

DEPARTMENT OF NATURAL RESOURCES AND ENVIRONMENT STATE OF MICHIGAN

TIMBER SALE PROSPECTUS (4461)

SCHEDULED SALE DATE AND TIME: 11:00AM on September 13, 2011.

LOCATION: ROSCOMMON MGMT UNIT, PO BOX 218, ROSCOMMON, MI 48653.

PROSPECTUS NOTE: The bidder is advised to inspect the sale area and review the location, estimated volumes, operating costs and contract terms of proposed sales. Please be aware that some landowners may request 60 days or more notice for access across their land.

Notice is hereby given that bids will be received by the Unit Manager, **ROSCOMMON MANAGEMENT UNIT**, for certain timber on the following described lands:

HIGHLINE DIVIDE (71-003-11-01) / T23N, R02E, SEC.17, SE1/4.

OGEMAW COUNTY (Advertised Price \$63,133.10), 108.0 Acres

SALE NOTE: No designated recreation site such as a trail, pathway, or campground is within the sale area or the vicinity. Access may be through state forest land.

BEAVER LAKE SORT (71-016-11-01) / T23N, R01E, SEC.32, W1/2SW.

OGEMAW COUNTY (Advertised Price \$5,739.20), 18.0 Acres

SALE NOTE: No designated recreation site such as a trail, pathway, or campground is within the sale area or the vicinity. Access may be through state forest land.

RESERVE ROAD MEDLEY (71-020-11-01) / T21N, R03W, SEC.32, E1/2NE;E1/2SE.

T21N, R03W, SEC.33, SWSW.

ROSCOMMON COUNTY (Advertised Price \$9,034.90), 37.0 Acres

SALE NOTE: No designated recreation site such as a trail, pathway, or campground is within the sale area or the vicinity. Access may be through state forest land.

BID INSTRUCTIONS (VER. 06/20/2011):

1. Scheduled Bid Location, Date, and Time (2/11)

Bids must be received by the Unit Manager, ROSCOMMON OFFICE, PO BOX 218, ROSCOMMON, MI 48653, no later than 11:00AM on September 13, 2011. For further information concerning this sale, contact Steve Anderson at 989-275-4622.

2. Bidder's Qualifications (6/11)

Purchaser shall obtain workers compensation insurance to cover claims under Michigan's Worker's Disability Compensation Act of 1969 or similar employee benefit act of any other state applicable to an employee. If all or part of a timber sale was prepared by a private contractor, that contractor and that contractor's company are not permitted to bid on the timber sale contract. Bids will not be accepted from individuals or companies appearing on the DNR/FMD No-Bid List. This list contains the names of purchasers who previously failed to execute a contract within 21-days or who have a history of poor performance.

3. Preparation of Sealed Bids (1/11)

Bids shall be manually signed in ink; bid prices must be entered for each species and product in the Bid Price column for all material subject to bidding; and all fill-in blanks must be completed. If erasures or other changes appear on the forms, each erasure or change must be initialed by the person signing the bid.

4. Submission of Sealed Bids (6/11)

Bid forms may be obtained from the Unit Manager. All bids must be submitted on the bid form and in an envelope clearly identified as described in this section. NOTE: Only one bid form per bid envelope. Sealed bids must be submitted to the Unit office designated in the prospectus and must be submitted at or prior to the time established in the prospectus. The envelope should show on the outside (a) the sale name or number and (b) the date and time of bid opening as shown in the prospectus. Bids received after the time specified in the sale prospectus are late bids and will be rejected.

5. Public Opening of Sealed Bids (1/11)

If conditions permit, the sealed bids will be publicly opened and posted at the time and place set in the prospectus.

6. Award of Contract (1/11)

Award of the contract will be made to the Bidder whose bid, conforming to the prospectus, is most advantageous to the State of Michigan on the basis of total value at rates bid for the estimated quantities. The State reserves the right to reject any bid or waive any minor irregularity in bids received. A written award mailed (or otherwise furnished) to the successful Bidder shall be deemed to result in a binding contract without further action by either party.

7. Down Payment (1/11)

The Bidder to whom award is made must make a down payment within 21 days of the sale award. The amount of the down payment will be calculated as shown in the Bond and Payment Schedule of this prospectus. Only cash may be used to meet this requirement.

8. Performance Security (1/11)

As guarantee of faithful performance, a cash bond, certificate of deposit, surety bond or irrevocable letter of credit (LOC) is required within 21 days of the sale award. The amount of the performance security is shown in the Bond and Payment Schedule of this prospectus. If an LOC or surety is used, the coverage must extend for at least 6 months beyond the contract expiration.

9. Timber Sale Contract (1/11)

Additional conditions and requirements common to all timber sales are listed on the timber sale contract (R4031) and are available on line at www.michigan.gov/dnr. Contact the Unit Manager for additional information or a sample contract. Within 21 days of the date of the award letter, the bidder must sign the contract and provide the required down payment, performance security, and verification of worker's disability compensation. The down payment and performance security shall be in accordance with the provisions of the timber sale contract, in the sums stated in this prospectus. If these actions are not taken, then the Bidder, the Bidder's corporation, and the corporation's principals may not be permitted to bid on State timber sales for a period of 1 year. In addition, the Bidder certifies that if awarded this contract, the Bidder will complete the timber sale contract in accordance with its terms and any modifications thereof including requirements to purchase, cut, and remove the included timber by the termination date.

10. Disclaimer of Estimates and Bidder's Warranty of Inspection (1/11)

Before submitting this bid, the Bidder is advised and cautioned to inspect the sale area, review the requirements of the sale contract, and take other steps as may be reasonably necessary to ascertain the location, estimated volumes, construction estimates, and operating costs of the proposed sale. Failure to do so will not relieve the Bidder from responsibility for completing the contract.

The Bidder warrants that this bid is submitted solely on the basis of the Bidder's examination and inspection of the quality and quantity of the timber offered for sale and the Bidder's opinion of the value thereof and the costs of recovery. No reliance should be placed on the State of Michigan's estimates of timber quality, quantity or costs of recovery. Bidder further acknowledges that the State of Michigan: (i) expressly disclaims any warranty of fitness of timber for any purpose; (ii) offers this timber as is without any warranty of quality (merchantability) or quantity and (iii) expressly disclaims any warranty as to the quantity or quality of timber sold.

