



MINNESOTA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY

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

STATUS: COMPLETED
REGULAR AUCTION - SALE #3
ORAL BID

Notice is hereby given that I offered for sale at public auction in Deer River, MN at 9:00 AM on Tuesday, December 14, 2021, timber belonging to the State of Minnesota. All tracts were offered at the Deer River Forestry Office in Deer River, 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.

Minnesota DNR is Certified to the Sustainable Forestry Initiative® and/or the Forest Stewardship Council®.
For information on our certificates go to mndnr.gov/forestry/certification/certificates.html



MINNESOTA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY
REGULAR AUCTION
ORAL BID TIMBER SALE
DEER RIVER AREA

9:00 AM on December 14, 2021
Deer River Forestry Office in Deer River, 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. Bidding above 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 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)].

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 December 14, 2022, at the following Area Headquarters: Deer River Area.

TRACT B1

COUNTY: ITASCA

AREA: DEER RIVER AREA

ACRES: 37.0

Permit Number: B015162
Expiration Date: 05/31/2024

Purchased By:
Address:

UNSOLD

GL01 of Section 16 - Township 54, Range 27W.

| SPECIES | PRODUCT | VOLUME | UNIT | APPRAISED | | BID: _____ | |
|---|--------------|--------|------|-------------------|------------|----------------|----------|
| | | | | UNIT PRICE | \$ VALUE | UNIT PRICE | \$ VALUE |
| + SUGAR MAPLE | PULPWOOD | 100.00 | Cd | 11.00 | 1,100.00 | 11.00 | 1,100.00 |
| + ASPEN SPECIES | PULPWOOD | 35.00 | Cd | 20.90 | 731.50 | 20.90 | 731.50 |
| + RED OAK | PULP & BOLTS | 30.00 | Cd | 22.66 | 679.80 | 22.66 | 679.80 |
| BASSWOOD | PULP & BOLTS | 25.00 | Cd | 12.32 | 308.00 | 12.32 | 308.00 |
| RED MAPLE | PULPWOOD | 25.00 | Cd | 11.00 | 275.00 | 11.00 | 275.00 |
| ASH | PULP & BOLTS | 15.00 | Cd | 13.04 | 195.60 | 13.04 | 195.60 |
| PAPER BIRCH | PULPWOOD | 10.00 | Cd | 11.00 | 110.00 | 11.00 | 110.00 |
| + BID SPECIES * SOLD ON APPRAISED VOLUME | | | | APPRAISED TOTAL = | \$3,399.90 | BID TOTAL = \$ | 3,399.90 |
| | | | | ADVANCE PAYMENT = | \$509.99 | | |

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

ANY LISTED SPECIES BIOMASS 140.00 Tons 0.65 91.00

Mixed Species Description:

Aspen Species Pulpwood includes: Largetooth Aspen 50%; Trembling Aspen 50%.

Mixed Product Description:

Ash Pulp & Bolts includes: Bolts 65%; Pulpwood 35%.
Basswood Pulp & Bolts includes: Bolts 60%; Pulpwood 40%.
Red Oak Pulp & Bolts includes: Bolts 60%; Pulpwood 40%.

Season of Operations:

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

Marketing Conditions:

Sale is located on Willow Lake Road off of MN Hwy 6, approx. 13.6 miles south of Deer River, 10.6 miles N of Remer.

Sale is nearby existing permit # X016601. See map.

Price adjustments explanation: Excellent access / road const. costs (+10%), < 25 miles to nearest mill (+10%), low stand density (-10%).

Price Adjustments:

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

Appraiser:

Benjamin J. Mattsen

| | | | |
|-----------------|----------------|-----------------------|-------------|
| TRACT B2 | COUNTY: ITASCA | AREA: DEER RIVER AREA | ACRES: 13.5 |
|-----------------|----------------|-----------------------|-------------|

Permit Number: B015163
 Expiration Date: 05/31/2024

Purchased By: Scheff Logging & Trucking Inc.
Address: 48985 State Hwy 38, Marcell, MN 56657

GL09 of Section 27 - Township 60, Range 24W.

