

DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN

TIMBER SALE PROSPECTUS #4582

SCHEDULED SALE DATE AND TIME: 3:00 p.m. (local time) on March 28, 2012. LOCATION: CRYSTAL FALLS MGT UNIT, 1420 US-2 WEST, CRYSTAL FALLS, MI 49920.

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, CRYSTAL FALLS MANAGEMENT UNIT, for certain timber on the following described lands:

HINDSIGHT ASPEN (12-013-11-01) / T41N, R28W, SEC. 32, NESE.

T41N, R28W, SEC. 32, SENE.

T41N, R28W, SEC. 33, N1/2SW.

T41N, R28W, SEC. 33, S1/2NW.

Dickinson County, Advertised Price \$32,405.00, 50.0 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 private or state forest land.

BIG BEAR (12-057-11-01) / T43N, R32W, SEC. 05, N1/2NW.

T44N, R32W, SEC. 31, SESE.

T44N, R32W, SEC. 32, N1/2SW,SWSW,SWNW.

Iron County, Advertised Price \$61,299.35, 132.0 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 private land.

POWERLINE PINE (12-060-11-01) / T44N, R29W, SEC. 32, W1/2NW, SW1/4, S1/2SE.

Dickinson County, Advertised Price \$41,116.43, 84.0 Acres

SALE NOTE: A recreation site such as a trail, pathway, or campground is within the sale area or the vicinity. Certain restrictions/specifications may be applicable including time restrictions. Access may be through private or state forest land.

BID INSTRUCTIONS (VER. 02/13/2012):

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

Bids must be received by the Unit Manager, CRYSTAL FALLS OFFICE, 1420 US-2 WEST, CRYSTAL FALLS, MI 49920, no later than 3:00 p.m. (local time) on March 28, 2012. For further information concerning this sale, contact Don Mankee at 906-875-6622.

2. Bidder's Qualifications (2/12)

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/FRD 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 (10/11)

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 Pure 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

HINDSIGHT ASPEN (12-013-11-01)

T41N, R28W, SEC. 32; T41N, R28W, SEC. 33.

Dickinson County (Advertised Price \$32,405.00)

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 private or 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 Pulpwood Mixed Aspen	ESTIMATED UNITS*	ADV	ADVERTISED PRICE		
Pulpwood					
Mixed Aspen	1,142.00 Cords	\$	25.00 / Cord		
Mixed Hardwood	120.00 Cords	\$	25.00 / Cord		

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$855.00:

PRODUCTS & SPECIES **ESTIMATED UNITS*** ADVERTISED PRICE Pulpwood 57.00 Cords 15.00 / Cord Mixed Softwood

BOND AND PAYMENT SCHEDULE:

- 1. A bond in the amount of \$2,000.00 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 50%

02 50%

- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on 03/31/2014.

^{*} The total volume is statistically estimated within plus (+) or minus (-) 9.33 percent. The estimated units 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.

Sale Specific Conditions & Requirements

Sale Name: Hindsight Aspen Sale Number: 12-013-11-01

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. Yellow painted trees designating an interior Payment Unit boundary are only to be cut when all surrounding Payment Units have been paid.

2 - Timber Specifications

2.1 - Included Timber

2.1.2 - Clearcut unit(s) w/o unmerchantable trees (8/11)

Within Payment Unit(s) #s 1-2, cut all trees which meet minimum piece specifications in 2.2 Utilization EXCEPT HEMLOCK, CEDAR, and PINE. IN ADDITION, LEAVE ALL CONIFERS WITH LESS THAN A SIX INCH STUMP.

2.1.11 - Description of timber note (2/04)

Note that MIXED ASPEN includes Quaking and Big Tooth. MIXED HARDWOOD includes Maple, Birch, Ironwood, Basswood, and Ash. MIXED SOFTWOOD includes Spruce, Fir, and Tamarack.