11. Certification and Chain-of-Custody (1/11)

Unless otherwise indicated in the contract under section 7 – Other Conditions of the Sale Specific Conditions & Requirements, the area encompassed by this timber sale is certified to the standards of the Forest Stewardship Council (FSC) - Certificate #SCS-FM/COC-00090N and the Sustainable Forestry Initiative (SFI) - Certificate # NSF-SFIS-5Y031-S1. Forest products from this sale may be delivered to the mill as "FSC and / or SFI certified" as long as the contractor hauling the forest products is chain-of-custody (COC) certified or covered under a COC certificate from the destination mill. The purchaser is responsible for maintaining COC after leaving the sale area.

RODNEY STOKES
Director

TIMBER SALE INFORMATION

HIGHLINE DIVIDE (71-003-11-01)

T23N, R02E, SEC.17.

OGEMAW COUNTY (Advertised Price \$63,133.10)

SALE NOTE: No designated recreation site such as a trail, pathway, or campground is within the sale area or the vicinity. Access may be through state forest land.

A timber sale contract for this lump sum, sealed bid timber sale will be awarded to the responsible bidder offering the highest sealed bid price. Bids must be at or above the following advertised price for each species:

ESTIMATED VOLUME*	<u>ADV</u>	ERTISED PRICE
93.30 MBF	\$	65.00 / MBF
102.80 MBF	\$	104.00 / MBF
69.20 MBF	\$	110.00 / MBF
64.20 MBF	\$	253.00 / MBF
764.00 Cords	\$	12.40 / Cord
463.00 Cords	\$	16.90 / Cord
486.00 Cords	\$	10.75 / Cord
	93.30 MBF 102.80 MBF 69.20 MBF 64.20 MBF 764.00 Cords 463.00 Cords	93.30 MBF \$ 102.80 MBF \$ 69.20 MBF \$ 64.20 MBF \$ 764.00 Cords \$ 463.00 Cords \$

^{*}The volumes are statistically estimated within plus (+) or minus (-) 9.02 percent. These estimated volumes are final and not subject to adjustment. Prospective bidders are urged to examine this timber and to make their own estimates of quantity and quality.

BOND AND PAYMENT SCHEDULE:

- 1. A bond in the amount of \$3,200.00 to insure faithful performance of the conditions of the contract will be deposited by the successful bidder within 21 days of the sale award.
- 2. Cutting in any sale or unit without the required advance payment would be considered a trespass.
- 3. Total payment must be paid in advance or according to the following schedule:
 - (a) Ten percent (10%) of the sale value must be paid within 21 days of the sale award.
 - (b) The 10% down payment will be credited towards the first unit cut.
 - (c) Payment for each of the following units must be made before cutting begins in that unit:

PAYMENT UNIT NUMBER	PERCENT OF TOTAL SALE VALU
01	10%
02	19%
03	19%
04	33%
05	19%

- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on 09/30/2013.

Sale Specific Conditions & Requirements

Sale Name: Highline Divide Sale Number: 71-003-11-01

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (12/08)

The sale boundary and Payment Unit boundaries are marked and identified by blue, red and yellow paint. Exterior sale boundary lines against private property are marked with blue paint. Exterior sale boundary lines against state are marked with red paint. Interior Payment Unit boundaries are marked with yellow paint.

2 - Timber Specifications

2.1 - Included Timber

2.1.1 - Clearcut unit(s) with unmerchantable trees (4/09)

Within Payment Unit(s) 1, 2, and 5, cut all trees that are two (2) inches or more in diameter measured at a point four and one-half (4-1/2) feet above ground level regardless of merchantability EXCEPT DO NOT CUT OR DAMAGE any red pine, white pine, or trees marked with green paint

2.1.7 - Leave tree marked unit(s) (10/09)

Within Payment Unit(s) 3 and 4, all trees which meet minimum piece specifications in 2.2 Utilization, are designated for cutting EXCEPT DO NOT CUT OR DAMAGE any red pine, white pine, or trees marked with green paint above and below stump height.

3 - Payments

3.4 - Damaged Timber

3.4.1 - Damaged timber (6/05)

General Condition and Requirement 3.4 Damaged Timber, defines liquidated damages for undesignated live merchantable trees which are cut or injured. Damage to residual trees (defined as breaking of the cambium layer, broken tops or bending of trees from their natural position) is not acceptable.

No damage is acceptable to merchantable trees. Within the sale area, if more than 10 % of the green painted residual trees (> 4.5" DBH) within a specified area of the sale are damaged, liquidated damages will be assessed for all trees damaged. Rates will be in accordance with General Condition and Requirement 3.4 Damaged Timber.

3.6 - Payment Unit Cutting Schedule

3.6.2 - One active unit (12/08)

Each Payment Unit must be completed to the satisfaction of the Unit Manager or his/her representative before the next unit may be opened.

4 - Transportation

4.1 - Construction

4.1.6 - Road construction (1/09)

Construction of new roads or improvements of existing roads shall be done in such a way as to minimize the environmental and visual impacts. Merchantable trees shall be cut and utilized unless otherwise directed. Non-merchantable trees shall be severed and laid flat on the ground. Slash shall be scattered, and not left in windrows and kept a minimum of 10 feet back from the road edge, chipped, utilized to close roads/landings, or hauled back into the sale and scattered. Stumps shall be set upright, not left on edge, and be moved at least 10 feet away from the road edge. Disturbed soil shall be feathered into the woods and not left in berms or windrows.

4.1.7 - Road closure (4/07)

All new roads built into the sale must be blocked to vehicle traffic within 30 days of completion of hauling. Overgrown roads that are reopened shall be considered new roads. In general, this will require constructing a four (4') foot high berm constructed of stumps and logs covered with earth. Stumps and brush must be placed along the remainder of the trail. These roads must be rendered impassable to cars and trucks. Contact the sale administrator for specific details of design and placement.