| SPECIES | PRODUCT | VOLUME | UNIT | APPRAISED | | BID %: 15 | |
|---|---------------------------------------|--------|------|-------------------|------------|----------------|----------|
| | | | | UNIT PRICE | \$ VALUE | UNIT PRICE | \$ VALUE |
| + NORWAY PINE | WOODSRUN SAWTIMBER (SOFTWOOD ONLY) | 150.00 | Cd | 45.05 | 6,757.50 | 51.81 | 7,771.50 |
| + BID SPECIES * SOLD ON APPRAISED VOLUME | | | | APPRAISED TOTAL = | \$6,757.50 | BID TOTAL = \$ | 7,771.50 |
| | | | | ADVANCE PAYMENT = | \$1,013.63 | | |

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

| | | | | | |
|--------------------|----------|-------|------|------|-------|
| BALSAM FIR | PULPWOOD | 15.00 | Cd | 4.25 | 63.75 |
| PAPER BIRCH | PULPWOOD | 5.00 | Cd | 8.50 | 42.50 |
| ANY LISTED SPECIES | BIOMASS | 60.00 | Tons | 0.65 | 39.00 |

Mixed Product Description:

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

Season of Operations:

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

Sale Conditions:

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

Marketing Conditions:

Sale access is the May Lake Forest Rd. The balsam fir and paper birch are listed as optional species since they may or may not need to be removed depending on accessibility of the marked pine. The marked pine dbh ranges from 6"-22" with the median dbh being 15".

Price Adjustments:

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

Appraiser:

Christopher J. Bergquist

TRACT B3 COUNTY: ITASCA AREA: DEER RIVER AREA ACRES: 132.7

Permit Number: B015164
Expiration Date: 05/31/2024

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

NWNW,NWSW,SWNW,SWSW of Section 21; NESE of Section 20 - Township 62, Range 24W.
NENE,NWNE,NWSE,SENE,SWNE of Section 20; SESE,SESW,SWSE of Section 17 - Township 62, Range 24W.

| SPECIES | PRODUCT | VOLUME | UNIT | APPRAISED | | BID %: 90 | |
|-----------------|--------------|----------|------|------------|-----------|------------|------------|
| | | | | UNIT PRICE | \$ VALUE | UNIT PRICE | \$ VALUE |
| + ASPEN SPECIES | PULPWOOD | 2,975.00 | Cd | 20.46 | 60,868.50 | 38.87 | 115,638.25 |
| + MIXED SPRUCE | PULP & BOLTS | 597.00 | Cd | 21.78 | 13,002.66 | 41.38 | 24,703.86 |
| BALSAM FIR | PULP & BOLTS | 219.00 | Cd | 7.79 | 1,706.01 | 7.79 | 1,706.01 |
| TAMARACK | PULP & BOLTS | 171.00 | Cd | 8.91 | 1,523.61 | 8.91 | 1,523.61 |
| PAPER BIRCH | PULPWOOD | 19.00 | Cd | 11.00 | 209.00 | 11.00 | 209.00 |

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$77,309.78
ADVANCE PAYMENT = \$11,596.47
BID TOTAL = \$ 143,780.73

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

ANY LISTED SPECIES BIOMASS 3,204.00 Tons 0.65 2,082.60

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 13%; Trembling Aspen 87%.
Mixed Spruce Pulp & Bolts includes: Black Spruce 95%; White Spruce 5%.

Mixed Product Description:

Balsam Fir Pulp & Bolts includes: Bolts 12%; Pulpwood 88%.
Mixed Spruce Pulp & Bolts includes: Bolts 60%; Pulpwood 40%.
Tamarack Pulp & Bolts includes: Bolts 35%; Pulpwood 65%.

Cutting and Felling:

- Fell all live black spruce equal to or greater than 5 feet tall (Cutting Block 2).

Season of Operations:

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

Sale Conditions:

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

Marketing Conditions:

Sale located ~3/4 of a mile from the intersection of Co 525 and Hwy 1.
Great summer chance for Block 1.
Very low chance of summer operations on Block 2.
~20% of tamarack is beetle killed but standing firm as of December 2020.