2.2 - Utilization

2.2.11 - Chipping restriction (2/11)

If chipping occurs on this sale, then no woody debris present on the ground at the start of the sale may be chipped. Also, no dead standing trees may be chipped.

4 - Transportation

4.1 - Construction

4.1.2 - Stream crossings, specific (3/11)

If State Land haul route is chosen, there is a failed culvert as shown on the Timber Sale Map. Crossing this stream will require the replacement of a culvert. This replacement will be performed in accordance with the specifications on the appropriate permits which shall be provided by the PURCHASER. The Payment Units are accessible without the necessity of crossing the stream by way of private property.

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 upon completion of the sale. 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.

4.2 - Maintenance

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.

4.4 - Access

4.4.1 - Private property access (3/11)

Permission for access across private land is the responsibility of the purchaser. Should the purchaser desire to cross private

land, a copy of the written permission from the private land-owner may be required by the DNR.

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. The Unit Manager or his/her representative must be contacted at least 10 days in advance to schedule the conference.

5.1.4 - Post-sale conference (6/11)

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.

5.2.1.8 - Slash height (12/08)

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

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

5.2.3.1 - Operating restrictions (12/08)

Within Payment Unit(s), unless changed by written agreement, cutting, skidding, and hauling are not permitted during the period of 04/01 to 08/15. This restriction is to protect a hawk nest during breeding period.

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.

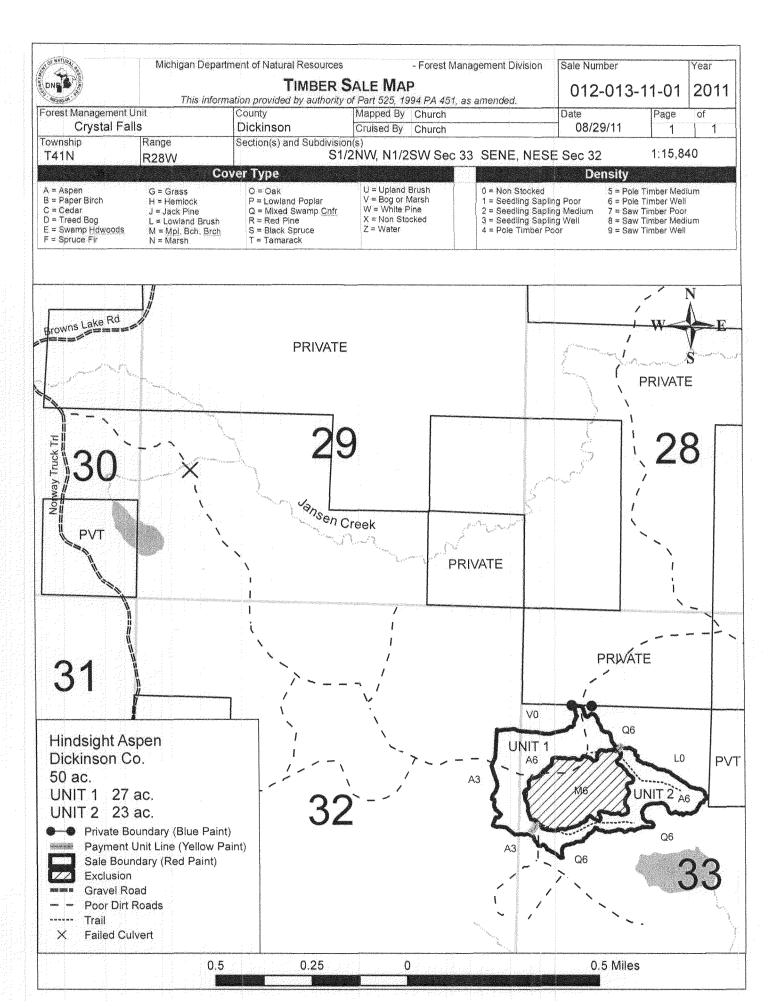
7 - Other Conditions

7.5 - Loss

7.5.1 - Deteriorating timber (7/09)

The sale area has received damage from spruce budworm. The purchaser should harvest the wood as soon as possible. The Department of Natural Resources is held free of responsibility of any further damage or deterioration due to delay in harvesting.