4.2 - Maintenance

4.2.1 - Hauling restriction (12/08)

Hauling may be restricted on forest roads by the Unit Manager or his/her representative. The restriction may occur during spring breakup or during wet weather conditions.

4.2.5 - Two wheel drive condition (2/04)

All existing trail roads on and adjacent to the sale area must be passable by two-wheel drive traffic for the duration of the sale.

5 - Operations

5.1 - Notification

5.1.1 - Pre-sale conference (12/08)

A pre-sale conference on site between the Purchaser and sale administrator is required prior to beginning any operations to determine landing and road locations.

5.1.3 - Well heads and natural gas pipelines (7/07)

The Purchaser is responsible for contacting the pipeline company prior to operating equipment in the vicinity of well heads or natural gas pipelines. Contact Enbridge Energy at 1-800-482-7171.

5.1.4 - Post-sale conference (9/09)

A post-sale conference on site between the Purchaser and sale administrator is required 5 days prior to the completion of active logging operations to determine clean-up and repair of landings, road edges, and the fulfillment of other contract specifications.

5.2 - Conduct of Operations

5.2.1 - Slash

5.2.1.1 - Slash within sale area (2/04)

No trees are to be felled outside the sale area and all slash is to be kept at least 10 feet back from the blue paint line.

5.2.1.2 - Slash Removal

5.2.1.2.1 - Slash removal, right-of-way (12/04)

All slash must be removed at least 10 feet from the cleared right-of-way of forest roads.

5.2.1.8 - Slash height (12/08)

No slash or tree tops may exceed 24 inches in height.

5.2.1.9 - No Slash:pipe/powerline, oil/gas sites (2/04)

All pipelines, power lines, oil or gas storage sites and related access roads are to remain free of slash at all times.

5.2.2 - Hazard Trees/Snags

5.2.2.1 - Den trees (2/04)

Obvious hollow and/or den trees shall be protected and left standing unless they are a safety hazard.

5.2.3 - Operating Restrictions

5.2.3.3 - Bark slippage restriction (3/09)

Within Payment Unit(s) 3 and 4, unless changed by written agreement, cutting and skidding are not permitted during the period of April 15 to July 15. This restriction is because of bark slippage.

5.2.3.4 - Oak wilt restriction (6/10)

Within Payment Unit(s) 1 - 5 unless changed by written agreement, cutting and skidding are not permitted during the period of April 15 to July 15. This is necessary to reduce the spread of oak wilt. For more information, contact the Unit Manager or his/her representative.

5.2.3.11 - Coppice regeneration protection (4/10)

Any post harvest operations, such as chipping, must be completed before sprouting of regeneration occurs. If it is anticipated that chipping will be delayed, then tops shall be carried to one central location or left unchipped. The Unit Manager or his/her representative may cease such operations if sprouting occurs before the operation is complete.

5.2.4 - Dead and Down Creation

5.2.4.3 - Dead and down creation, dead trees (6/07)

Except as provided for in General Condition and Requirement 5.2.2, no dead trees, standing or down, are to be cut, skidded, or processed.

5.2.29 - Shrub protection (9/07)

Do not cut or damage hawthorn, witch-hazel, dogwood or juneberry. These woody-shrub plants are highly beneficial to various wildlife species.

5.2.38 - No decking against live trees (2/04)

Cut products may not be decked against unmarked or designated leave trees.

5.4 - Soil Protection

5.4.1 - Rutting restriction, general (1/09)

Operations are to cease immediately if equipment and weather conditions result in rutting of roads and skid trails which is 12 inches or greater in depth and 50 feet in length. The Unit Manager or his/her representative may restrict hauling and/or skidding if ruts exceed the specified depth. With the Unit Manager or his/her representative's approval, the Purchaser may return to the area when the risk of rutting has decreased.

5.4.2 - Skid trails (2/04)

Skid trails up and down slopes should be avoided. If however this is unavoidable, these trails will be left in a non-erodible condition using water bars, logs, and slash. Placing of slash on these skid trails while logging is ongoing may alleviate need for any further action. At the direction of the sale administrator, seed, fertilizer, and mulch may also be required.