Price Adjustments:

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

Appraiser:

Thomas R. Heffernan

(Appraisal ID 16710-0; Cutting Block ID 19530-0, 19516-0)

TRACT B4

COUNTY: KOOCHICHING

AREA: DEER RIVER AREA

ACRES: 90.8

Permit Number: B015165
Expiration Date: 05/31/2024

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

GL01,NENW,NWNE,NWNW of Section 12 - Township 63, Range 26W.

| SPECIES | PRODUCT | VOLUME | UNIT | APPRAISED | | BID %: 35 | |
|---|--------------|----------|------|-------------------|-------------|----------------|-----------|
| | | | | UNIT PRICE | \$ VALUE | UNIT PRICE | \$ VALUE |
| + ASPEN SPECIES | PULPWOOD | 1,790.00 | Cd | 18.85 | 33,741.50 | 25.45 | 45,555.50 |
| BALSAM FIR | PULP & BOLTS | 220.00 | Cd | 5.85 | 1,287.00 | 5.85 | 1,287.00 |
| ASH | PULP & BOLTS | 140.00 | Cd | 6.63 | 928.20 | 6.63 | 928.20 |
| PAPER BIRCH | PULPWOOD | 85.00 | Cd | 10.00 | 850.00 | 10.00 | 850.00 |
| MIXED SPRUCE | PULP & BOLTS | 40.00 | Cd | 11.16 | 446.40 | 11.16 | 446.40 |
| BASSWOOD | PULP & BOLTS | 30.00 | Cd | 7.56 | 226.80 | 7.56 | 226.80 |
| RED MAPLE | PULPWOOD | 5.00 | Cd | 10.00 | 50.00 | 10.00 | 50.00 |
| + BID SPECIES * SOLD ON APPRAISED VOLUME | | | | APPRAISED TOTAL = | \$37,529.90 | BID TOTAL = \$ | 49,343.90 |
| | | | | ADVANCE PAYMENT = | \$5,629.49 | | |

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

ANY LISTED SPECIES BIOMASS 1,405.00 Tons 0.65 913.25

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 5%; Trembling Aspen 95%.
Mixed Spruce Pulp & Bolts includes: Black Spruce 91%; White Spruce 9%.

Mixed Product Description:

Ash Pulp & Bolts includes: Bolts 7%; Pulpwood 93%.
Balsam Fir Pulp & Bolts includes: Bolts 5%; Pulpwood 95%.
Basswood Pulp & Bolts includes: Bolts 8%; Pulpwood 92%.
Mixed Spruce Pulp & Bolts includes: Bolts 12%; Pulpwood 88%.

Season of Operations:

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

Sale Conditions:

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

Marketing Conditions:

Located straight West off of the Deer River Line forest road down a trail .15 miles. There's an RMZ all along the southern border following the Reilly brook marked with blue paint and ribbon. Price adjustment for operational constraints is -10% for winter frozen harvest only and road construction +5% for forest trail into and across stand.

Price Adjustments:

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

Appraiser:

Evan A. Becker

TRACT B5

COUNTY: KOOCHICHING

AREA: DEER RIVER AREA

ACRES: 168.1

Permit Number: B015166
Expiration Date: 05/31/2024

Purchased By:
Address:

UNSOLD

NENW,NWNW of Section 12; SWSW of Section 1 - Township 63, Range 27W.
NENE,NENW,NWNE,SWNE of Section 7; NESE,NESW,NWSE,SESE,SESW,SWNE,SWSE of Section 6 -
Township 63, Range 26W.

| SPECIES | PRODUCT | VOLUME | UNIT | APPRAISED | | BID: _____ | |
|-----------------|--------------|----------|------|------------|----------|------------|----------|
| | | | | UNIT PRICE | \$ VALUE | UNIT PRICE | \$ VALUE |
| + TAMARACK | PULPWOOD | 1,459.00 | Cd | 3.30 | 4,814.70 | 3.30 | 4,814.70 |
| + BLACK SPRUCE | PULPWOOD | 653.00 | Cd | 4.95 | 3,232.35 | 4.95 | 3,232.35 |
| + ASPEN SPECIES | PULPWOOD | 630.00 | Cd | 10.32 | 6,501.60 | 10.32 | 6,501.60 |
| PAPER BIRCH | PULPWOOD | 143.00 | Cd | 5.50 | 786.50 | 5.50 | 786.50 |
| BALSAM FIR | PULPWOOD | 95.00 | Cd | 2.75 | 261.25 | 2.75 | 261.25 |
| JACK PINE | PULP & BOLTS | 57.00 | Cd | 9.90 | 564.30 | 9.90 | 564.30 |

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$16,160.70 BID TOTAL = \$ 16,160.70
ADVANCE PAYMENT = \$2,424.11

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

ANY LISTED SPECIES BIOMASS 1,661.00 Tons 0.65 1,079.65

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 8%; Trembling Aspen 92%.

