10,965.05	BID TOTAL = \$	10,965.05
				ADVANCE PAYMENT =	\$1,644.76		

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

ANY LISTED SPECIES BIOMASS 350.00 Tons 1.00 350.00

Mixed Species Description:

Northern Hardwoods Pulpwood includes: Paper Birch 69%; Red Maple 31%.

Mixed Product Description:

White Spruce Pulp & Bolts includes: Bolts 64%; Pulpwood 36%.

Season of Operations:

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

Sale Conditions:

- Access crosses Public Waters. A Permit is not required if using a snow / ice bridge.
- Access is across county and state land.
- Permission to cross county land must be obtained by permittee.

Marketing Conditions:

Access exists off the N. Alger Grade. The stands in section 7 have direct access. The stand in section 6 will require approximately .35 miles of new winter road for access.

Price Adjustments:

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

Appraiser:

Simon Cain

TRACT X2

COUNTY: LAKE

AREA: TWO HARBORS AREA

ACRES: 80.1

Permit Number: X016765
Expiration Date: 05/31/2022

Purchased By: Goutermont Logging
Address: 65 Adams Blvd, Silver Bay, MN 55614

NWSE,SWSE of Section 17; NESE,NESW,NWSE,NWSW,SESE,SWSE,SWSW of Section 16 - Township 55, Range 9W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	PULPWOOD	360.00	Cd	13.96	5,025.60	13.96	5,025.60
+ BALSAM FIR	PULPWOOD	360.00	Cd	9.80	3,528.00	9.80	3,528.00
+ NORTHERN HARDWOODS	PULPWOOD	210.00	Cd	5.51	1,157.10	5.51	1,157.10
+ WHITE SPRUCE	PULP & BOLTS	130.00	Cd	12.98	1,687.40	12.98	1,687.40
NORWAY PINE	PULPWOOD	10.00	Cd	6.30	63.00	6.30	63.00

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$11,461.10
ADVANCE PAYMENT = \$1,719.17
BID TOTAL = \$ 11,461.10

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

ANY LISTED SPECIES BIOMASS 430.00 Tons 1.00 430.00

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 2%; Trembling Aspen 98%.
Northern Hardwoods Pulpwood includes: Ash 82%; Paper Birch 3%; Red Maple 12%; Sugar Maple 3%.

Mixed Product Description:

White Spruce Pulp & Bolts includes: Bolts 14%; Pulpwood 86%.

Cutting and Felling:

- Harvest in Block 1: harvest aspen, balsam fir, spruce and other listed hardwoods of at least 2 sticks. In Block 2 (along hunter walking trail) thin to no more than 24' spacing, cutting marked norway pine only. In Block 3, cut marked gaps connected by trails less than 16' wide.

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:

Portions of sale are surround or directly adjacent to hunter walking trails, sale activity is not recommended during high use times - weekends during hunting season.

Price Adjustments:

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

Appraiser:

Karen L. Updegraff

TRACT X3

COUNTY: LAKE

AREA: TWO HARBORS AREA

ACRES: 176.0

Permit Number: X016766
 Expiration Date: 05/31/2022

Purchased By: Tibbetts Trucking
Address: 6389 Lax Lake Rd, Finland, MN 55603

SWSW of Section 24; NENE,NENW,NWNE of Section 26; NWSW,SESE,SESW,SWNW,SWSE of Section 23 - Township 57, Range 8W.
 NENW,NWNW,SESW of Section 25; NENE,NENW,NWNE,NWNW,SENE,SESW,SWNE of Section 26 - Township 57, Range 8W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	PULPWOOD	570.00	Cd	9.94	5,665.80	9.94	5,665.80
+ PAPER BIRCH	PULPWOOD	490.00	Cd	5.50	2,695.00	5.50	2,695.00
+ MIXED SPRUCE	PULP & BOLTS	450.00	Cd	9.56	4,302.00	9.56	4,302.00
+ NORTHERN HARDWOODS	PULPWOOD	450.00	Cd	5.39	2,425.50	5.39	2,425.50
+ BALSAM FIR	PULPWOOD	410.00	Cd	7.00	2,870.00	7.00	2,870.00
+ TAMARACK	PULPWOOD	10.00	Cd	3.00	30.00	3.00	30.00

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$17,988.30
 BID TOTAL = \$ 17,988.30
 ADVANCE PAYMENT = \$2,698.25

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

ANY LISTED SPECIES BIOMASS 990.00 Tons 1.00 990.00

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 4%; Trembling Aspen 96%.
 Mixed Spruce Pulp & Bolts includes: Black Spruce 12%; White Spruce 88%.
 Northern Hardwoods Pulpwood includes: Ash 24%; Red Maple 25%; Sugar Maple 51%.

