

MINNESOTA DEPARTMENT OF NATURAL RESOURCES DIVISION OF FORESTRY

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

LITTLEFORK AREA

STATUS: COMPLETED REGULAR AUCTION - SALE #1 ORAL BID

Notice is hereby given that I offered for sale at public auction in Littlefork, MN at 9:00 AM on Wednesday, May 25, 2022, timber belonging to the State of Minnesota. All tracts were offered at the Littlefork Community Building in Littlefork, 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 <u>mndnr.gov/forestry/certification/certificates.html</u>



MINNESOTA DEPARTMENT OF NATURAL RESOURCES

DIVISION OF FORESTRY

REGULAR AUCTION ORAL BID TIMBER SALE LITTLEFORK AREA

9:00 AM on May 25, 2022 Littlefork Community Building in Littlefork, 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 May 25, 2023, at the following Area Headquarters: Littlefork Area.

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TRACT B1 COUNTY: KOOCHICHING

AREA: LITTLEFORK AREA

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ACRES: 51.4
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Permit Number: B015336 Expiration Date: 05/31/2025

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

NESW,NWSE,NWSW,SESW,SWSW of Section 22 - Township 64, Range 26W.

				APPRAISED		BID %: 0	
SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIE	ES PULPWOOD	1,158.00	Cd	18.02	20,867.16	18.02	20,867.16
ASH	PULP & BOLTS	96.00	Cd	6.98	670.08	6.98	670.08
MIXED SPRUC	E PULPWOOD	79.00	Cd	8.55	675.45	8.55	675.45
BALSAM FIR	PULPWOOD	60.00	Cd	4.75	285.00	4.75	285.00
PAPER BIRCH	PULPWOOD	56.00	Cd	9.50	532.00	9.50	532.00
+ BID SPECIES	★ SOLD ON APPRAISED VOLUME			SED TOTAL = PAYMENT =	\$23,029.69 \$3,454.45	BID TOTA	L = \$ 23,029.69

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

ANY LISTED SPECIES BIOMASS	722.00 Tons	0.65	469.30
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Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 1%; Trembling Aspen 99%. Mixed Spruce Pulpwood includes: Black Spruce 50%; White Spruce 50%.

Mixed Product Description:

Ash Pulp & Bolts includes: Bolts 15%; Pulpwood 85%.

Season of Operations:

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

Sale Conditions:

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

Marketing Conditions:

Sale is located 16 miles south of Big Falls, MN. Access is either 11 miles south from the start of the Dentaybow forest road, or 8 miles north of county road 5.

Price Adjustments:

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

Appraiser:

Brenden Marcus Williams

(Appraisal ID 16564-0; Cutting Block ID 19335-0)

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TRACT B2 COUNTY: KOOCHICHING

AREA: LITTLEFORK AREA

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ACRES: 58.1
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Permit Number: B015337 Expiration Date: 05/21/2025

Purchased By: Packaging Corporation of America

Address: 400 Third Ave East, International Falls, MN 56649

SWSE of Section 1; NENE, NWNE, SENE, SWNE of Section 12 - Township 64, Range 26W.

					APPR	APPRAISED) %: 0
ç	SPECIES	PRODUCT	VOLUME	UNIT		\$ VALUE	UNIT PRICE	\$ VALUE
-						<u> </u>		
+	ASPEN SPECIES	PULPWOOD	1,550.00	Cd	17.82	27,621.00	17.82	27,621.00
+	ASH	PULPWOOD	330.00	Cd	5.70	1,881.00	5.70	1,881.00
	MIXED SPRUCE	PULPWOOD	155.00	Cd	8.55	1,325.25	8.55	1,325.25
	BALSAM FIR	PULPWOOD	65.00	Cd	4.75	308.75	4.75	308.75
	PAPER BIRCH	PULPWOOD	65.00	Cd	9.50	617.50	9.50	617.50
+	BID SPECIES *	SOLD ON APPRAISED VOLUME			ISED TOTAL = E PAYMENT =	\$31,753.50 \$4,763.03	BID TOTA	L = \$ 31,753.50

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

ANY LISTED SPECIES	BIOMASS	1,165.00 Tons	0.65	757.25
		.,		

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 8%; Trembling Aspen 92%. Mixed Spruce Pulpwood includes: Black Spruce 5%; White Spruce 95%.