Mixed Product Description:

Jack Pine 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 frozen soil conditions only, except with written permission from State.

Sale Conditions:

- Access is across State land.

Marketing Conditions:

Sale located approximately one quarter mile north of Co 5.
Price reduced for salvage conditions and reoffered wood.
Stands 21 and 28 were turned back due to soft markets.
Approximately 40% of tamarack is beetle killed.
There are pockets of blowdown in the aspen and spruce stands. Downed wood is too far gone to utilize but could create some operational difficulties.

Price Adjustments:

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

Appraiser:

Thomas R. Heffernan

| | | | |
|-----------------|--------------|-----------------------|-------------|
| TRACT B6 | COUNTY: CASS | AREA: DEER RIVER AREA | ACRES: 13.5 |
|-----------------|--------------|-----------------------|-------------|

Permit Number: B015167
 Expiration Date: 05/31/2024

Purchased By: Potlatch Deltic Land & Lumber, LLC
Address: 50518 Co Rd 45, Bemidji, MN 56601

SESE,SWSE of Section 4 - Township 144, Range 26W.

| SPECIES | PRODUCT | VOLUME | UNIT | APPRAISED | | BID %: 0 | |
|---|--------------|--------|------|-------------------|----------|-------------------------|----------|
| | | | | UNIT PRICE | \$ VALUE | UNIT PRICE | \$ VALUE |
| + NORWAY PINE | PULP & BOLTS | 243.00 | Cd | 12.75 | 3,098.25 | 12.75 | 3,098.25 |
| + BID SPECIES * SOLD ON APPRAISED VOLUME | | | | APPRAISED TOTAL = | | \$3,098.25 | |
| | | | | ADVANCE PAYMENT = | | \$464.74 | |
| | | | | | | BID TOTAL = \$ 3,098.25 | |

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

| | | | | |
|--------------------|---------|------------|------|-------|
| ANY LISTED SPECIES | BIOMASS | 50.00 Tons | 0.55 | 27.50 |
|--------------------|---------|------------|------|-------|

Mixed Product Description:

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

Season of Operations:

- Conduct sale operations on dry/frozen 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.
- Best access is across approximately 1.5 miles US Forest Service roads. If using USFS system roads, the permit holder shall obtain a road use permit from the USFS District Office before beginning sale operations. Provisions of this permit will become part of the terms and conditions for this sale.

Marketing Conditions:

Sale has well defined windrows and trails that make interior access and infrastructure well defined.
 Access road has wet spots that may limit summer access. Likely full summer accessible in 1 out of 3 years.

Price Adjustments:

- Road Construction Costs: +10%
- Haul Distance to Nearest Mill: 0%
- Stand Density: 0%
- Operational Constraints: 0%
- Other Price Factor: -25% (first thinning)

Appraiser:

John J. Segari

TRACT B7 COUNTY: ITASCA AREA: DEER RIVER AREA ACRES: 18.9

Permit Number: B015168
Expiration Date: 05/31/2024

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

NENW of Section 20 - Township 149, Range 27W.

| SPECIES | PRODUCT | VOLUME | UNIT | APPRAISED | | BID %: 65 | |
|--|--------------|--------|------|-------------------|-----------|-------------|--------------------------|
| | | | | UNIT PRICE | \$ VALUE | UNIT PRICE | \$ VALUE |
| + ASPEN SPECIES | PULPWOOD | 700.00 | Cd | 21.61 | 15,127.00 | 35.66 | 24,962.00 |
| ASH | PULP & BOLTS | 50.00 | Cd | 10.52 | 526.00 | 10.52 | 526.00 |
| + BID SPECIES * SOLD ON APPRAISED VOLUME | | | | APPRAISED TOTAL = | | \$15,653.00 | BID TOTAL = \$ 25,488.00 |
| | | | | ADVANCE PAYMENT = | | \$2,347.95 | |

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

ANY LISTED SPECIES BIOMASS 340.00 Tons 0.65 221.00

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 7%; Trembling Aspen 93%.