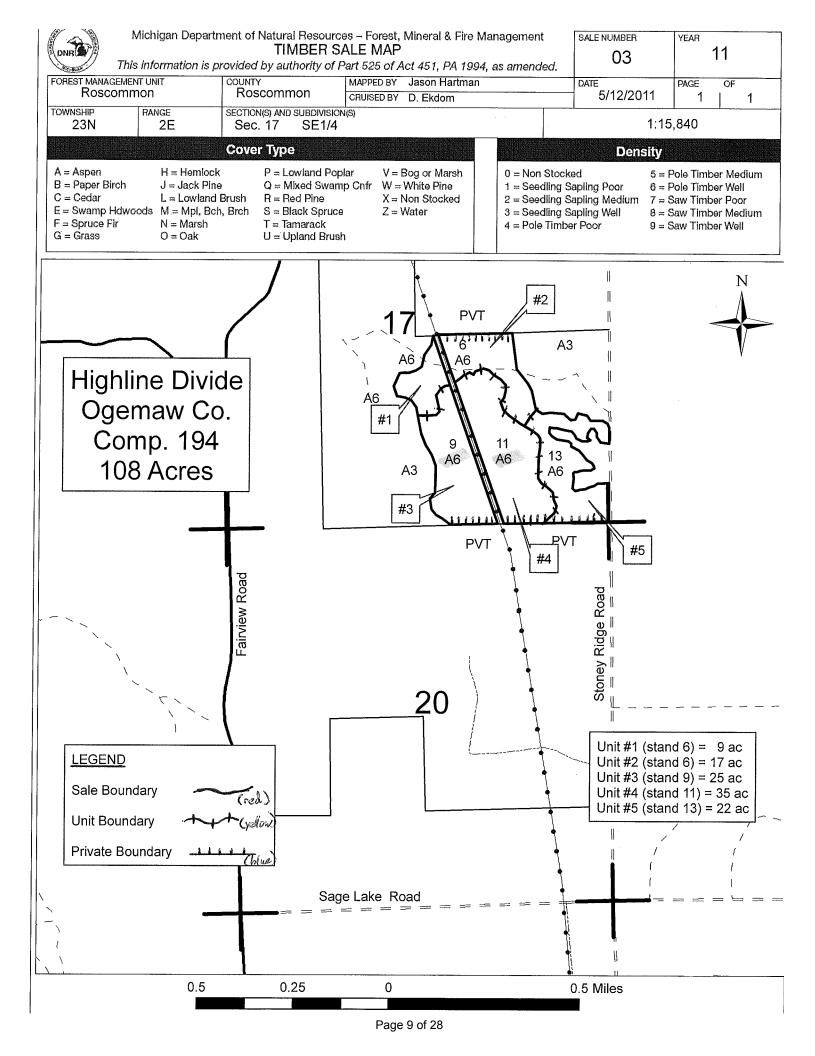
6 - Safety and Fire Prevention

6.2 - Signing

6.2.1 - Road posting (9/09)

The purchaser is responsible for posting and maintaining caution signs on Stoney Ridge Road prior to beginning operations. The road must be posted at appropriate distances from the sale area to warn of logging activity and truck traffic. Signs must be removed when harvest operations are suspended or completed.

Section Name: Sale Specific Current as of 8/11/2011 8:45:14AM



TIMBER SALE INFORMATION

BEAVER LAKE SORT (71-016-11-01)

T23N, R01E, SEC.32.

OGEMAW COUNTY (Advertised Price \$5,739.20)

SALE NOTE: No designated recreation site such as a trail, pathway, or campground is within the sale area or the vicinity. Access may be through state forest land.

A timber sale contract for this lump sum, sealed bid timber sale will be awarded to the responsible bidder offering the highest sealed bid price. Bids must be at or above the following advertised price for each species:

PRODUCTS & SPECIES	ESTIMATED VOLUME*	AD\	/ERTISED PRICE
Sawlogs			
Mixed Oak	15.50 MBF	\$	110.00 / MBF
Red Maple	7.80 MBF	\$	114.00 / MBF
Red Pine	5.90 MBF	\$	139.00 / MBF
Pulpwood			
Mixed Oak	63.00 Cords	\$	17.70 / Cord
Q. Aspen	24.00 Cords	\$	26.00 / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$585.80:

PRODUCTS & SPECIES	ESTIMATED VOLUME*	ADV	ERTISED PRICE
Pulpwood			
Mixed Pine	19.00 Cords	\$	10.20 / Cord
Red Maple	32.00 Cords	\$	12.25 / Cord

^{*}The volumes are statistically estimated within plus (+) or minus (-) 19.60 percent. These estimated volumes are final and not subject to adjustment. Prospective bidders are urged to examine this timber and to make their own estimates of quantity and quality.

BOND AND PAYMENT SCHEDULE:

- 1. A bond in the amount of \$500.00 to insure faithful performance of the conditions of the contract will be deposited by the successful bidder within 21 days of the sale award.
- 2. Cutting in any sale or unit without the required advance payment would be considered a trespass.
- 3. Total payment must be paid in advance or according to the following schedule:
 - (a) Ten percent (10%) of the sale value must be paid within 21 days of the sale award.
 - (b) The 10% down payment will be credited towards the first unit cut.
 - (c) Payment for each of the following units must be made before cutting begins in that unit:

PAYMENT UNIT NUMBER	PERCENT OF TOTAL SALE VALUE
01	70%
02	30%

- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on 09/30/2013.

Sale Specific Conditions & Requirements

Sale Name: Beaver Lake Sort Sale Number: 71-016-11-01

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (12/08)

The sale boundary and Payment Unit boundaries are marked and identified by blue, red and yellow paint. Exterior sale boundary lines against private property are marked with blue paint. Exterior sale boundary lines against state are marked with red paint. Interior Payment Unit boundaries are marked with yellow paint. Do not cut painted boundary line trees including payment unit boundaries.

2 - Timber Specifications

2.1 - Included Timber

2.1.3 - Cut tree marked unit(s) (12/08)

Within Payment Unit(s) #1 and #2, all trees are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability. In addition, cut all aspen, red maple, and jack pine which meet minimum piece specifications in 2.2 Utilization.

2.2 - Utilization

2.2.6 - Roundwood operation required (5/07)

The skidding of whole trees or tree segments with limbs attached is prohibited. All products must be produced as roundwood and forwarded to existing roads or landing areas in final product length.

2.2.9 - No chipping permitted (12/08)

Within Payment Unit(s) #1 and #2, all wood must be removed as roundwood. No chipping is permitted.

3 - Payments

3.4 - Damaged Timber

3.4.1 - Damaged timber (6/05)

General Condition and Requirement 3.4 Damaged Timber, defines liquidated damages for undesignated live merchantable trees which are cut or injured. In addition, extreme care should be taken to avoid damage to tree seedlings and saplings. Damage to residual trees (defined as breaking of the cambium layer, broken tops or bending of trees from their natural position) is not acceptable.

Within the sale area, if more than 25% of the tree seedlings or saplings (1/4" to 4.5" DBH) within a specified portion of the sale area are damaged, liquidated damages will be assessed at 300.00 per acre for all acreage within that specified portion of the sale area that was damaged.

No damage is acceptable to merchantable trees. Within the sale area, if more than 10% of residual trees (> 4.5" DBH) within a specified area of the sale are damaged, liquidated damages will be assessed for all trees damaged. Rates will be in accordance with General Condition and Requirement 3.4 Damaged Timber.

3.6 - Payment Unit Cutting Schedule

3.6.2 - One active unit (12/08)

Each Payment Unit must be completed to the satisfaction of the Unit Manager or his/her representative before the next unit may be opened.

