



MINNESOTA DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF FORESTRY

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

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

Notice is hereby given that I offered for sale at public auction in Cohasset, MN at 9:00 AM on Wednesday, December 11, 2024, timber belonging to the State of Minnesota. All tracts were offered at the Cohasset City Hall Community Center in Cohasset, 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](https://mndnr.gov/forestry/certification/certificates.html)



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

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**9:00 AM on December 11, 2024**  
**Cohasset City Hall Community Center in Cohasset, 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 11, 2025, at the following Area Headquarters: Deer River Area.

<b>TRACT B1</b>	COUNTY: ITASCA	AREA: DEER RIVER AREA	ACRES: 63.0
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Permit Number: B016169  
 Expiration Date: 05/31/2028

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

GL03, GL04, SESW of Section 30 - Township 54, Range 24W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ NORWAY PINE	WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	2,485.00	Cd	63.60	158,046.00	63.60	158,046.00
+ BID SPECIES      * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$158,046.00	BID TOTAL = \$	158,046.00
				ADVANCE PAYMENT =	\$23,706.90		

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

ANY LISTED SPECIES	BIOMASS	1,025.00 Tons	0.65	666.25
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**Mixed Product Description:**

Norway Pine Woodsrun Sawtimber (Softwood only) includes: Bolts 20%; Pulpwood 10%; Sawtimber (Softwood Only) 70%.

**Season of Operations:**

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

**Sale Conditions:**

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

**Marketing Conditions:**

Great chance of summer harvest during dry conditions.

**Price Adjustments:**

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

**Appraiser:**

Joshua M. Donatell

**TRACT B2** COUNTY: KOOCHICHING AREA: DEER RIVER AREA ACRES: 155.0

Permit Number: B016170  
Expiration Date: 05/31/2028

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

NWSW,SWNW of Section 5; GL03,GL04,NESE,NWSE,SENE,SENW,SWNE of Section 6 - Township 63, Range 25W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	PULPWOOD	3,635.00	Cd	18.79	68,301.65	18.79	68,301.65
BALSAM FIR	PULP & BOLTS	190.00	Cd	6.70	1,273.00	6.70	1,273.00
ASH	PULP & BOLTS	115.00	Cd	6.90	793.50	6.90	793.50
BLACK SPRUCE	PULP & BOLTS	50.00	Cd	12.60	630.00	12.60	630.00
PAPER BIRCH	PULPWOOD	35.00	Cd	10.00	350.00	10.00	350.00
TAMARACK	PULPWOOD	15.00	Cd	6.00	90.00	6.00	90.00

+ BID SPECIES \* SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$71,438.15  
ADVANCE PAYMENT = \$10,715.72  
BID TOTAL = \$ 71,438.15

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

ANY LISTED SPECIES BIOMASS 1,875.00 Tons 0.65 1,218.75

**Mixed Species Description:**

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

**Mixed Product Description:**

Ash Pulp & Bolts includes: Bolts 10%; Pulpwood 90%.  
Balsam Fir Pulp & Bolts includes: Bolts 10%; Pulpwood 90%.  
Black Spruce Pulp & Bolts includes: Bolts 20%; Pulpwood 80%.

**Season of Operations:**

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

**Sale Conditions:**

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

**Marketing Conditions:**

Site is located North at the start of the North Lofgrin road a quarter mile. Ground gets more wet the more North you go with aspen becoming patchier. Access opportunities from both the North Lofgrin and Deer River Line roads.

**Price Adjustments:**

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

**Appraiser:**

Evan A. Becker

<b>TRACT B3</b>	<b>COUNTY: CASS</b>	<b>AREA: DEER RIVER AREA</b>	<b>ACRES: 30.2</b>
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Permit Number: B016171  
 Expiration Date: 05/31/2028

**Purchased By:** Greg Cook Logging Inc.  
**Address:** 35367 Cty Rd 237, Bigfork, MN 56628

NESW,NWSW of Section 16 - Township 143, Range 27W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	PULPWOOD	705.00	Cd	19.82	13,973.10	19.82	13,973.10
ASH	PULPWOOD	105.00	Cd	6.30	661.50	6.30	661.50
+ PAPER BIRCH	PULP & BOLTS	105.00	Cd	12.60	1,323.00	12.60	1,323.00
RED MAPLE	PULPWOOD	40.00	Cd	10.50	420.00	10.50	420.00
+ BID SPECIES      * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$16,377.60	BID TOTAL = \$	16,377.60
				ADVANCE PAYMENT =	\$2,456.64		

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

ANY LISTED SPECIES	BIOMASS	485.00 Tons	0.65	315.25
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**Mixed Species Description:**

Aspen Species Pulpwood includes: Balm of Gilead 4%; Trembling Aspen 96%.

**Mixed Product Description:**

Paper Birch Pulp & Bolts includes: Bolts 20%; Pulpwood 80%.

**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 or private land.
- Permission to cross private 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.
- Best access requires new access across USFS lands. A Special Use permit for the identified route has been applied for by the DNR. Provisions of this permit will become part of the terms and conditions for this sale.

**Marketing Conditions:**

Sale is located about 2 miles North of Boy River off County Rd. 135.

Preferred access is through private land.