Mixed Product Description:

Ash Pulp & Bolts includes: Bolts 35%; Pulpwood 65%.

Season of Operations:

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

Sale Conditions:

- Access is across USFS and State land.
- Permission to cross USFS land must be obtained by permittee.
- Best access is across approximately 0.25 miles US Forest Service roads. If using USFS system roads, the permit holder shall obtain a road use permit from the USFS District Office before beginning sale operations. Provisions of this permit will become part of the terms and conditions for this sale.

Marketing Conditions:

Permit is located approximately 0.25 miles S of Itasca CSAH 29 and CR-163 intersection.

Best access is via USFS Road #3343.

Slight dry summer/fall chance of harvest.

Aspen is approximately 50 years old.

Price Adjustments:

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

Appraiser:

Matthew T. Pollard

TRACT B8 COUNTY: ITASCA AREA: DEER RIVER AREA ACRES: 107.9

Permit Number: B015169
Expiration Date: 05/31/2024

Purchased By: M & M Logging & Son, Inc.
Address: 73552 County Road 13, Blackduck, MN 56630

NENW,SESW of Section 15; NENW,NWNE,NWNW,SESW of Section 22; SESE,SWSE of Section 16 - Township 150, Range 29W.

| SPECIES | PRODUCT | VOLUME | UNIT | APPRAISED | | BID %: 52 | |
|-----------------|--------------|----------|------|------------|-----------|------------|-----------|
| | | | | UNIT PRICE | \$ VALUE | UNIT PRICE | \$ VALUE |
| + ASPEN SPECIES | PULP & BOLTS | 2,630.00 | Cd | 21.40 | 56,282.00 | 32.53 | 85,553.90 |
| ASH | PULP & BOLTS | 510.00 | Cd | 10.52 | 5,365.20 | 10.52 | 5,365.20 |
| PAPER BIRCH | PULP & BOLTS | 190.00 | Cd | 18.40 | 3,496.00 | 18.40 | 3,496.00 |
| BALSAM FIR | PULP & BOLTS | 160.00 | Cd | 13.57 | 2,171.20 | 13.57 | 2,171.20 |
| AMERICAN ELM | PULPWOOD | 30.00 | Cd | 8.05 | 241.50 | 8.05 | 241.50 |

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$67,555.90
ADVANCE PAYMENT = \$10,133.39
BID TOTAL = \$ 96,827.80

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

ANY LISTED SPECIES BIOMASS 1,675.00 Tons 0.65 1,088.75

Mixed Species Description:

Aspen Species Pulp & Bolts includes: Balm of Gilead 13%; Trembling Aspen 87%.

Mixed Product Description:

Ash Pulp & Bolts includes: Bolts 35%; Pulpwood 65%.
Aspen Species Pulp & Bolts includes: Bolts 30%; Pulpwood 70%.
Balsam Fir Pulp & Bolts includes: Bolts 40%; Pulpwood 60%.
Paper Birch Pulp & Bolts includes: Bolts 60%; Pulpwood 40%.

Season of Operations:

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

Sale Conditions:

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

Marketing Conditions:

Sale is located 2 miles due South of the intersection of County Road 30 and the Blue Ox ATV/Snowmobile Trail (old rail grade) near Orth, MN. Sale consists of 103.7 acres of upland clearcut and 4.2 acres ash thinning. Access to all timber volume is via 1.4 miles of old rail grade, 2.4 miles of woods road that was dozed winter 2021, 0.1 miles of new road through 1" aspen regen and 0.5 miles of new road to be created within the sale boundaries through 12" aspen. 25.3 acres of upland clearcut is possible to be cut in an average dry summer. The remaining 78.4 acres of upland clearcut would be challenging to cut in the summer unless you use an additional 3.2 miles of existing haul road. The 4.2 acres of ash thinning is very unlikely to be cut in the summer. A State and industrial access route exists but is less desirable as it is 0.8 miles longer. Best access is across State, private and industrial.