Mixed Product Description:

Mixed Spruce Pulp & Bolts includes: Bolts 19%; Pulpwood 81%.

Cutting and Felling:

- Harvest trees with greater than 2 sticks of ash, maple, aspen, spruce, balsam fir, paper birch, and tamarack (Cutting Block 1).
- Harvest trees with greater than 2 sticks of paper birch, aspen, balsam fir, spruce, ash, and maple (Cutting Block 2).

Season of Operations:

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

Sale Conditions:

- Access is across state land (Cutting Blocks 1 and 2).

Marketing Conditions:

(N/A)

Price Adjustments:

- Road Construction Costs: -10%
- Haul Distance to Nearest Mill: 0%
- Stand Density: -10%
- Operational Constraints: -10%
- Other Price Factor: -20% (Forest health concerns (budworm, birch decline))

Appraiser:

Karen L. Updegraff

(Appraisal ID 14914-0; Cutting Block ID 15837-0, 15381-0)

TRACT X4

COUNTY: LAKE

AREA: TWO HARBORS AREA

ACRES: 114.5

Permit Number: X016767
Expiration Date: 05/31/2022

Purchased By:
Address:

UNSOLD

NESW,NWSE,NWSW,SESW,SWSE of Section 4 - Township 57, Range 9W.
NENE of Section 8; NWNW of Section 9; NESW,NWSW,SESW,SWSW of Section 4 - Township 57, Range 9W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID:	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ BALSAM FIR	PULPWOOD	370.00	Cd	11.90	4,403.00	11.90	4,403.00
+ MIXED HARDWOODS	PULPWOOD	255.00	Cd	7.39	1,884.45	7.39	1,884.45
+ MIXED SPRUCE	PULP & BOLTS	135.00	Cd	16.32	2,203.20	16.32	2,203.20
+ ASPEN SPECIES	PULPWOOD	45.00	Cd	17.00	765.00	17.00	765.00
PINE SPECIES	PULPWOOD	15.00	Cd	7.65	114.75	7.65	114.75

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$9,370.40
ADVANCE PAYMENT = \$1,405.56
BID TOTAL = \$ 9,370.40

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

ANY LISTED SPECIES BIOMASS 500.00 Tons 1.00 500.00

Mixed Species Description:

Aspen Species Pulpwood includes: Largetooth Aspen 10%; Trembling Aspen 90%.
Mixed Hardwoods Pulpwood includes: Ash 60%; Paper Birch 30%; Red Maple 10%.
Mixed Spruce Pulp & Bolts includes: Black Spruce 15%; White Spruce 85%.
Pine Species Pulpwood includes: Jack Pine 80%; Norway Pine 20%.

Mixed Product Description:

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

Cutting and Felling:

- Harvest all balsam fir 1 stick or greater. Harvest trees with 2 sticks or greater of red maple, jack pine, paper birch, largetooth aspen, trembling aspen, and black spruce. Harvest trees with 3 sticks or greater of norway pine, white spruce, and black ash (Cutting Block 2).
- Harvest all balsam fir 1 stick or greater. Harvest trees with 2 sticks or greater of red maple, paper birch, largetooth aspen, trembling aspen, and black spruce. Harvest trees with 3 sticks or greater of norway pine, white spruce, and black ash (Cutting Block 1).

Season of Operations:

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

Sale Conditions:

- Access is across state land (Cutting Blocks 1 and 2).

Marketing Conditions:

From the intersection of Highway 1 and the Hefflefinger Rd. in Finland, MN, drive west on the the Hefflefinger Rd. for 13 miles. At the intersection of Cloquet Lake Rd., turn south on to the Cloquet Lake Rd. and follow for 2.7 miles to the first cutting block to the west.