Season of Operations:

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

Sale Conditions:

- Access is across state land.

Marketing Conditions:

Sale is 6 miles north of County Road 62. West of the Deer river line 0.2 miles.

Price Adjustments:

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

Appraiser:

Thomas Jay Knaak

(Appraisal ID 17671-0; Cutting Block ID 20538-0)

TRACT B3 COUNTY: KOOCHICHING

AREA: LITTLEFORK AREA

Permit Number: B015338 Expiration Date: 05/31/2025

Purchased By: Packaging Corporation of America

Address: 400 Third Ave East, International Falls, MN 56649

NWSW,SWSW of Section 2; NESE,NWSE,SESE,SWSE of Section 3 - Township 65, Range 24W.

				APPRAISED			BID %: 380	
	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	- NORWAY PINE	PULP & BOLTS	900.00	Cd	12.74	11,466.00	61.15	55,035.00
+	- JACK PINE	PULP & BOLTS	600.00	Cd	12.00	7,200.00	57.60	34,560.00
+	ASPEN SPECIES	PULP & BOLTS	180.00	Cd	22.62	4,071.60	108.58	19,544.40
	MIXED SPRUCE	PULPWOOD	80.00	Cd	10.80	864.00	10.80	864.00
	BALSAM FIR	PULPWOOD	60.00	Cd	6.00	360.00	6.00	360.00
	PAPER BIRCH	PULPWOOD	20.00	Cd	12.00	240.00	12.00	240.00
_	+ BID SPECIES * SC	OLD ON APPRAISED VOLUME			ISED TOTAL = E PAYMENT =	\$24,201.60 \$3,630.24	BID TOTAL	. = \$ 110,603.40

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

ANY LISTED SPECIES	BIOMASS	898.00	Tons	0.65	583.70

Mixed Species Description:

Aspen Species Pulp & Bolts includes: Balm of Gilead 5%; Trembling Aspen 95%. Mixed Spruce Pulpwood includes: Black Spruce 60%; White Spruce 40%.

Mixed Product Description:

Aspen Species Pulp & Bolts includes: Bolts 20%; Pulpwood 80%. Jack Pine Pulp & Bolts includes: Bolts 20%; Pulpwood 80%. Norway Pine Pulp & Bolts includes: Bolts 30%; Pulpwood 70%.

Season of Operations:

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

Landings, Roads, and Trails:

- Haul roads must be regularly maintained in a safe and usable condition.

Sale Conditions:

- Access is across State land.

Marketing Conditions:

Sale is located before the Section 10 Forest Road Gate.

20% price increase for access and stand density.

Price Adjustments:

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

Appraiser:

Amanda Nicole Asche

TRACT B4 COUNTY: KOOCHICHING

AREA: LITTLEFORK AREA

Permit Number: B015339 Expiration Date: 05/31/2025

Purchased By: UPM - Blandin Paper

Address: 115 First Street SW, Grand Rapids, MN 55744

NENE,NENW,NESE,NWNE,NWSE,SENE,SENW,SESE,SWNE of Section 16; NESW,NWSE,NWSW,SWSW of Section 10; NESW,NWNW,NWSW,SENW,SWNW of Section 15 - Township 66, Range 24W.

				APPRAISED		BID %: 250		
	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	MIXED SPRUCE	PULP & BOLTS	3,000.00	Cd	11.98	35,940.00	41.93	125,790.00
	TAMARACK	PULPWOOD	360.00	Cd	6.30	2,268.00	6.30	2,268.00
+	ASPEN SPECIES	S PULPWOOD	300.00	Cd	19.89	5,967.00	69.62	20,886.00
	BALSAM FIR	PULPWOOD	100.00	Cd	5.25	525.00	5.25	525.00
	+ BID SPECIES	★ SOLD ON APPRAISED VOLUME			SED TOTAL = E PAYMENT =	\$44,700.00 \$6,705.00	BID TOTAL	_ = \$ 149,469.00

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

ANY LISTED SPECIES	BIOMASS	2,031.00 Tons	0.65	1,320.15
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Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 2%; Trembling Aspen 98%. Mixed Spruce Pulp & Bolts includes: Black Spruce 90%; White Spruce 10%.

