



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 #3
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 Thursday, January 9, 2020. All tracts were awarded at the DNR Forestry Northeast Region Office at 1:30 p.m. on January 10th, 2020 in Grand Rapids, MN.

All of the timber offered was SFI and FSC certified.

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



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

**FSC
100%**



MINNESOTA DEPARTMENT OF NATURAL RESOURCES

DIVISION OF FORESTRY

REGULAR AUCTION

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 January 9, 2020**

Bids will be awarded at the following location:

DNR Forestry Northeast Region Office at 1:30 p.m. on January 10th, 2020 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 (January 9, 2020). 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 January 9, 2021, 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: 91.5

Permit Number: B014450
Expiration Date: 05/31/2022

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

NWSE,SESE,SWSE of Section 2; SWNW,SWSW of Section 12; NENE,NESE,NWNE,SENE,SESE,SWNE of Section 11 - Township 52, Range 25W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 92	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	PULPWOOD	1,455.00	Cd	18.70	27,208.50	35.90	52,234.50
+ MAPLE SPECIES	PULPWOOD	815.00	Cd	11.00	8,965.00	21.12	17,212.80
+ PAPER BIRCH	PULPWOOD	205.00	Cd	11.00	2,255.00	21.12	4,329.60
BASSWOOD	PULP & BOLTS	200.00	Cd	9.63	1,926.00	9.63	1,926.00
BALSAM FIR	PULPWOOD	140.00	Cd	15.40	2,156.00	15.40	2,156.00
ASH	PULPWOOD	100.00	Cd	6.60	660.00	6.60	660.00

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$43,170.50
ADVANCE PAYMENT = \$6,475.58
BID TOTAL = \$ 78,518.90

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

ANY LISTED SPECIES BIOMASS 1,847.50 Tons 0.65 1,200.88

Mixed Species Description:

Aspen Species Pulpwood includes: Largetooth Aspen 5%; Trembling Aspen 95%.
Maple Species Pulpwood includes: Red Maple 61%; Sugar Maple 39%.

Mixed Product Description:

Basswood Pulp & Bolts includes: Bolts 25%; Pulpwood 75%.

Season of Operations:

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

Sale Conditions:

- Access is across state land.

Marketing Conditions:

From Hill City go east on hwy 200 5.7 miles to the Splithand forest road. The sale is located on the east side of the road roughly 1/4 mile in.

Nice looking aspen that ranges from 5 sticks to 8.

Price Adjustments:

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

Appraiser:

Gene Geordan Grell

TRACT B2 COUNTY: ST. LOUIS AREA: CLOQUET AREA ACRES: 102.9

Permit Number: B014451 Purchased Over-the-Counter Date: 01/16/2020
 Expiration Date: 05/31/2023

Purchased By: Jatco, Inc.
 Address: 4995 Lakeview Drive, Duluth, MN 55804

NENE,NENW,NESW,NWNE,NWSW,SESW,SWNW,SWSW of Section 20; NENW,NWNE of Section 30;
 GL02,GL03,NESW,SESW,SWSE of Section 19; NWNW,SWNW of Section 21 - Township 53, Range 17W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	PULP & BOLTS	845.00	Cd	16.46	13,908.70	16.46	13,908.70
+ BLACK SPRUCE	PULP & BOLTS	620.00	Cd	16.80	10,416.00	16.80	10,416.00
ASH	PULP & BOLTS	250.00	Cd	6.90	1,725.00	6.90	1,725.00
TAMARACK	PULPWOOD	240.00	Cd	6.00	1,440.00	6.00	1,440.00
BALSAM FIR	PULP & BOLTS	50.00	Cd	14.80	740.00	14.80	740.00
RED MAPLE	PULPWOOD	50.00	Cd	10.00	500.00	10.00	500.00

+ BID SPECIES * SOLD ON APPRAISED VOLUME
 APPRAISED TOTAL = \$28,729.70 BID TOTAL = \$ 28,729.70
 ADVANCE PAYMENT = \$4,309.46

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

ANY LISTED SPECIES BIOMASS 1,000.00 Tons 0.65 650.00

Mixed Species Description:

Aspen Species Pulp & Bolts includes: Balm of Gilead 18%; Trembling Aspen 82%.