Price Adjustments:

Road Construction Costs: -5%
Haul Distance to Nearest Mill: 0%
Stand Density: -10%

Operational Constraints: 0%
Other Price Factor: 0%

Appraiser:

Andrew R. Weston

(Appraisal ID 14344-0; Cutting Block ID 16744-0, 16743-0)

TRACT X5

COUNTY: LAKE

AREA: TWO HARBORS AREA

ACRES: 10.1

Permit Number: X016768

Expiration Date: 05/31/2022

Purchased By: Jule Foster Logging

Address: 1690 Slate Rd, Isabella, MN 55607

SWSW of Section 17 - Township 57, Range 10W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ BLACK SPRUCE	PULPWOOD	195.00	Cd	15.30	2,983.50	15.30	2,983.50
TAMARACK	PULPWOOD	13.00	Cd	5.40	70.20	5.40	70.20
PAPER BIRCH	PULPWOOD	8.00	Cd	9.90	79.20	9.90	79.20
BALSAM FIR	PULPWOOD	4.00	Cd	12.60	50.40	12.60	50.40

+ BID SPECIES

* SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$3,183.30
 ADVANCE PAYMENT = \$477.50

BID TOTAL = \$ 3,183.30

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

ANY LISTED SPECIES BIOMASS 110.00 Tons 1.00 110.00

Cutting and Felling:

- Harvest black spruce, tamarack, paper birch and balsam fir.

Season of Operations:

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

Sale Conditions:

- Access is across USFS land.
- Provisions of access and /or water crossing permits will become part of sale terms and conditions for this sale.

Marketing Conditions:

The USFS access permit was applied for in August of 2018. The proposed access is using the existing road that originates at the USFS Hwy. 2 White Pine Roadside Park. In addition, approximately 0.15 miles of new construction winter road will be needed to access the sale.

Price Adjustments:

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

Appraiser:

Trevor Karl Poyhonen

TRACT X6

COUNTY: LAKE

AREA: TWO HARBORS AREA

ACRES: 68.0

Permit Number: X016769
Expiration Date: 05/31/2022

Purchased By:
Address:

UNSOLD

SESW of Section 3; NENE,NENW of Section 10; NWNW of Section 11 - Township 58, Range 6W.
NENE of Section 9; NENW of Section 10 - Township 58, Range 6W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID:	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ SUGAR MAPLE	PULPWOOD	245.00	Cd	3.00	735.00	3.00	735.00
+ ASPEN SPECIES	PULPWOOD	201.00	Cd	4.98	1,000.98	4.98	1,000.98
+ PAPER BIRCH	PULPWOOD	71.00	Cd	2.75	195.25	2.75	195.25
+ WHITE SPRUCE	PULPWOOD	65.00	Cd	4.25	276.25	4.25	276.25
ASH	PULPWOOD	34.00	Cd	1.75	59.50	1.75	59.50
BALSAM FIR	PULPWOOD	25.00	Cd	3.50	87.50	3.50	87.50

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$2,354.48 BID TOTAL = \$ 2,354.48
ADVANCE PAYMENT = \$353.17

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

ANY LISTED SPECIES BIOMASS 295.00 Tons 1.00 295.00

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 3%; Trembling Aspen 97%.

Cutting and Felling:

- Harvest in UNIT 1 aspen, balm of gilead, balsam fir, paper birch, sugar maple, and spruce 5-16" DBH. In UNIT 2 harvest aspen, balm of gilead, balsam fir, paper birch, and sugar maple (Cutting Block 1).
- Harvest in UNIT 3 Aspen, Ash, and Sugar Maple less than 14" DBH. In UNIT 4 harvest Aspen, Ash, and thin Sugar Maple 5-16" DBH to 30-40 sq. ft. per acre (Cutting Block 2).

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).

Sale Conditions:

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

Marketing Conditions:

Sale areas are located near the junction of Cty Hwy 7 and 8 (Cramer Rd). Access is direct. Aspen is deteriorating, and low in volume. Prescription is aimed toward regenerating Aspen--avoid regeneration patches as much as possible. Road building, if going through private is needed in harvest area at intersection of 7 and 8 where there is slight elevation to overcome. Building is required in Section 10 as well on the eastern side of the RMZ.