Mixed Product Description:

Mixed Spruce Pulp & Bolts includes: Bolts 15%; Pulpwood 85%.

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 county and private industrial land.
- Permission to cross county and private industrial land must be obtained by permittee.

Marketing Conditions:

Black spruce: variable size, good quality. Ranges from 16-36 cds/ac. White spruce: fair quality. Tamarack: good quality. Aspen: good quality. Balsam fir: good/fair quality.

3/4 mile from Cigmars to the nearest harvest area.

Spruce price is reduced 2.5% (25% reduction on 10% of mixed spruce volume only, for first entry thinnings).

Price Adjustments:

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

Appraiser:

Benjamin Thomas West

(Appraisal ID 13765-0; Cutting Block ID 16111-0)

TRACT B5 COUNTY: KOOCHICHING

AREA: LITTLEFORK AREA

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ACRES: 31.7
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Permit Number: B015340 Expiration Date: 05/31/2025

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

NENE,NWNE,SWNE of Section 18 - Township 68, Range 25W.

					APPR	AISED	BID	%: 10
5	PECIES	PRODUCT	VOLUME		UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	ASPEN SPECIES	PULPWOOD	1,000.00	Cd	22.62	22,620.00	24.88	24,880.00
	BALSAM FIR	PULPWOOD	175.00	Cd	6.00	1,050.00	6.00	1,050.00
	ASH	PULPWOOD	125.00	Cd	7.20	900.00	7.20	900.00
	MIXED HARDWOODS	PULPWOOD	35.00	Cd	12.00	420.00	12.00	420.00
	MIXED SPRUCE	PULPWOOD	20.00	Cd	10.80	216.00	10.80	216.00
	TAMARACK	PULPWOOD	5.00	Cd	7.20	36.00	7.20	36.00
+	BID SPECIES * SOLD	ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$25,242.00 \$3,786.30	BID TOTA	L = \$ 27,502.00

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ANY LISTED SPECIES	BIOMASS	770.00	Tons	0.65	500.50

Mixed Species Description:

Aspen Species Pulpwood includes: Balm of Gilead 5%; Trembling Aspen 95%. Mixed Hardwoods Pulpwood includes: Paper Birch 90%; Red Maple 10%. Mixed Spruce Pulpwood includes: Black Spruce 50%; White Spruce 50%.

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:

Access is directly off highway 71 (south side) roughly 1.5 miles south of Littlefork using an existing approach.

Alternate access from south is possible from county road 77 through county or private land.

Price Adjustments:

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

Appraiser:

Benjamin Thomas West

(Appraisal ID 17131-0; Cutting Block ID 19921-0)

TRACT B6 COUNTY: KOOCHICHING

AREA: LITTLEFORK AREA

Permit Number: B015341 Expiration Date: 05/31/2025

Purchased By: L & L Constructors Inc.

Address: 4471 Hwy 11, International Falls, MN 56649

SESE of Section 30; NESW,NWSE,NWSW,SESW,SWNE,SWSE,SWSW of Section 29; NENE of Section 31; NWNW of Section 32 - Township 70, Range 22W.

				APPRAISED		BID %: 350		
S	SPECIES	PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+	BLACK SPRUCE TAMARACK	PULPWOOD PULPWOOD	3,140.00 200.00		8.28 4.50	25,999.20 900.00	37.26 4.50	116,996.40 900.00
+	BID SPECIES	★ SOLD ON APPRAISED VOLUME			ED TOTAL = PAYMENT =	\$26,899.20 \$4,034.88	BID TOTAL	_ = \$ 117,896.40

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

ANY LISTED SPECIES	BIOMASS	1,800.00 Tons	0.65	1,170.00	

Cutting and Felling:

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

Season of Operations:

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

Sale Conditions:

- Access is across State and County land.