Mixed Product Description:

Ash Pulp & Bolts includes: Bolts 10%; Pulpwood 90%.
 Aspen Species Pulp & Bolts includes: Bolts 10%; Pulpwood 90%.
 Balsam Fir Pulp & Bolts includes: Bolts 10%; Pulpwood 90%.
 Black Spruce Pulp & Bolts includes: Bolts 10%; Pulpwood 90%.

Cutting and Felling:

- Harvest balsam 2 sticks and larger, aspen species, ash, black spruce and tamarack in clear-cutting units. In ash strip-cutting units harvest 1/3 of ash in strips. Cutting strips are logger select unmarked. Cutting 40 ft harvest strips and leaving 80 ft. reserve strips or something similar to this would be acceptable. Harvest aspen and balm gilead contained with in and reachable from harvest strips in ash stands..
 - Reserve pine, cedar, birch, 1 large aspen, 1 large maple per acre and reserve balsam less than 2 sticks wherever possible in clear-cuts. Clumps of regen of the above species should be reserved as possible where they exist. In ash stands 680,708 and 1089 reserve 2/3 of stand in between the cut strips. Also reserve all other species in ash stands where possible, except aspen and balm gilead.

Season of Operations:

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

Sale Conditions:

- Access is across State and county land.
 - A St. Louis County access agreement has been applied for and will become part of the terms of this sale.

Marketing Conditions:

Permit is located on Hwy 133, 2.5 miles west of Hwy 53. There is an existing approach to the south off of Hwy 133 and an existing winter road network to access the permit area.

The harvest area of stand 773 A53 has been impacted by the wind event in 2017, with a loss of less than 1% of volume. Lost volume was not appraised and this is not treated as a salvage permit. But damaged wood may be utilized.

Prices reduced 10% for operational constraints of winter access only upland cover types and for ash strip thinning.

4 - year sale due to ash and black spruce lowland to allow permittee sufficient opportunity to harvest permit under frozen ground conditions.

This permit includes ash as a harvest species; and, at the time of purchase, is NOT within the Ash Quarantine Area.

An Avenza PDF map of the permit area is available upon request for use as a general reference.

Appraiser: Wes Habedank - Floodwood 476-7022

Price Adjustments:

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

Appraiser:

Wesley J. Habedank

(Appraisal ID 15191-0; Cutting Block ID 17106-0)

TRACT B3 COUNTY: LAKE AREA: TWO HARBORS AREA ACRES: 198.9

Permit Number: B014452
 Expiration Date: 05/31/2022

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

GL02, GL07, GL08, GL09, NWSW, SENE, SENW of Section 3; NESE of Section 4 - Township 57, Range 11W.
 GL02, GL03, SWNW of Section 3; NESW, NWSE, SWSE of Section 4 - Township 57, Range 11W.
 GL10, GL11 of Section 34 - Township 58, Range 11W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 164	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ MIXED SPRUCE	PULP & BOLTS	2,195.00	Cd	6.88	15,101.60	18.16	39,861.20
+ BALSAM FIR	PULPWOOD	1,165.00	Cd	5.60	6,524.00	14.78	17,218.70
+ PAPER BIRCH	PULPWOOD	895.00	Cd	4.00	3,580.00	10.56	9,451.20
+ NORWAY PINE	PULP & BOLTS	515.00	Cd	6.30	3,244.50	16.63	8,564.45
+ ASPEN SPECIES	PULPWOOD	355.00	Cd	6.68	2,371.40	17.64	6,262.20
TAMARACK	PULP & BOLTS	30.00	Cd	3.84	115.20	3.84	115.20

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$30,936.70
 ADVANCE PAYMENT = \$4,640.51
 BID TOTAL = \$ 81,472.95

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

ANY LISTED SPECIES BIOMASS 2,805.00 Tons 0.26 729.30

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 10%; Trembling Aspen 90%.
 Mixed Spruce Pulp & Bolts includes: Black Spruce 50%; White Spruce 50%.