Price Adjustments:

- Road Construction Costs: -10%
- Haul Distance to Nearest Mill: 0%
- Stand Density: -10%
- Operational Constraints: -5%
- Other Price Factor: -50% (Salvage)

Appraiser:

Glenn N. Ristow

TRACT X7

COUNTY: LAKE

AREA: TWO HARBORS AREA

ACRES: 180.8

Permit Number: X016770
Expiration Date: 05/31/2022

Purchased By:
Address:

UNSOLD

GL02, GL03, NENE, NESW, NWNE, NWSE of Section 7; NWSE, SESE, SESW, SWSE of Section 6;
GL03, GL04, NESW, SENW, SESW, SWNW of Section 5 - Township 58, Range 8W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID:	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ MIXED SPRUCE	PULPWOOD	980.00	Cd	9.35	9,163.00	9.35	9,163.00
+ BALSAM FIR	PULPWOOD	750.00	Cd	7.70	5,775.00	7.70	5,775.00
+ NORWAY PINE	PULP & BOLTS	510.00	Cd	7.18	3,661.80	7.18	3,661.80
+ NORTHERN HARDWOODS	PULPWOOD	150.00	Cd	6.03	904.50	6.03	904.50
ASPEN SPECIES	PULPWOOD	35.00	Cd	10.22	357.70	10.22	357.70
TAMARACK	PULPWOOD	5.00	Cd	3.30	16.50	3.30	16.50

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$19,878.50
ADVANCE PAYMENT = \$2,981.78
BID TOTAL = \$ 19,878.50

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

ANY LISTED SPECIES BIOMASS 180.00 Tons 1.00 180.00

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 47%; Trembling Aspen 53%.
Mixed Spruce Pulpwood includes: Black Spruce 7%; White Spruce 93%.
Northern Hardwoods Pulpwood includes: Ash 1%; Paper Birch 99%.

Mixed Product Description:

Norway Pine Pulp & Bolts includes: Bolts 15%; Pulpwood 85%.

Cutting and Felling:

- Harvest trees with 2 sticks or more of spruce, balsam fir, Norway pine, ash, paper birch, aspen, and tamarack. Within thinning areas of Blocks 1 and 3 removal preference is: balsam fir, spruce, pine, aspen, then other hardwoods.
- Additional specifications for cutting blocks: Block 1 cut access lanes not more than 15' wide spaced 50' apart from center, between lanes thin trees to about 15' spacing. Block 2 harvest all species as listed above, reserving 2-3 large birch per acre. Block 3 cut access lanes not more than 15' wide spaced 50' apart from center, between lanes thin trees to 18'-20' spacing. Block 4 cut access lanes not more than 15' wide spaced 50' apart from center, between lanes alternate harvest gaps with reserves spaced 250'-280' long.

Season of Operations:

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

Sale Conditions:

- Access is across state and USFS land.
- Provisions of access and /or water crossing permits will become part of sale terms and conditions for this sale.

Marketing Conditions:

Access to sale will need road improvements to make summer operations possible, this includes the West General Grade and Snake Trail.

Price Adjustments:

Road Construction Costs: -10%
Haul Distance to Nearest Mill: 0%
Stand Density: 0%

Operational Constraints: -10%
Other Price Factor: -25% (First Entry Thinning)

Appraiser:

Karen L. Updegraff

(Appraisal ID 14927-0; Cutting Block ID 17399-0)

TRACT X8

COUNTY: LAKE

AREA: TWO HARBORS AREA

ACRES: 109.2

Permit Number: X016771

Expiration Date: 05/31/2022

Purchased By: Joseph Ernest Logging

Address: 49 Davis Drive, Silver Bay, MN 55614

GL04,NENE,NESW,NWSE,SENE,SENW,SWNE of Section 7 - Township 58, Range 9W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ MIXED SPRUCE	PULPWOOD	912.00	Cd	12.75	11,628.00	12.75	11,628.00
+ NORWAY PINE	PULPWOOD	471.00	Cd	6.75	3,179.25	6.75	3,179.25
+ BALSAM FIR	PULPWOOD	239.00	Cd	10.50	2,509.50	10.50	2,509.50
TAMARACK	PULPWOOD	63.00	Cd	4.50	283.50	4.50	283.50
JACK PINE	PULPWOOD	18.00	Cd	6.75	121.50	6.75	121.50
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$17,721.75	BID TOTAL = \$ 17,721.75
				ADVANCE PAYMENT =		\$2,658.26	

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

ANY LISTED SPECIES BIOMASS 929.00 Tons 1.00 929.00

Mixed Species Description:

Mixed Spruce Pulpwood includes: Black Spruce 50%; White Spruce 50%.