4 - Transportation

4.1 - Construction

4.1.6 - Road construction (1/09)

Construction of spur roads/turn-arounds or improvements of existing roads shall be done in such a way as to minimize the environmental and visual impacts. Merchantable trees shall be cut and utilized unless otherwise directed. Non-merchantable trees shall be severed and laid flat on the ground. Slash shall be scattered, and not left in windrows and kept a minimum of 10 feet back from the road edge. Stumps shall be set upright, not left on edge, and be moved at least 10 feet away from the road edge. Disturbed soil shall be feathered into the woods and not left in berms or windrows.

4.1.7 - Road closure (4/07)

All spur roads/turn-arounds built into the sale must be blocked to vehicle traffic within 30 days of completion of hauling. In general, this will require constructing a four (4') foot high berm constructed of stumps and logs covered with earth. Stumps and brush must be placed along the remainder of the trail. Contact the sale administrator for specific details of design and placement.

4.1.12 - No new roads (6/10)

No new roads will be permitted in any Payment Unit. All operations are limited to existing roads.

4.2 - Maintenance

4.2.4 - Grading (12/08)

Roads must be graded after the sale is completed. The grading equipment to be used must be approved by the Unit Manager or his/her representative.

5 - Operations

5.1 - Notification

5.1.1 - Pre-sale conference (12/08)

A pre-sale conference on site between the Purchaser and sale administrator is required prior to beginning any operations to determine landing and road locations.

5.1.4 - Post-sale conference (9/09)

A post-sale conference on site between the Purchaser and sale administrator is required 5 days prior to the completion of active logging operations to determine clean-up and repair of landings, road edges, and the fulfillment of other contract specifications.

5.2 - Conduct of Operations

5.2.1 - Slash

5.2.1.8 - Slash height (12/08)

No slash or tree tops may exceed 24 inches in height.

5.2.3 - Operating Restrictions

5.2.3.3 - Bark slippage restriction (3/09)

Within Payment Unit(s) #1 and #2, unless changed by written agreement, cutting and skidding are not permitted during the period of April 15 to July 15. This restriction is because of bark slippage.

5.2.3.4 - Oak wilt restriction (6/10)

Within Payment Unit(s) #1 and #2 unless changed by written agreement, cutting and skidding are not permitted during the period of April 15 to July 15. This is necessary to reduce the spread of oak wilt. For more information, contact the Unit Manager or his/her representative.

5.2.29 - Shrub protection (9/07)

Do not cut or damage hawthorn, witch-hazel, dogwood or juneberry. These woody-shrub plants are highly beneficial to various wildlife species.

5.2.38 - No decking against live trees (2/04)

Cut products may not be decked against unmarked or designated leave trees.

5.4 - Soil Protection

5.4.1 - Rutting restriction, general (1/09)

Operations are to cease immediately if equipment and weather conditions result in rutting of roads and skid trails which is 12 inches or greater in depth and 50 feet in length. The Unit Manager or his/her representative may restrict hauling and/or skidding if ruts exceed the specified depth. With the Unit Manager or his/her representative's approval, the Purchaser may return to the area when the risk of rutting has decreased.

5.4.3 - Erosion control (12/08)

Skid trails or haul roads may require erosion control structures or berms per direction of the Unit Manager or his/her representative.

Section Name: Sale Specific Current as of 8/11/2011 8:57:48AM

Michigan Department of Natural Resources - Forest, Mineral & Fire Management SALE NUMBER YEAR TIMBER SALE MAP 11 16 This information is provided by authority of Part 525 of Act 451, PA 1994, as amended. FOREST MANAGEMENT UNIT COUNTY MAPPED BY D. Ekdom DATE 2/8/2011 CRUISED BY D. Ekdom Roscommon Ogemaw TOWNSHIP RANGE SECTION(S) AND SUBDIVISION(S) 1:15,840 23N 1E Section 32 - W1/2SW Cover Type Density H = Hemlock A = Aspen P = Lowland Poplar V = Bog or Marsh 0 = Non Stocked 5 = Pole Timber Medium B = Paper Birch J = Jack Pine Q = Mixed Swamp Cnfr W = White Pine 1 = Seedling Sapling Poor 6 = Pole Timber Well C = Cedar L = Lowland Brush 2 = Seedling Sapling Medium R = Red Pine X = Non Stocked 7 = Saw Timber Poor E = Swamp Howoods M = Mpl, Bch, Brch S = Black Spruce Z = Water 3 = Seedling Sapling Well 8 = Saw Timber Medium F = Spruce Fir N = Marsh T = Tamarack 4 = Pole Timber Poor 9 = Saw Timber Well G = Grass O = Oak U = Upland Brush Beaver Lake Sort 18 Acres Ogemaw Ro Ogemaw County UM9 32 Private A201 Private Private Legend Sale Boundary - Red Unit 1 - Stand 27 - 11 Acres Unit 2 - Stand 29 - 7 Acres Private Boundary - Blue Unit Line - Yellow 0.5 0.25 0.5 1 N 0

TIMBER SALE INFORMATION

RESERVE ROAD MEDLEY (71-020-11-01)

T21N, R03W, SEC.32; T21N, R03W, SEC.33.

ROSCOMMON COUNTY (Advertised Price \$9,034.90)

SALE NOTE: No designated recreation site such as a trail, pathway, or campground is within the sale area or the vicinity. Access may be through state forest land.

A timber sale contract for this lump sum, sealed bid timber sale will be awarded to the responsible bidder offering the highest sealed bid price. Bids must be at or above the following advertised price for each species:

PRODUCTS & SPECIES	ESTIMATED VOLUME*	<u>ADV</u>	ERTISED PRICE
Sawlogs			
Jack Pine	30.10 MBF	\$	32.00 / MBF
Pulpwood			
Jack Pine	308.00 Cords	\$	20.80 / Cord
Mixed Aspen	124.00 Cords	\$	12.05 / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$171.10:

PRODUCTS & SPECIES	SPECIES ESTIMATED VOLUME*		ADVERTISED PRICE		
Sawlogs					
Mixed Aspen	2.90 MBF	\$	59.00 / MBF		

^{*}The volumes are statistically estimated within plus (+) or minus (-) 23.57 percent. These estimated volumes are final and not subject to adjustment. Prospective bidders are urged to examine this timber and to make their own estimates of quantity and quality.