Mixed Product Description:

Mixed Spruce Pulp & Bolts includes: Bolts 15%; Pulpwood 85%.
 Norway Pine Pulp & Bolts includes: Bolts 35%; Pulpwood 65%.
 Tamarack Pulp & Bolts includes: Bolts 60%; Pulpwood 40%.

Cutting and Felling:

- Harvest aspen, paper birch, balsam fir, red pine, spruce, and tamarack (Cutting Blocks 1 and 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, or county and USFS, or USFS land (Cutting Blocks 1 and 2).
- Permission to cross Lake county 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).
- The sale will expire 5/31/2022 due to spruce budworm concerns (Cutting Blocks 1 and 2).

Marketing Conditions:

Sale is located between the Upland Trail state forest road and USFS road 419. Access from Upland Trail is across state land, access from USFS road 419 will require an access permit from the USFS which is pending at this time. Using USFS road 419 may additionally require a hauling permit that the permittee is responsible for obtaining. Majority of access routes have grown in and will require some merchantable timber removal.
 Sale area is currently experiencing a spruce budworm outbreak, prices reduced. Cutting block 1 with the spruce plantation has severe defoliation, recommend cutting first winter.
 Season of harvest will likely be limited to winter only due to access across bogs.
 Additional timber management/ access opportunities may be possible on adjacent Lake County land and TNC land.

Price Adjustments:

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

Appraiser:

Jason A. Bushmaker

(Appraisal ID 15304-0; Cutting Block ID 17788-0, 17803-0)

TRACT B4 COUNTY: ST. LOUIS AREA: HIBBING AREA ACRES: 96.4

Permit Number: B014453
Expiration Date: 05/31/2023

Purchased By: Rieger Logging Inc.
Address: 61559 Co Road 26, Northome, MN 56661

NESE,NESW,NWSE,SESE,SWNE of Section 23 - Township 60, Range 21W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 107	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ PINE SPECIES	PULP & BOLTS	1,075.00	Cd	24.19	26,004.25	50.07	53,825.25
+ TREMBLING ASPEN	PULP & BOLTS	145.00	Cd	18.70	2,711.50	38.71	5,612.95
	BALSAM FIR	50.00	Cd	15.40	770.00	15.40	770.00
	PAPER BIRCH	20.00	Cd	11.00	220.00	11.00	220.00

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$29,705.75 BID TOTAL = \$ 60,428.20
 ADVANCE PAYMENT = \$4,455.86

Mixed Species Description:

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

Mixed Product Description:

Pine Species Pulp & Bolts includes: Bolts 75%; Pulpwood 25%.
Trembling Aspen Pulp & Bolts includes: Bolts 10%; Pulpwood 90%.

Season of Operations:

- The Timber Sale Administrator (TSA) can allow or stop permit operations to minimize rutting, root damage, bark slippage, beetle infestations or wildfire risk. If excessive damage is occurring, the TSA will stop operations until site conditions improve. For pine thinning operations the following restrictions apply to cut pine greater than 3 inch diameter:

- December 1 to May 31: Pine cut in this period must be hauled or destroyed by June 1.
- June 1 to August 31: Pine cut in this period must be hauled or destroyed within 3 weeks.
- September 1 to November 30: No special restrictions for pine cut in this period.
- Conduct sale operations on dry / frozen soil conditions only, except with written permission from State.

Sale Conditions:

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

Marketing Conditions:

Sale is located 2.75 miles east of Side Lake off of St. Louis County Hwy 65.