Cutting and Felling:

- Harvest trees with 2 sticks or more of spruce, balsam fir, and tamarack. Within jack pine and red pine pockets thin down to 30-40 BA.

Season of Operations:

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

Sale Conditions:

- Access is across county, private land.
- Permission to cross county, 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:

Sale is located west off the Stony River Grade. Access to Red Pine thinnings in the NE may be summer accessible if private landowner approves of road improvement and transmission line ROW usage is approved. SW access is through county property. Limited road improvement is required and is frozen access only.

Price Adjustments:

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

Appraiser:

Glenn N. Ristow

TRACT X9

COUNTY: LAKE

AREA: TWO HARBORS AREA

ACRES: 52.3

Permit Number: X016772
Expiration Date: 05/31/2022

Purchased By: Fjeran's Forest Prod.
Address: 1801 Hwy 3, Two Harbors, MN 55616

NENW,NWNE of Section 32; NWSW of Section 28; SESE,SWSE of Section 29 - Township 58, Range 10W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ MIXED SPRUCE	PULPWOOD	610.00	Cd	13.60	8,296.00	13.60	8,296.00
+ ASPEN SPECIES	PULP & BOLTS	185.00	Cd	16.00	2,960.00	16.00	2,960.00
+ PAPER BIRCH	PULPWOOD	180.00	Cd	8.80	1,584.00	8.80	1,584.00
BALSAM FIR	PULPWOOD	75.00	Cd	11.20	840.00	11.20	840.00
TAMARACK	PULPWOOD	30.00	Cd	4.80	144.00	4.80	144.00
RED MAPLE	PULPWOOD	15.00	Cd	9.60	144.00	9.60	144.00
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$13,968.00	BID TOTAL = \$ 13,968.00
				ADVANCE PAYMENT =		\$2,095.20	

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

ANY LISTED SPECIES BIOMASS 580.00 Tons 1.00 580.00

Mixed Species Description:

Aspen Species Pulp & Bolts includes: Balm of Gilead 1%; Trembling Aspen 99%.
Mixed Spruce Pulpwood includes: Black Spruce 98%; White Spruce 2%.

Mixed Product Description:

Aspen Species Pulp & Bolts includes: Bolts 10%; Pulpwood 90%.

Cutting and Felling:

- Harvest aspen, paper birch, maple, balsam fir, spruce, and tamarack.
- Reserve 6 birch, aspen, maple or tamarack per acre >8" DBH in Block 2 harvest area. Also reserve all cedar, yellow birch and pine.

Season of Operations:

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

Sale Conditions:

- Access is across USFS and Lake county land.
- Permission to cross private and Lake county 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.
- USFS hauling/plowing permit will need to be obtained by permittee if using FS Rd 824 as access.

Marketing Conditions:

Sale is located approximately 6 miles North of Hwy 2/ Forest Road 11 junction. Best access would be utilizing snowmobile trail and old winter roads off of Forest Road 824.

A permit to cross USFS lands has been applied for.

There are a couple options to cross private land that would avoid utilizing most of snowmobile trail, securing private and county access would be up to permittee. Contact TSA for contact information on landowner that may be willing to allow access.

Most stands include both upland and lowland black spruce.

Price Adjustments:

Road Construction Costs: -15%
Haul Distance to Nearest Mill: 0%

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

Appraiser:

Brian Patrick Schiller

(Appraisal ID 14544-0; Cutting Block ID 16987-0)

TRACT X10

COUNTY: LAKE

AREA: TWO HARBORS AREA

ACRES: 147.0

Permit Number: X016773
Expiration Date: 05/31/2022

Purchased By: Joseph Ernest Logging
Address: 49 Davis Drive, Silver Bay, MN 55614

NENE,NESE,NWNE,NWSE,SENE,SESE,SWNE,SWSE of Section 16 - Township 59, Range 8W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 60	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ MIXED SPRUCE	PULPWOOD	1,235.00	Cd	14.45	17,845.75	23.12	28,553.20
+ NORWAY PINE	PULP & BOLTS	570.00	Cd	23.71	13,514.70	37.94	21,625.80
+ BALSAM FIR	PULPWOOD	449.00	Cd	11.90	5,343.10	19.04	8,548.96
+ TREMBLING ASPEN	PULPWOOD	307.00	Cd	17.00	5,219.00	27.20	8,350.40
PAPER BIRCH	PULPWOOD	78.00	Cd	9.35	729.30	9.35	729.30
TAMARACK	PULPWOOD	21.00	Cd	5.10	107.10	5.10	107.10
ASH	PULPWOOD	7.00	Cd	5.95	41.65	5.95	41.65
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$42,800.60	BID TOTAL = \$	67,956.41
				ADVANCE PAYMENT =	\$6,420.09		

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

ANY LISTED SPECIES	BIOMASS	1,200.00	Tons	1.00	1,200.00
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Mixed Species Description:

Mixed Spruce Pulpwood includes: Black Spruce 95%; White Spruce 5%.