Section Name: Sale Specific Current as of 8/31/2011 9:28:58AM



TIMBER SALE INFORMATION

BIG BEAR (12-057-11-01)

T43N, R32W, SEC. 05; T44N, R32W, SEC. 31; T44N, R32W, SEC. 32.

Iron County (Advertised Price \$61,299.35)

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 private 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 UNITS*	<u>ADV</u>	ERTISED PRICE
Pulpwood			
Mixed Aspen	793.00 Cords	\$	29.15 / Cord
Mixed Hardwood	838.00 Cords	\$	29.50 / Cord
Mixed Softwood	448.00 Cords	\$	30.05 / Cord

^{*} The estimated units 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 **\$5,000.00** 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:

, ,	•	5 5
PAYMENT UNIT NUMBER		PERCENT OF TOTAL SALE VALUE
01		16%
02		37%
03		34%
04		13%

- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on 12/31/2013.

Sale Specific Conditions & Requirements

Sale Name: Big Bear Sale Number: 12-057-11-01

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 and red paint. Exterior sale boundary lines against private property are marked with blue paint. Exterior sale boundary lines against state and interior payment unit boundaries are marked with red paint. Do not cut painted boundary line trees unless also marked with orange paint.

2 - Timber Specifications

2.1 - Included Timber

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

Within Payment Unit(s) 1 & 3, cut all aspen and mixed hardwood 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. Cut all spruce, balsam and jack pine with a stump diameter of six inches or more. Do not cut any red or white pine, cedar, hemlock, black ash or oak. In Payment Units 2 & 4, cut all aspen and mixed hardwood two inches or more DBH and all spruce, balsam and jack pine with a stump diameter of six inches or more, except in the buffer areas marked out on the sale map. In these buffer areas, cut only aspen with one or more pulpwood stick. No other trees are to be cut.

2.2 - Utilization

2.2.8 - Utilization and removal (2/11)

All piles of wood chips and decks of round wood must be removed from the sale area within 60 days of the expiration of this sale.

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.

4 - Transportation

4.1 - Construction

4.1.3 - Slash and earthen piles (8/04)

Piles or windrows of earth along roads and landings that have been widened or constructed shall be leveled. Slash from road maintenance or construction, including stumps, shall be moved at least 10 feet back from edge of road. Stumps shall be set upright.

4.1.5 - Culverts (3/11)

Roads may require the installation of culverts at cross drainages on wet soils, or across natural drainage-ways. Culverts shall be placed in locations specified by the sale administrator and shall be new, corrugated metal or plastic gauge. Culverts will be a minimum of 12 inches in diameter and 24 feet in length. Culverts shall be installed prior to use of the road. If culverts are removed, fill shall be removed from wetland soils as specified. Soils shall be maintained and left in a non-erodible condition, with water bars, seed, fertilizer, mulch, and slash installed as directed by the sale administrator and as specified in the BMP manual. Stream crossing permits, if needed, will be obtained by the DNR.

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.

4.2 - Maintenance

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.

4.4 - Access

4.4.1 - Private property access (3/11)

Permission for access across private land is the responsibility of the purchaser. Permission to cross private land must include access for DNR representatives to inspect 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. If the Purchaser pulls out of the t-sale, the Unit manager or his representative must be notified before moving back into the t-sale. The Unit Manager or his/her representative must be contacted at least 10 days in advance to schedule the conference.

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 red and blue paint line.

5.2.1.8 - Slash height (12/08)

No slash or tree tops may exceed 36 inches in height. Chip piles must be spread out and not exceed 4 inches in depth.

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.

5.4 - 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.

7 - Other Conditions

7.2 - Extensions

7.2.1 - One year extension (2/04)

Given justification, only one, 1 year extension may be granted if the contract has been paid for in full.