Price reduced 25% on 1 block of first entry pine thinning
Price increased 10% for road construction costs

Price Adjustments:

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

Appraiser:

Andrew E. Carlson

TRACT B5 COUNTY: ST. LOUIS AREA: TOWER AREA ACRES: 92.0

Permit Number: B014454
 Expiration Date: 05/31/2022

Purchased By: Bell Timber Inc.
 Address: 4 Berger Avenue, Barron, WI 54812

NENW, SENW, SWNW of Section 15 - Township 63, Range 17W.
 SWNW, SWSW of Section 15; NENE, NENW, NWNE, SENE, SESE of Section 16 - Township 63, Range 17W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 52	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ PINE SPECIES	WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	1,800.00	Cd	40.80	73,440.00	62.02	111,636.00
+ BLACK SPRUCE	PULPWOOD	765.00	Cd	13.60	10,404.00	20.67	15,812.55
ASH	PULPWOOD	160.00	Cd	4.80	768.00	4.80	768.00
TAMARACK	PULPWOOD	145.00	Cd	4.80	696.00	4.80	696.00
NORTHERN HARDWOODS	PULPWOOD	45.00	Cd	8.85	398.25	8.85	398.25
BALSAM FIR	PULPWOOD	40.00	Cd	11.20	448.00	11.20	448.00
TREMBLING ASPEN	PULPWOOD	20.00	Cd	13.60	272.00	13.60	272.00
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$86,426.25	BID TOTAL = \$	130,030.80
				ADVANCE PAYMENT =	\$12,963.94		

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

ANY LISTED SPECIES BIOMASS 520.00 Tons 0.65 338.00

Mixed Species Description:

Northern Hardwoods Pulpwood includes: Paper Birch 94%; Red Maple 6%.
 Pine Species Woodsrun Sawtimber (Softwood only) includes: Jack Pine 1%; Norway Pine 98%; White Pine 1%.

Mixed Product Description:

Pine Species Woodsrun Sawtimber (Softwood only) includes: Bolts 30%; Pulpwood 10%; Sawtimber (Softwood Only) 60%.

Cutting and Felling:

- Fell all live black spruce equal to or greater than 5 feet tall (Cutting Block 1).
- Full tree skidding recommended for silvicultural reasons (Cutting Block 2).
- Due to some steep terrain hand falling may be necessary (Cutting Block 2).

Season of Operations:

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

Sale Conditions:

- Permission to cross private and county land must be obtained by permittee (Cutting Block 1).

Marketing Conditions:

Block 1 is summer chance and can be accessed from Niles Bay Forest Road. The prices are reduced 20% for steep terrain and long winter access.

Price Adjustments:

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

Appraiser:

Terry R. Bergstrom

(Appraisal ID 14898-0; Cutting Block ID 17339-0, 17340-0)

TRACT B6

COUNTY: CASS

AREA: DEER RIVER AREA

ACRES: 159.1

Permit Number: B014455
Expiration Date: 05/31/2023

Purchased By:
Address:

UNSOLD

NENW,NWNE of Section 19; NESW,NWSE,SENEW of Section 22; GL04,NWSE,SESW,SWSE of Section 18 - Township 144, Range 26W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID: _____	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TAMARACK	PULPWOOD	3,060.00	Cd	5.40	16,524.00	5.40	16,524.00
BALSAM FIR	PULPWOOD	95.00	Cd	12.60	1,197.00	12.60	1,197.00
TREMBLING ASPEN	PULPWOOD	70.00	Cd	15.30	1,071.00	15.30	1,071.00
PAPER BIRCH	PULPWOOD	35.00	Cd	9.00	315.00	9.00	315.00
MIXED SPRUCE	PULPWOOD	30.00	Cd	14.40	432.00	14.40	432.00
RED MAPLE	PULPWOOD	5.00	Cd	9.00	45.00	9.00	45.00

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$19,584.00
ADVANCE PAYMENT = \$2,937.60
BID TOTAL = \$ 19,584.00

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

ANY LISTED SPECIES BIOMASS 998.00 Tons 0.58 578.84

Mixed Species Description:

Mixed Spruce Pulpwood includes: Black Spruce 90%; White Spruce 10%.

Season of Operations:

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

Sale Conditions:

- Access is across USFS, county and State land.
- Permission to cross 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.

Marketing Conditions:

8 miles of road plowing will be required for access.

Small pockets of dead tamarack are present.