Mixed Product Description:

Norway Pine Pulp & Bolts includes: Bolts 70%; Pulpwood 30%.

Cutting and Felling:

- Harvest spruce, aspen, ash, tamarack, balsam fir, and paper birch greater than 9" DBH. Thin red pine pockets down to an average BA of 30-40.

Season of Operations:

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

Sale Conditions:

- Access is across state land.

Marketing Conditions:

Sale is located directly west of Hwy 1, just south of Isabella. Limited road building to landings off of Hwy 1. Pine thinning is dry summer chance. Surrounding timber is frozen ground.

Price Adjustments:

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

Appraiser:

Glenn N. Ristow

TRACT X11

COUNTY: LAKE

AREA: TWO HARBORS AREA

ACRES: 43.0

Permit Number: X016774
Expiration Date: 05/31/2022

Purchased By: Joseph Ernest Logging
Address: 49 Davis Drive, Silver Bay, MN 55614

NENW,SENW,SWNW of Section 22 - Township 59, Range 8W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 30	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ MIXED SPRUCE	PULPWOOD	287.00	Cd	16.15	4,635.05	21.00	6,027.00
+ NORWAY PINE	PULP & BOLTS	245.00	Cd	29.07	7,122.15	37.79	9,258.55
+ BALSAM FIR	PULPWOOD	116.00	Cd	13.30	1,542.80	17.29	2,005.64
TREMBLING ASPEN	PULPWOOD	54.00	Cd	19.00	1,026.00	19.00	1,026.00
TAMARACK	PULPWOOD	15.00	Cd	5.70	85.50	5.70	85.50
				APPRAISED TOTAL =		\$14,411.50	BID TOTAL = \$ 18,402.69
				ADVANCE PAYMENT =		\$2,161.73	

+ BID SPECIES * SOLD ON APPRAISED VOLUME

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

ANY LISTED SPECIES BIOMASS 325.00 Tons 1.00 325.00

Mixed Species Description:

Mixed Spruce Pulpwood includes: Black Spruce 34%; White Spruce 66%.

Mixed Product Description:

Norway Pine Pulp & Bolts includes: Bolts 80%; Pulpwood 20%.

Cutting and Felling:

- Harvest trees greater than 5" DBH of balsam fir, tamarack, black spruce, and aspen. Within pockets of red pine and white spruce thin with rows to an average BA of 90.

Season of Operations:

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

Sale Conditions:

- Access is across USFS land.
- Permission to cross USFS 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:

Sale is north of Finland on Hwy 1 roughly 10-12mi, and east off Hwy 1 a half mile.
Pine and Spruce thinnings are accessible from the Sawtooth/Moose Run trail and Hwy 1
Thinnings are summer/dry chance, clearcut areas are frozen accessible only.

Price Adjustments:

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

Appraiser:

Glenn N. Ristow

TRACT X12

COUNTY: COOK

AREA: TWO HARBORS AREA

ACRES: 59.0

Permit Number: X016775
Expiration Date: 05/31/2022

Purchased By: Jerry Donek Trucking Inc.
Address: 7890 W Hwy 61, Schroeder, MN 55613

NESW,NWSW,SENW,SWNW of Section 5 - Township 62, Range 1E.
NESW,NWSW,SENW,SWNW of Section 16; NESE of Section 17 - Township 62, Range 1E.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ BLACK SPRUCE	PULPWOOD	834.00	Cd	5.95	4,962.30	5.95	4,962.30
+ BID SPECIES	* SOLD ON APPRAISED VOLUME						
					APPRAISED TOTAL =	\$4,962.30	BID TOTAL = \$ 4,962.30
					ADVANCE PAYMENT =	\$744.35	

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

TAMARACK	PULPWOOD	108.00	Cd	2.10	226.80		
ANY LISTED SPECIES	BIOMASS	543.00	Tons	1.00	543.00		

Cutting and Felling:

- Harvest all Black Spruce (Cutting Blocks 1 and 2).