BOND AND PAYMENT SCHEDULE:

- 1. A bond in the amount of \$500.00 to insure faithful performance of the conditions of the contract will be deposited by the successful bidder within 21 days of the sale award.
- 2. Cutting in any sale or unit without the required advance payment would be considered a trespass.
- 3. Total payment must be paid in advance or according to the following schedule:
 - (a) Ten percent (10%) of the sale value must be paid within 21 days of the sale award.
 - (b) The 10% down payment will be credited towards the first unit cut.
 - (c) Payment for each of the following units must be made before cutting begins in that unit:

PAYMENT UNIT NUMBER PERCENT OF TOTAL SALE VALUE 01 40%

- 02 60%
- 4. If no cutting takes place, the 10% down payment will not be refunded.5. Operations on the contract issued will terminate on 09/30/2013.

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Sale Specific Conditions & Requirements

Sale Name: Reserve Road Medley Sale Number: 71-020-11-01

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (12/08)

The sale boundary is marked and identified by red paint.

2 - Timber Specifications

2.1 - Included Timber

2.1.1 - Clearcut unit(s) with unmerchantable trees (4/09)

Within Payment Unit(s) 1, cut all aspen, red maple, and jack pine trees that are two (2) inches or more in diameter measured at a point four and one-half (4-1/2) feet above ground level regardless of merchantability

2.1.2 - Clearcut unit(s) w/o unmerchantable trees (12/08)

Within Payment Unit(s) 2, cut all aspen, red maple, and jack pine trees which meet minimum piece specifications in 2.2 Utilization

2.2 - Utilization

2.2.6 - Roundwood operation required (5/07)

The skidding of whole trees or tree segments with limbs attached is prohibited within Payment Unit(s) 1 and 2. All products must be produced as roundwood and forwarded to existing roads or landing areas in final product length.

2.2.10 - No chipping tops and limbs (12/08)

Within Payment Unit(s) 2, chipping of the bole, 2-inches in diameter or greater, is allowed. Chipping of limbs or portions of the tree less than 2-inches in diameter is not permitted. Limbs and the remaining top must be left on site and scattered.

3 - Payments

3.4 - Damaged Timber

3.4.1 - Damaged timber (6/05)

General Condition and Requirement 3.4 Damaged Timber, defines liquidated damages for undesignated live merchantable trees which are cut or injured. Damage to residual trees (defined as breaking of the cambium layer, broken tops or bending of trees from their natural position) is not acceptable.

No damage is acceptable to merchantable trees. Within the sale area, if more than 10% of trees (> 4.5" DBH) within a specified area of the sale are damaged, liquidated damages will be assessed for all trees damaged. Rates will be in accordance with General Condition and Requirement 3.4 Damaged Timber.

3.6 - Payment Unit Cutting Schedule

3.6.2 - One active unit (12/08)

Each Payment Unit must be completed to the satisfaction of the Unit Manager or his/her representative before the next unit may be opened.

4 - Transportation

4.1 - Construction

4.1.6 - Road construction (1/09)

Construction of new roads or improvements of existing roads shall be done in such a way as to minimize the environmental and visual impacts. Merchantable trees shall be cut and utilized unless otherwise directed. Non-merchantable trees shall be severed and laid flat on the ground. Slash shall be scattered, and not left in windrows and kept a minimum of 10 feet back

from the road edge. Stumps shall be set upright, not left on edge, and be moved at least 10 feet away from the road edge. Disturbed soil shall be feathered into the woods and not left in berms or windrows.

4.1.7 - Road closure (4/07)

All new roads built into the sale must be blocked to vehicle traffic within 30 days of completion of hauling. Overgrown roads that are reopened shall be considered new roads. In general, this will require constructing a four (4') foot high berm constructed of stumps and logs covered with earth. Stumps and brush must be placed along the remainder of the trail. These roads must be rendered impassable to cars and trucks. Contact the sale administrator for specific details of design and placement.

4.2 - Maintenance

4.2.1 - Hauling restriction (12/08)

Hauling may be restricted on forest roads by the Unit Manager or his/her representative. The restriction may occur during spring breakup or during wet weather conditions.

4.2.4 - Grading (12/08)

Roads must be graded after the sale is completed. The grading equipment to be used must be approved by the Unit Manager or his/her representative.

5 - Operations

5.1 - Notification

5.1.1 - Pre-sale conference (12/08)

A pre-sale conference on site between the Purchaser and sale administrator is required prior to beginning any operations to determine landing and road locations.

5.1.4 - Post-sale conference (9/09)

A post-sale conference on site between the Purchaser and sale administrator is required 5 days prior to the completion of active logging operations to determine clean-up and repair of landings, road edges, and the fulfillment of other contract specifications.

5.2 - Conduct of Operations

5.2.1 - Slash

5.2.1.2 - Slash Removal

5.2.1.2.1 - Slash removal, right-of-way (12/04)

All slash must be removed at least 10 feet from the cleared right-of-way of forest roads.

5.2.1.8 - Slash height (12/08)

No slash or tree tops may exceed 24 inches in height.

5.2.1.11 - Slash for reforestation (5/07)

To facilitate reforestation, the sale area shall be left with slash evenly distributed. Bunched tops within the cutting area shall be broken up and scattered. Stumps shall be cut low to the ground. Processing sites shall not be left with a compacted layer of slash; tops from these sites shall be hauled back into the cut area and scattered.

5.2.2 - Hazard Trees/Snags

5.2.2.1 - Den trees (2/04)

Obvious hollow and/or den trees shall be protected and left standing unless they are a safety hazard.

5.2.3 - Operating Restrictions

5.2.3.3 - Bark slippage restriction (3/09)

Within Payment Unit(s) 1 and 2, cutting and skidding are not permitted during the period of April 15 to July 15. This restriction is because of bark slippage.

5.2.3.4 - Oak wilt restriction (6/10)

Within Payment Unit(s) 1 and 2, cutting and skidding are not permitted during the period of April 15 to July 15. This is necessary to reduce the spread of oak wilt. For more information, contact the Unit Manager or his/her representative.