**Price Adjustments:**

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

**Appraiser:**

Michael Nooker

**TRACT B4**

**COUNTY: CASS**

**AREA: DEER RIVER AREA**

**ACRES: 114.0**

Permit Number: B016172  
Expiration Date: 05/31/2028

**Purchased By:** Andy Michalek Logging Inc.  
**Address:** 54529 Michalek Road, Blackduck, MN 56630-2059

GL02, GL03, NESE, NESW, NWSE, SENE, SENW, SWNE of Section 18; NWSW of Section 17 - Township 144, Range 27W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 21	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	PULPWOOD	3,326.00	Cd	22.76	75,699.76	27.54	91,598.04
ASH	PULP & BOLTS	334.00	Cd	8.28	2,765.52	8.28	2,765.52
PAPER BIRCH	PULPWOOD	205.00	Cd	12.00	2,460.00	12.00	2,460.00
RED MAPLE	PULPWOOD	12.00	Cd	12.00	144.00	12.00	144.00

+ BID SPECIES \* SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$81,069.28  
ADVANCE PAYMENT = \$12,160.39  
BID TOTAL = \$ 96,967.56

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

ANY LISTED SPECIES BIOMASS 2,321.00 Tons 0.65 1,508.65

**Mixed Species Description:**

Aspen Species Pulpwood includes: Balm of Gilead 1%; Trembling Aspen 99%.

**Mixed Product Description:**

Ash Pulp & Bolts includes: Bolts 10%; Pulpwood 90%.

**Season of Operations:**

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

**Sale Conditions:**

- Access is across USFS or USFS and tribal land.
- Permission to cross USFS and/or tribal land must be obtained by permittee.
- Best access is across approximately 1 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.
- Access across USFS may be limited to frozen ground, due to the presence of a protected species.

**Marketing Conditions:**

Sale is located 26 miles west of Deer River on the West side of 6 Mile Lake.  
Access across USFS may be limited to frozen ground, due to the presence of a protected species.

**Price Adjustments:**

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

**Appraiser:**

John J. Segari

**TRACT B5** COUNTY: ITASCA AREA: DEER RIVER AREA ACRES: 109.5

Permit Number: B016173  
Expiration Date: 05/31/2028

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

SWNE of Section 28; GL01,NESW,NWSW,SESW,SWNW,SWSW of Section 22 - Township 149, Range 25W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 70	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	PULPWOOD	3,825.00	Cd	21.64	82,773.00	36.79	140,721.75
PAPER BIRCH	PULP & BOLTS	90.00	Cd	13.80	1,242.00	13.80	1,242.00
ASH	PULP & BOLTS	65.00	Cd	7.94	516.10	7.94	516.10
BASSWOOD	PULP & BOLTS	25.00	Cd	10.87	271.75	10.87	271.75
BALSAM FIR	PULP & BOLTS	10.00	Cd	10.64	106.40	10.64	106.40
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$84,909.25	BID TOTAL = \$	142,858.00
				ADVANCE PAYMENT =	\$12,736.39		

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

ANY LISTED SPECIES BIOMASS 1,851.00 Tons 0.65 1,203.15

**Mixed Species Description:**

Aspen Species Pulpwood includes: Balm of Gilead 6%; Largetooth Aspen 4%; Trembling Aspen 90%.

**Mixed Product Description:**

- Ash Pulp & Bolts includes: Bolts 10%; Pulpwood 90%.
- Balsam Fir Pulp & Bolts includes: Bolts 25%; Pulpwood 75%.
- Basswood Pulp & Bolts includes: Bolts 35%; Pulpwood 65%.
- Paper Birch Pulp & Bolts includes: Bolts 20%; Pulpwood 80%.

**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 USFS land.
- Best access is across approximately 4.5 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.
- Best access requires new access across USFS lands. A Special Use permit for the identified route has been applied for by the DNR. Provisions of this permit will become part of the terms and conditions for this sale.

**Marketing Conditions:**

Sale is located approximately 4 miles off Hwy 6 down the Camp Five Road. Good chance for operability during dry summer conditions. Reopening/light brushing of less than 1 mile of existing access trails would be required. Best access to the smaller stand is via the Spur Lake HWT, which is administered by the USFS. Permit holder may need permission from USFS to use this trail. A culvert may need to be replaced on that trail on the State land. If sale operations occur during winter, permit holder may be responsible for snow removal on 3.7 miles of the Camp Five Road and an additional 1 mile on USFS Rd 2402. A State cabin lease is located between the Camp Five Road and the sale boundary. Care must be taken not to damage any property related to the lease.

**Price Adjustments:**

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

**Appraiser:**

Thomas R. Heffernan

(Appraisal ID 18709-0; Cutting Block ID 21710-0)

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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 11, 2024



- SUMMARY SHEET -

12/11/2024 REGULAR AUCTION - SALE #1

COMPLETED - DATA AS OF 12/11/2024

DEER RIVER AREA

SUMMARY FOR <u>SOLD</u> TRACTS					
PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE
PULP & BOLTS	ASH	514.00	Cd	7.93	4,075.12
	PAPER BIRCH	195.00	Cd	13.15	2,565.00
	BASSWOOD	25.00	Cd	10.87	271.75
	BALSAM FIR	200.00	Cd	6.90	1,379.40
	BLACK SPRUCE	50.00	Cd	12.60	630.00
PULPWOOD	ASH	105.00	Cd	6.30	661.50
	ASPEN SPECIES	11,491.00	Cd	27.38	314,594.54
	PAPER BIRCH	240.00	Cd	11.71	2,810.00
	RED MAPLE	52.00	Cd	10.85	564.00
	TAMARACK	15.00	Cd	6.00	90.00
BIOMASS	ANY LISTED SPECIES (optional)	7,557.00	Tons	-	0.00
WOODSRUN SAWTIMBER (SOFTWOOD ONLY)	NORWAY PINE	2,485.00	Cd	63.60	158,046.00

TOTAL SOLD TRACTS CONVERTED TO CORDS: 15,372.00  
TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS: \$ 411,840.28  
TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS: \$ 485,687.31  
TOTAL ACRES SOLD: 471.7  
TOTAL NUMBER OF TRACTS SOLD: 5