Season of Operations:

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

Sale Conditions:

- Access is across State land (Cutting Blocks 1 and 2).

Marketing Conditions:

Tamarack is clustered in one main area of cutting block 2, remaining areas are mostly pure black spruce.

Price Adjustments:

Road Construction Costs: 0%
Haul Distance to Nearest Mill: 0%
Stand Density: 0%
Operational Constraints: 0%
Other Price Factor: -65% (Cook County Discount)

Appraiser:

Justin Owen Rexrode

TRACT X13

COUNTY: COOK

AREA: TWO HARBORS AREA

ACRES: 96.6

Permit Number: X016776
Expiration Date: 05/31/2022

Purchased By:
Address:

UNSOLD

NWSE,SESW,SWSE of Section 16 - Township 62, Range 4W.

NENW,NESE,NWNE,SENE,SESW,SWNE of Section 16 - Township 62, Range 4W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID:	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ JACK PINE	PULPWOOD	220.00	Cd	2.25	495.00	2.25	495.00
+ NORWAY PINE	PULPWOOD	205.00	Cd	2.25	461.25	2.25	461.25
+ BLACK SPRUCE	PULPWOOD	110.00	Cd	4.25	467.50	4.25	467.50
BALSAM FIR	PULPWOOD	25.00	Cd	3.50	87.50	3.50	87.50

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$1,511.25
ADVANCE PAYMENT = \$226.69
BID TOTAL = \$ 1,511.25

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

ANY LISTED SPECIES BIOMASS 74.00 Tons 1.00 74.00

Cutting and Felling:

- Harvest red pine, jack pine, spruce, and balsam fir as logger select thinning with a goal to reduce average spacing within the stand to 15'x15' with residual merchantable trees as evenly spaced as possible (Cutting Block 2).
- Harvest red pine, spruce, jack pine, and balsam fir as logger select thinning with a goal to reduce within the stand to 15'x15' with mixed merchantable residuals evenly spaced as possible (Cutting Block 1).

Season of Operations:

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

Sale Conditions:

- Access is across State land (Cutting Blocks 1 and 2).
- Permission to cross USFS 1273 Road land must be obtained by permittee (Cutting Blocks 1 and 2).
- Provisions of access and /or water crossing permits will become part of sale terms and conditions for this sale (Cutting Blocks 1 and 2).

Marketing Conditions:

Blk 1 ave BA 140
Blk 2 ave BA 142
Harvest operations will be tight it is recommended to process trees at the stump and forward cut products to the landing.
Road use/snow plowing permit required for use of USFS 1273 Rd.

Price Adjustments:

Road Construction Costs: 0%
Haul Distance to Nearest Mill: 0%
Stand Density: 0%
Operational Constraints: -10%
Other Price Factor: -65% (Cook County)

Appraiser:

Aaron J. Mielke

TRACT X14

COUNTY: COOK

AREA: TWO HARBORS AREA

ACRES: 66.0

Permit Number: X016777
Expiration Date: 05/31/2022

Purchased By:
Address:

UNSOLD

SESW,SWSW of Section 36; NESE,SESE of Section 35 - Township 63, Range 3E.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID: _____	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	PULPWOOD	726.00	Cd	6.00	4,356.00	6.00	4,356.00
+ BALSAM FIR	PULPWOOD	132.00	Cd	4.20	554.40	4.20	554.40
WHITE SPRUCE	PULPWOOD	66.00	Cd	5.10	336.60	5.10	336.60
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =		\$5,247.00	BID TOTAL = \$ 5,247.00
				ADVANCE PAYMENT =		\$787.05	

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

PAPER BIRCH	PULPWOOD	119.00	Cd	3.30	392.70		
ANY LISTED SPECIES	BIOMASS	633.00	Tons	1.00	633.00		

Cutting and Felling:

- Harvest Aspen, Balsam Fir, and Spruce.

Season of Operations:

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

Sale Conditions:

- Access is across State land.

Marketing Conditions:

Access into this sale will be from Tower Road(east of the sale). The road is in rough shape and parts are flooded out just east of the cutting block. Winter access seems to be the most viable option for this timber sale.