5.2.4 - Dead and Down Creation

5.2.4.3 - Dead and down creation, dead trees (6/07)

Except as provided for in General Condition and Requirement 5.2.2, no dead trees, standing or down, are to be cut, skidded, or processed.

5.2.38 - No decking against live trees (2/04)

Cut products may not be decked against unmarked or designated leave trees.

5.4 - Soil Protection

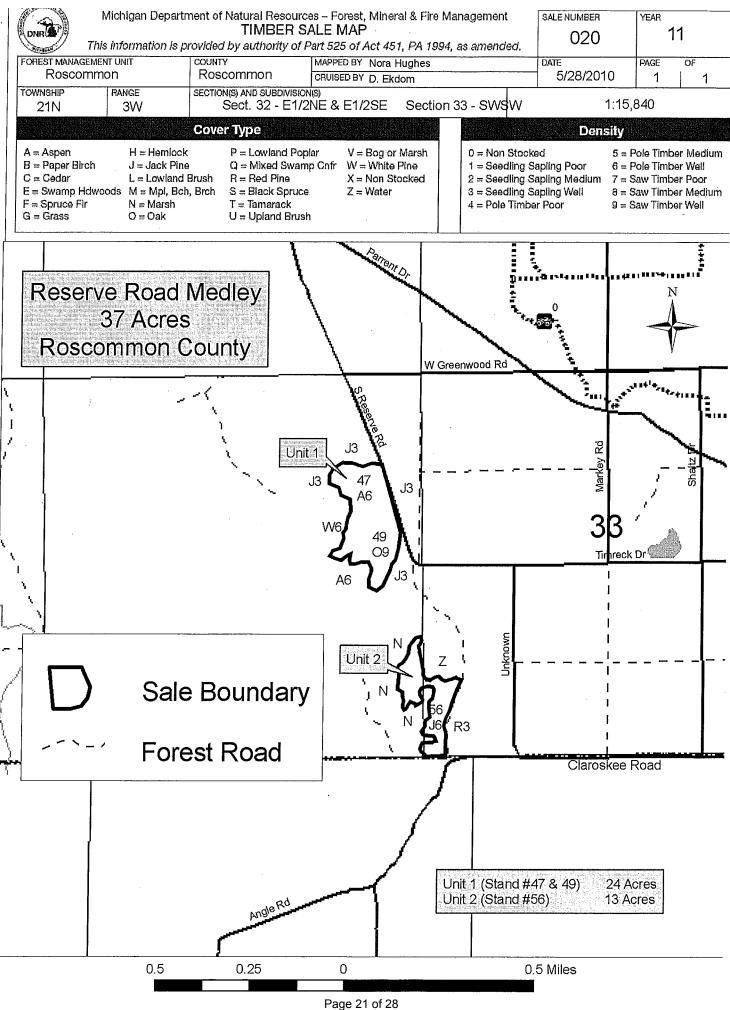
5.4.1 - Rutting restriction, general (1/09)

Operations are to cease immediately if equipment and weather conditions result in rutting of roads and skid trails which is 12 inches or greater in depth and 50 feet in length. The Unit Manager or his/her representative may restrict hauling and/or skidding if ruts exceed the specified depth. With the Unit Manager or his/her representative's approval, the Purchaser may return to the area when the risk of rutting has decreased.

5.4.3 - Erosion control (12/08)

Skid trails or haul roads may require erosion control structures or berms per direction of the Unit Manager or his/her representative.

Section Name: Sale Specific Current as of 8/11/2011 9:17:15AM



BID FORM

ROSCOMMON MANAGEMENT UNIT ROSCOMMON OFFICE

HIGHLINE DIVIDE (71-003-11-01) T23N, R02E, SEC.17; OGEMAW COUNTY

In response to the notice of sale to be held 11:00AM on September 13, 2011, I am hereby submitting my sealed bid (firm offer) for the following forest products to be cut. Bids for individual species must be at or above the advertised price. All non-responsive bid forms may be rejected.

PRODUCTS & SPECIES	<u>ESTIMATED V</u>	<u>DLUME*</u> <u>A</u>	<u> DVERTISED PRICE</u>	BID PRICE	
Sawlogs					
Mixed Aspen	93.30 N	IBF \$	65.00 / MBF	\$	/ MBF
Mixed Oak	102.80 M	IBF \$	104.00 / MBF	\$	/ MBF
Red Maple	69.20 N	IBF \$	110.00 / MBF	\$	/ MBF
Red Oak	64.20 N	IBF \$	253.00 / MBF	\$	/ MBF
Pulpwood					
Mixed Aspen	764.00 C	ords \$	12.40 / Cord	\$	_ / Cord
Mixed Oak	463.00 C	ords \$	16.90 / Cord	\$	_ / Cord
Red Maple	486.00 C	ords \$	10.75 / Cord	\$	_ / Cord

I understand that any or all bids may be rejected. All bids must be signed and all bid items must be bid or the bid form may be rejected. I also understand that consideration and awarding a contract will be based upon my past performance and ability to complete the contract based upon equipment and staffing subject to my control.

FEDERAL ID:	or SOCI	AL SECURITY NUMBER	₽
Company or individual bidding:			
Company representative's name			
Address:			
City:	State:	Zip:	
ILABLE, PLEASE PLACE THE PER			
ual or company representative's sign	nature:		Date:

^{*}The volumes are statistically estimated within plus (+) or minus (-) 9.02 percent. These estimated volumes are final and not subject to adjustment. Prospective bidders are urged to examine this timber and to make their own estimates of quantity and quality.



Name of Business

Address

Title

City

Michigan Department of Natural Resources & Environment Forest Management Division

TIMBER SALE VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

FOR DEPARTMENT USE ONLY
Sale Number (XX – XXX – XX – XX)
Forest Management Unit:

As required by Act 317, P.A. 1969 (Worker's Compensation) and Part 525 of Act 451 of 1994, as amended.

VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE This verification must be completed and submitted within 21 days of contract award and prior to the issuance of the timber sale contract. In addition, if boxes 2B or 2C are checked, then Notice of Exclusion or Certificate of Insurance must be submitted within 21 days of the contract award and prior to the issuance of the timber sale contract. All Information must be typed or printed except for written signatures. Please Check Appropriate Categories: 1. My business is organized as (you **must** check <u>one</u> of the boxes below): A. Sole Proprietorship (individual) B. Partnership C. Corporation 2. You must check one of the boxes below: A. 🔲 I certify that my business is a sole proprietorship and it has no employees but the sole proprietor. I am not subject to the Worker's Compensation Laws. B. I certify that my business has satisfied its obligation to the Worker's Compensation Act through the use of an approved Notice of Exclusion (BWC-337, Rev. 5/96). I will provide a copy of the Notice of Exclusion within 21 days of the contract award. (For questions or a copy of the BWC-337, please call the Worker's Compensation Bureau at 517-322-1195). C. I certify that my business has a Worker's Compensation Policy. I will provide an original Certificate of Insurance within 21 days of the contract award. 3. If you have checked item 2(A) or 2(B), you **must** indicate the number of **both** full-time and part-time employees, other than yourself, including family members and active partners (if none, you must enter "0"). Full-time Employees Part-time Employees

I hereby certify that the above information is true and correct.	I agree to notify the Michigan DNRE of any changes that
occur in factors affecting my coverage during any of my prese	ent and future operations.

Telephone

ZIP

Signature of Owner or Authorized Representative

State

Date

Federal ID (or) Social Security No.

BID FORM

BEAVER LAKE SORT (71-016-11-01) T23N, R01E, SEC.32; OGEMAW COUNTY

In response to the notice of sale to be held 11:00AM on September 13, 2011, I am hereby submitting my sealed bid (firm offer) for the following forest products to be cut. Bids for individual species must be at or above the advertised price. All non-responsive bid forms may be rejected.

PRODUCTS & SPECIES	ESTIMATED VOLUME* ADVERTISED PRICE BID PRICE		MATED VOLUME* ADVERTISED PRICE		RICE	
Sawlogs						
Mixed Oak	15.50	MBF	\$	110.00 / MBF	\$	/ MBF
Red Maple	7.80	MBF	\$	114.00 / MBF	\$	/ MBF
Red Pine	5.90	MBF	\$	139.00 / MBF	\$	/ MBF
Pulpwood						
Mixed Oak	63.00	Cords	\$	17.70 / Cord	\$	/ Cord
Q. Aspen	24.00	Cords	\$	26.00 / Cord	\$	/ Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$585.80:

PRODUCTS & SPECIES	ESTIMATED VOLUME*	<u>'OLUME*</u> <u>ADVERTISED</u>	
Pulpwood			
Mixed Pine	19.00 Cords	\$	10.20 / Cord
Red Maple	32.00 Cords	\$	12.25 / Cord

^{*}The volumes are statistically estimated within plus (+) or minus (-) 19.60 percent. These estimated volumes are final and not subject to adjustment. Prospective bidders are urged to examine this timber and to make their own estimates of quantity and quality.

I understand that any or all bids may be rejected. All bids must be signed and all bid items must be bid or the bid form may be rejected. I also understand that consideration and awarding a contract will be based upon my past performance and ability to complete the contract based upon equipment and staffing subject to my control.

	FEDERAL ID:	or SOCIAL SEC	URITY NUMBER:		
	Company or individual bidding:				
	Company representative's name:				
	Address:				
	City:	State:	_ Zip:		
IF AVAILABLE, PLEASE PLACE THE PERSONALIZED LABEL FROM YOUR PROSPECTUS IN THE ABOVE BOX.					
Individua	I or company representative's signatu	re:		Date:	



Michigan Department of Natural Resources & Environment Forest Management Division

TIMBER SALE VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

FOR DEPARTMENT USE ONLY	
Sale Number (XX – XXX – XX – XX)	
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Date

occur in factors affecting my coverage during any of my present and future operations.

Signature of Owner or Authorized Representative

Title

City:_

BID FORM

ROSCOMMON MANAGEMENT UNIT ROSCOMMON OFFICE

RESERVE ROAD MEDLEY (71-020-11-01) T21N, R03W, SEC.32; T21N, R03W, SEC.33; ROSCOMMON COUNTY

In response to the notice of sale to be held 11:00AM on September 13, 2011, I am hereby submitting my sealed bid (firm offer) for the following forest products to be cut. Bids for individual species must be at or above the advertised price. All non-responsive bid forms may be rejected.

rejected.						
PRODUCTS & SPECIES Sawlogs	ESTIMATED VOLUME*	AD\	/ERTISED PRICE	BID PRIC	<u>E</u>	
Jack Pine	30.10 MBF	\$	32.00 / MBF	\$	/ MBF	
Pulpwood						
Jack Pine	308.00 Cords	\$	20.80 / Cord	\$	/ Cord	
Mixed Aspen	124.00 Cords	\$	12.05 / Cord	\$	/ Cord	
n addition, the successful bidder	agrees to purchase the following	species at th	e indicated advertise	ed price for a tota	l value of \$171.10	:
PRODUCTS & SPECIES Sawlogs	ESTIMATED VOLUME*	AD\	/ERTISED PRICE			
Mixed Aspen	2.90 MBF	\$	59.00 / MBF			
	mated within plus (+) or minus (-) are urged to examine this timber				-	0
-	nay be rejected. All bids must be d awarding a contract will be base my control.	-				
FEDERAL ID:	or SOCIAL S	ECURITY N	JMBER:		_	
Company or individual	bidding:					
Company representati	ve's name:					
Address:						

Individual or company representative's signature:		Date:
Phone number:	Email (ontional):	

State: Zip:



Michigan Department of Natural Resources & Environment Forest Management Division

TIMBER SALE VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

FOR DEPARTMENT USE ONLY	
Sale Number (XX – XXX – XX – XX)	
Forest Management Unit:	

As required by Act 317, P.A. 1969 (Worker's Compensation) and Part 525 of Act 451 of 1994, as amended.

Signature of Owner or Authorized Representative

Title

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Date