Price Adjustments:

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

Appraiser:

Joshua Matthew Tomlin

TRACT B7 COUNTY: ITASCA AREA: DEER RIVER AREA ACRES: 200.1
 Permit Number: B014456
 Expiration Date: 05/31/2024

Purchased By: Rieger Logging Inc.
 Address: 61559 Co Road 26, Northome, MN 56661

GL02, GL03, GL04, SESW of Section 30; GL01, NENW, NWNE of Section 31 - Township 149, Range 28W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 6	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ BLACK SPRUCE	PULP & BOLTS	2,125.00	Cd	20.58	43,732.50	21.81	46,346.25
+ TAMARACK	PULP & BOLTS	1,540.00	Cd	10.08	15,523.20	10.68	16,447.20
PAPER BIRCH	PULP & BOLTS	220.00	Cd	15.22	3,348.40	15.22	3,348.40
ASPEN SPECIES	PULP & BOLTS	215.00	Cd	14.89	3,201.35	14.89	3,201.35
ASH	PULP & BOLTS	195.00	Cd	10.55	2,057.25	10.55	2,057.25
BALSAM FIR	PULP & BOLTS	185.00	Cd	18.48	3,418.80	18.48	3,418.80
BASSWOOD	PULP & BOLTS	55.00	Cd	10.66	586.30	10.66	586.30
RED MAPLE	PULP & BOLTS	3.00	Cd	13.13	39.39	13.13	39.39

+ BID SPECIES * SOLD ON APPRAISED VOLUME
 APPRAISED TOTAL = \$71,907.19 BID TOTAL = \$ 75,444.94
 ADVANCE PAYMENT = \$10,786.08

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

ANY LISTED SPECIES BIOMASS 1,635.00 Tons 0.65 1,062.75

Mixed Species Description:

Aspen Species Pulp & Bolts includes: Balm of Gilead 94%; Trembling Aspen 6%.

Mixed Product Description:

- Ash Pulp & Bolts includes: Bolts 45%; Pulpwood 55%.
- Aspen Species Pulp & Bolts includes: Bolts 30%; Pulpwood 70%.
- Balsam Fir Pulp & Bolts includes: Bolts 45%; Pulpwood 55%.
- Basswood Pulp & Bolts includes: Bolts 45%; Pulpwood 55%.
- Black Spruce Pulp & Bolts includes: Bolts 45%; Pulpwood 55%.
- Paper Birch Pulp & Bolts includes: Bolts 45%; Pulpwood 55%.
- Red Maple Pulp & Bolts includes: Bolts 25%; Pulpwood 75%.
- Tamarack Pulp & Bolts includes: Bolts 60%; Pulpwood 40%.

Cutting and Felling:

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

Season of Operations:

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

Sale Conditions:

- Access is across State, USFS, private, and county land.
- Permission to cross private and 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.

Marketing Conditions:

Sale is located 0.5 miles West of intersection of Itasca County Road 131 and Hoaglund Road. Access to all timber volume is via 2.1 miles of woods road. 1.6 miles will require light brushing and 0.5 will require mature timber clearing. Sale consists of 158.3 acres lowland clearcut at 24.5 cords per acre and 41.8 acres upland clearcut at 18.9 cords per acre. All of upland clearcut could be harvested in a dry summer, however dry summer hauling is quite unlikely.

Price Adjustments:

Road Construction Costs: +5%

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

Appraiser:

Trevor Alan Adams

(Appraisal ID 15336-0; Cutting Block ID 17829-0)

TRACT B8 COUNTY: ITASCA AREA: DEER RIVER AREA ACRES: 305.6

Permit Number: B014457
 Expiration Date: 05/31/2024

Purchased By: Andy Michalek Logging Inc.
Address: 54529 Michalek Road, Blackduck, MN 56630