Price Adjustments:

Road Construction Costs: -5%
Haul Distance to Nearest Mill: 0%
Stand Density: 0%
Operational Constraints: 0%
Other Price Factor: -65% (Cook County Discount)

Appraiser:

Justin Owen Rexrode

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

TWO HARBORS 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 13, 2019

- SUMMARY SHEET -

06/13/2019 INTERMEDIATE AUCTION - SALE #2

COMPLETED - DATA AS OF 06/13/2019

TWO HARBORS AREA

SUMMARY FOR SOLD TRACTS

PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE
PULP & BOLTS	ASPEN SPECIES	185.00	Cd	16.00	2,960.00
	NORWAY PINE	815.00	Cd	37.89	30,884.35
	WHITE SPRUCE	130.00	Cd	12.98	1,687.40
	MIXED SPRUCE	450.00	Cd	9.56	4,302.00
PULPWOOD	ASH	7.00	Cd	5.95	41.65
	ASPEN SPECIES	930.00	Cd	11.50	10,691.40
	TREMBLING ASPEN	361.00	Cd	25.97	9,376.40
	PAPER BIRCH	756.00	Cd	6.73	5,087.50
	NORTHERN HARDWOODS	660.00	Cd	5.43	3,582.60
	RED MAPLE	15.00	Cd	9.60	144.00
	NORWAY PINE	481.00	Cd	6.74	3,242.25
	JACK PINE	18.00	Cd	6.75	121.50
	BALSAM FIR	1,653.00	Cd	12.31	20,352.50
	BLACK SPRUCE	1,029.00	Cd	7.72	7,945.80
	TAMARACK (optional)	108.00	Cd	-	0.00
	TAMARACK	152.00	Cd	4.74	720.30
	MIXED SPRUCE	3,044.00	Cd	17.91	54,504.20
BIOMASS	ANY LISTED SPECIES (optional)	5,107.00	Tons	-	0.00

TOTAL SOLD TRACTS CONVERTED TO CORDS: 10,686.00
TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS: \$ 126,496.85
TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS: \$ 155,643.85
TOTAL ACRES SOLD: 676.7
SOLD TRACT NUMBERS: 2, 3, 5, 8, 9, 10, 11, 12
TOTAL NUMBER OF TRACTS SOLD: 8

SUMMARY FOR UNSOLD TRACTS

PRODUCT	SPECIES	TOTAL VOLUME	UNIT	APPRAISED AVERAGE UNIT PRICE	APPRAISED \$ VALUE
PULP & BOLTS	NORWAY PINE	510.00	Cd	7.18	3,661.80
	WHITE SPRUCE	45.00	Cd	22.68	1,020.60
	MIXED SPRUCE	135.00	Cd	16.32	2,203.20
PULPWOOD	ASH	69.00	Cd	4.74	327.25
	ASPEN SPECIES	281.00	Cd	7.56	2,123.68
	TREMBLING ASPEN	1,086.00	Cd	10.77	11,700.00
	PAPER BIRCH (optional)	119.00	Cd	3.30	392.70
	PAPER BIRCH	71.00	Cd	2.75	195.25
	NORTHERN HARDWOODS	295.00	Cd	7.79	2,297.95
	SUGAR MAPLE	245.00	Cd	3.00	735.00
	PINE SPECIES	15.00	Cd	7.65	114.75
	NORWAY PINE	205.00	Cd	2.25	461.25
	JACK PINE	220.00	Cd	2.25	495.00
	WHITE SPRUCE	131.00	Cd	4.68	612.85
	BALSAM FIR	1,367.00	Cd	8.67	11,846.65
	BLACK SPRUCE	110.00	Cd	4.25	467.50
	TAMARACK	5.00	Cd	3.30	16.50
	MIXED SPRUCE	980.00	Cd	9.35	9,163.00
MIXED HARDWOODS	255.00	Cd	7.39	1,884.45	
BIOMASS	ANY LISTED SPECIES (optional)	2,032.00	Tons	1.00	2,032.00

- SUMMARY SHEET (Continued) -

TOTAL UNSOLD TRACTS CONVERTED TO CORDS: 6,025.00
TOTAL APPRAISED DOLLAR VALUE OF UNSOLD TRACTS: \$ 49,326.68
TOTAL ACRES UNSOLD: 566.8
UNSOLD TRACT NUMBERS: 1, 4, 6, 7, 13, 14
TOTAL NUMBER OF TRACTS UNSOLD: 6