Price Adjustments:

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

Appraiser:

Trevor Alan Adams

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

DEER RIVER 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: December 14, 2021

- SUMMARY SHEET -

12/14/2021 REGULAR AUCTION - SALE #3

COMPLETED - DATA AS OF 12/14/2021

DEER RIVER AREA

SUMMARY FOR SOLD TRACTS

| PRODUCT | SPECIES | TOTAL VOLUME | UNIT | SOLD AVERAGE UNIT PRICE | TOTAL SOLD \$ VALUE |
|------------------------------------|-------------------------------|--------------|------|-------------------------|---------------------|
| PULP & BOLTS | ASH | 700.00 | Cd | 9.74 | 6,819.40 |
| | ASPEN SPECIES | 2,630.00 | Cd | 32.53 | 85,553.90 |
| | PAPER BIRCH | 190.00 | Cd | 18.40 | 3,496.00 |
| | BASSWOOD | 30.00 | Cd | 7.56 | 226.80 |
| | NORWAY PINE | 243.00 | Cd | 12.75 | 3,098.25 |
| | BALSAM FIR | 599.00 | Cd | 8.62 | 5,164.21 |
| | TAMARACK | 171.00 | Cd | 8.91 | 1,523.61 |
| | MIXED SPRUCE | 637.00 | Cd | 39.48 | 25,150.26 |
| PULPWOOD | AMERICAN ELM | 30.00 | Cd | 8.05 | 241.50 |
| | ASPEN SPECIES | 5,465.00 | Cd | 34.06 | 186,155.75 |
| | PAPER BIRCH (optional) | 5.00 | Cd | - | 0.00 |
| | PAPER BIRCH | 104.00 | Cd | 10.18 | 1,059.00 |
| | RED MAPLE | 5.00 | Cd | 10.00 | 50.00 |
| | BALSAM FIR (optional) | 15.00 | Cd | - | 0.00 |
| BIOMASS | ANY LISTED SPECIES (optional) | 6,734.00 | Tons | - | 0.00 |
| WOODSRUN SAWTIMBER (SOFTWOOD ONLY) | NORWAY PINE | 150.00 | Cd | 51.81 | 7,771.50 |

TOTAL SOLD TRACTS CONVERTED TO CORDS: 10,974.00
TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS: \$ 207,904.33
TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS: \$ 326,310.18
TOTAL ACRES SOLD: 377.3
SOLD TRACT NUMBERS: 2, 3, 4, 6, 7, 8
TOTAL NUMBER OF TRACTS SOLD: 6

SUMMARY FOR UNSOLD TRACTS

| PRODUCT | SPECIES | TOTAL VOLUME | UNIT | APPRAISED AVERAGE UNIT PRICE | APPRAISED \$ VALUE |
|--------------|-------------------------------|--------------|------|------------------------------|--------------------|
| PULP & BOLTS | ASH | 15.00 | Cd | 13.04 | 195.60 |
| | BASSWOOD | 25.00 | Cd | 12.32 | 308.00 |
| | RED OAK | 30.00 | Cd | 22.66 | 679.80 |
| | JACK PINE | 57.00 | Cd | 9.90 | 564.30 |
| PULPWOOD | ASPEN SPECIES | 665.00 | Cd | 10.88 | 7,233.10 |
| | PAPER BIRCH | 153.00 | Cd | 5.86 | 896.50 |
| | RED MAPLE | 25.00 | Cd | 11.00 | 275.00 |
| | SUGAR MAPLE | 100.00 | Cd | 11.00 | 1,100.00 |
| | BALSAM FIR | 95.00 | Cd | 2.75 | 261.25 |
| | BLACK SPRUCE | 653.00 | Cd | 4.95 | 3,232.35 |
| | TAMARACK | 1,459.00 | Cd | 3.30 | 4,814.70 |
| BIOMASS | ANY LISTED SPECIES (optional) | 1,801.00 | Tons | 0.65 | 1,170.65 |

TOTAL UNSOLD TRACTS CONVERTED TO CORDS: 3,277.00
TOTAL APPRAISED DOLLAR VALUE OF UNSOLD TRACTS: \$ 19,560.60
TOTAL ACRES UNSOLD: 205.1
UNSOLD TRACT NUMBERS: 1, 5
TOTAL NUMBER OF TRACTS UNSOLD: 2