GL01, GL02, GL03, NENW, NESW, NWNE, NWSE, SENW, SESW, SWNE of Section 31 - Township 149, Range 28W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 2	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TAMARACK	PULP & BOLTS	5,190.00	Cd	10.91	56,622.90	11.13	57,764.70
+ BLACK SPRUCE	PULP & BOLTS	1,520.00	Cd	20.54	31,220.80	20.95	31,844.00
BALSAM FIR	PULP & BOLTS	450.00	Cd	18.83	8,473.50	18.83	8,473.50
PAPER BIRCH	PULP & BOLTS	300.00	Cd	14.98	4,494.00	14.98	4,494.00
ASH	PULP & BOLTS	180.00	Cd	12.20	2,196.00	12.20	2,196.00
ASPEN SPECIES	PULP & BOLTS	145.00	Cd	15.75	2,283.75	15.75	2,283.75
WHITE SPRUCE	PULP & BOLTS	70.00	Cd	21.83	1,528.10	21.83	1,528.10

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$106,819.05
 ADVANCE PAYMENT = \$16,022.86
 BID TOTAL = \$ 108,584.05

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

ANY LISTED SPECIES BIOMASS 2,330.00 Tons 0.65 1,514.50

Mixed Species Description:

Aspen Species Pulp & Bolts includes: Balm of Gilead 76%; Trembling Aspen 24%.

Mixed Product Description:

- Ash Pulp & Bolts includes: Bolts 60%; Pulpwood 40%.
- Aspen Species Pulp & Bolts includes: Bolts 45%; Pulpwood 55%.
- Balsam Fir Pulp & Bolts includes: Bolts 45%; Pulpwood 55%.
- Black Spruce Pulp & Bolts includes: Bolts 40%; Pulpwood 60%.
- Paper Birch Pulp & Bolts includes: Bolts 40%; Pulpwood 60%.
- Tamarack Pulp & Bolts includes: Bolts 70%; Pulpwood 30%.
- White Spruce Pulp & Bolts includes: Bolts 55%; Pulpwood 45%.

Cutting and Felling:

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

Season of Operations:

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

Sale Conditions:

- Access is across State, USFS 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.

Marketing Conditions:

Sale is located 0.5 miles West of intersection of Itasca County Road 131 and Hoaglund Road. Access to all timber volume is via 2.6 miles of woods road. 1.6 miles will require a very light brushing and 1.0 will require mature timber clearing. Sale consists of 282.6 acres lowland clearcut at 27.3 cords per acre, 16.1 acres upland clearcut at 17.3 cords per acre, and 8.5 acres of operator select first entry white spruce thinning at 10.3 cords per acre. All of upland clearcut and all of white spruce thinning could be harvested in a dry summer, however dry summer hauling is quite unlikely.

Price Adjustments:

Road Construction Costs: +5%
 Haul Distance to Nearest Mill: 0%

Stand Density: +2%
Operational Constraints: 0%
Other Price Factor: 0%

Appraiser:

Trevor Alan Adams

(Appraisal ID 15335-0; Cutting Block ID 17830-0)

TRACT B9 COUNTY: KOOCHICHING AREA: LITTLEFORK AREA ACRES: 185.0

Permit Number: B014458
Expiration Date: 05/31/2022

Purchased By: Packaging Corporation of America
Address: 400 Third Ave East, International Falls, MN 56649

GL05,NENE of Section 31; GL07,GL08,GL09,GL10,GL11,GL12 of Section 29;
NENE,NENW,NWNE,SENE,SWNE of Section 32 - Township 158, Range 26W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 95	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	PULPWOOD	7,585.00	Cd	19.24	145,935.40	37.52	284,589.20
BALSAM FIR	PULPWOOD	480.00	Cd	16.10	7,728.00	16.10	7,728.00
NORTHERN HARDWOODS	PULPWOOD	360.00	Cd	7.87	2,833.20	7.87	2,833.20
MIXED SPRUCE	PULPWOOD	15.00	Cd	18.40	276.00	18.40	276.00

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$156,772.60
ADVANCE PAYMENT = \$23,515.89
BID TOTAL = \$ 295,426.40

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

ANY LISTED SPECIES BIOMASS 4,430.00 Tons 0.65 2,879.50

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 9%; Trembling Aspen 91%.
Mixed Spruce Pulpwood includes: Black Spruce 1%; White Spruce 99%.
Northern Hardwoods Pulpwood includes: Ash 79%; Paper Birch 20%; 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 permit can be accomplished by opening existing roads from the Red Barn Road Bridge approximately 8.5 miles through state, county, and industry lands.