- Permission to cross County land must be obtained by permittee.

Marketing Conditions:

Black spruce age 110-140 SI 26-43

Site located approximately 5.5 miles northeast from the East Branch Access Road using existing winter roads. Approximately 1 mile of new winter road building will be necessary to access the sale area.

Price reduction of 50% on 500 cords of spruce and 100 cords of tamarack due to salvage of low volume on 52 acres of the sale area. The 5 foot cutting rule will not apply to the salvage areas delineated on the sale map.

Price Adjustments:

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

Appraiser:

Chris J. Scofield

(Appraisal ID 15718-0; Cutting Block ID 18308-0)

TRACT B7 COUNTY: KOOCHICHING

AREA: LITTLEFORK AREA

ACRES: 121.5

Permit Number: B015342 Expiration Date: 05/31/2025

Purchased By: UPM - Blandin Paper

Address: 115 First Street SW, Grand Rapids, MN 55744

NESW, NWSE, SENW, SESE, SESW, SWSE of Section 8 - Township 155, Range 27W.

						APPR	APPRAISED		BID %: 10	
5	SPECIES		PRODUCT	VOLUME	UNIT	UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE	
+	BLACK SPRUCE TAMARACK		PULP & BOLTS PULPWOOD	2,685.00 250.00		11.72 6.30	31,468.20 1,575.00	12.89 6.30	34,609.65 1,575.00	
-	BID SPECIES	*	SOLD ON APPRAISED VOLUME	,		AISED TOTAL = CE PAYMENT =	\$33,043.20 \$4,956.48	BID TOTA	L = \$ 36,184.65	

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

ANY LISTED SPECIES BIOMASS 1,585.0	00 Tons	0.65	1,030.25
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Mixed Product Description:

Black Spruce Pulp & Bolts includes: Bolts 12%; Pulpwood 88%.

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 is located 3 miles north of Gates Corner on the Pine Island SFR and 2 miles west on existing winter roads.

A large presence of Eastern larch beetle kill is present in the northwest portion of the sale. All dead tamarack was excluded from cruise. Salvage tamarack can be harvested with an added timber agreement.

Price Adjustments:

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

Appraiser:

Alex L. Wirth

(Appraisal ID 15660-0; Cutting Block ID 18279-0)

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

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: May 25, 2022

LITTLEFORK AREA

SUMMARY FOR <u>SOLD</u> TRACTS								
PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE			
PULP & BOLTS	ASH	96.00	Cd	6.98	670.08			
	ASPEN SPECIES	180.00	Cd	108.58	19,544.40			
	NORWAY PINE	900.00	Cd	61.15	55,035.00			
	JACK PINE	600.00	Cd	57.60	34,560.00			
	BLACK SPRUCE	2,685.00	Cd	12.89	34,609.65			
	MIXED SPRUCE	3,000.00	Cd	41.93	125,790.00			
PULPWOOD	ASH	455.00	Cd	6.11	2,781.00			
	ASPEN SPECIES	4,008.00	Cd	23.52	94,254.16			
	PAPER BIRCH	141.00	Cd	9.85	1,389.50			
	BALSAM FIR	460.00	Cd	5.50	2,528.75			
	BLACK SPRUCE	3,140.00	Cd	37.26	116,996.40			
	TAMARACK	815.00	Cd	5.86	4,779.00			
	MIXED SPRUCE	334.00	Cd	9.22	3,080.70			
	MIXED HARDWOODS	35.00	Cd	12.00	420.00			
BIOMASS	ANY LISTED SPECIES (optional)	8,971.00	Tons	_	0.00			
TOTAL APP	AL SOLD TRACTS CONVERTED TO CORDS: RAISED DOLLAR VALUE OF SOLD TRACTS: BID-UP DOLLAR VALUE OF SOLD TRACTS: TOTAL ACRES SOLD: TOTAL NUMBER OF TRACTS SOLD:	\$ 208,869.19 \$ 496,438.64 609.5						