Another option is by driving through approximately 1 mile of private land and creating an ice bridge across 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%

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: January 9, 2020

- SUMMARY SHEET -

01/09/2020 REGULAR AUCTION - SALE #3

COMPLETED - DATA AS OF 01/23/2020

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	625.00	Cd	9.57	5,978.25
	ASPEN SPECIES	1,205.00	Cd	16.09	19,393.80
	TREMBLING ASPEN	145.00	Cd	38.71	5,612.95
	PAPER BIRCH	520.00	Cd	15.08	7,842.40
	RED MAPLE	3.00	Cd	13.13	39.39
	BASSWOOD	255.00	Cd	9.85	2,512.30
	PINE SPECIES	1,075.00	Cd	50.07	53,825.25
	NORWAY PINE	515.00	Cd	16.63	8,564.45
	WHITE SPRUCE	70.00	Cd	21.83	1,528.10
	BALSAM FIR	685.00	Cd	18.44	12,632.30
	BLACK SPRUCE	4,265.00	Cd	20.78	88,606.25
	TAMARACK	6,760.00	Cd	11.00	74,327.10
	MIXED SPRUCE	2,195.00	Cd	18.16	39,861.20
PULPWOOD	ASH	260.00	Cd	5.49	1,428.00
	ASPEN SPECIES	9,395.00	Cd	36.52	343,085.90
	TREMBLING ASPEN	20.00	Cd	13.60	272.00
	PAPER BIRCH	1,120.00	Cd	12.50	14,000.80
	MAPLE SPECIES	815.00	Cd	21.12	17,212.80
	NORTHERN HARDWOODS	405.00	Cd	7.98	3,231.45
	RED MAPLE	50.00	Cd	10.00	500.00
	BALSAM FIR	1,875.00	Cd	15.10	28,320.70
	BLACK SPRUCE	765.00	Cd	20.67	15,812.55
	TAMARACK	385.00	Cd	5.55	2,136.00
	MIXED SPRUCE	15.00	Cd	18.40	276.00
BIOMASS	ANY LISTED SPECIES (optional)	14,567.50	Tons	-	0.00
WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	PINE SPECIES	1,800.00	Cd	62.02	111,636.00

TOTAL SOLD TRACTS CONVERTED TO CORDS: 35,223.00
TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS: \$ 554,467.74
TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS: \$ 858,635.94
TOTAL ACRES SOLD: 1,272.4
SOLD TRACT NUMBERS: 1, 2, 3, 4, 5, 7, 8, 9
TOTAL NUMBER OF TRACTS SOLD: 8

SUMMARY FOR UNSOLD TRACTS

<u>PRODUCT</u>	<u>SPECIES</u>	<u>TOTAL VOLUME</u>	<u>UNIT</u>	<u>APPRAISED AVERAGE UNIT PRICE</u>	<u>APPRAISED \$ VALUE</u>
PULPWOOD	TREMBLING ASPEN	70.00	Cd	15.30	1,071.00
	PAPER BIRCH	35.00	Cd	9.00	315.00
	RED MAPLE	5.00	Cd	9.00	45.00
	BALSAM FIR	95.00	Cd	12.60	1,197.00
	TAMARACK	3,060.00	Cd	5.40	16,524.00
	MIXED SPRUCE	30.00	Cd	14.40	432.00
BIOMASS	ANY LISTED SPECIES (optional)	998.00	Tons	0.58	578.84

- SUMMARY SHEET (Continued) -

TOTAL UNSOLD TRACTS CONVERTED TO CORDS: 3,295.00
TOTAL APPRAISED DOLLAR VALUE OF UNSOLD TRACTS: \$ 19,584.00
TOTAL ACRES UNSOLD: 159.1
UNSOLD TRACT NUMBER: 6
TOTAL NUMBER OF TRACTS UNSOLD: 1