Section Name: Sale Specific Current as of 10/18/2011 9:49:11AM

DNP

Michigan Department of Natural Resources - Forest Management TIMBER SALE MAP

This information provided by authority of Part 525 of Act 451, PA 1994, as amended.

SALE NUMBER 120571101

YEAR 2011

FOREST MANAGEMENT UNIT: COUNTY MAPPED BY SCOTT SEBERO DATE PAGE OF CRYSTAL FALLS IRON CRUISED BY SCOTT SEBERO 4/18/2011 1 1

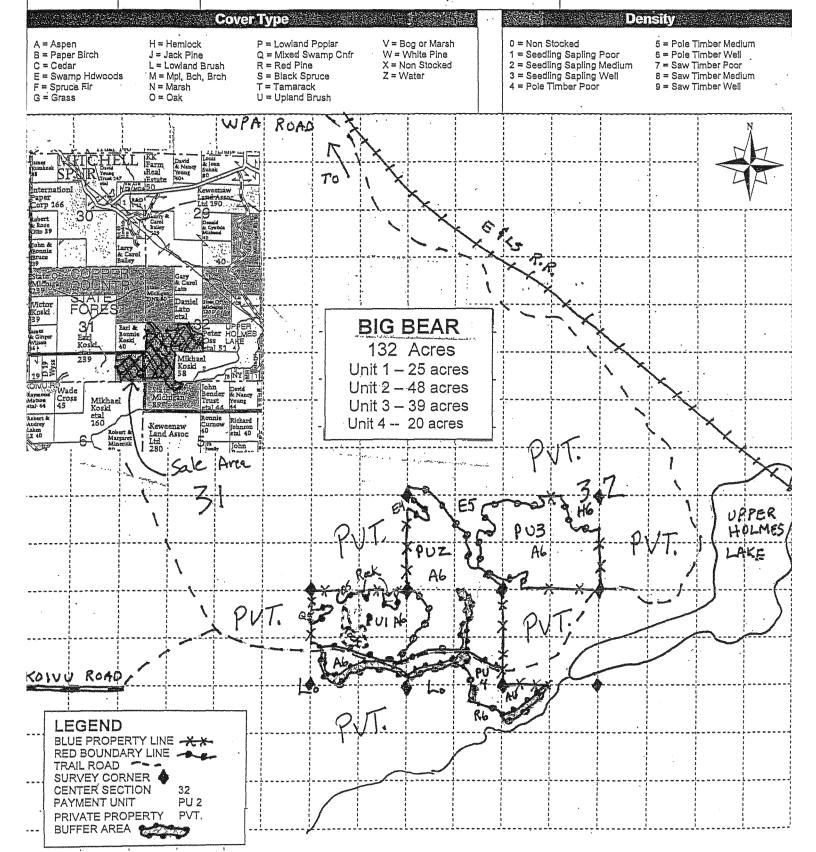
TOWNSHIP RANGE SECTION(S) AND SUBDIVISION(S)

5

44N 32W 43N 32W 31 SESE; 32 N1/2SW, SWSW, SWNW

N1/2NW . .

Scale: |.....4 inches......| = 1 mile .



TIMBER SALE INFORMATION

POWERLINE PINE (12-060-11-01)

T44N, R29W, SEC. 32.

Dickinson County (Advertised Price \$41,116.43)

SALE NOTE: A recreation site such as a trail, pathway, or campground is within the sale area or the vicinity. Certain restrictions/specifications may be applicable including time restrictions. Access may be through private or 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 UNITS*	<u>ADV</u>	ERTISED PRICE
Sawlogs			
Red Pine	90.70 MBF	\$	139.40 / MBF
Pulpwood			
Jack Pine	909.00 Cords	\$	17.15 / Cord
Mixed Aspen	146.00 Cords	\$	23.70 / Cord
Red Pine	374.00 Cords	\$	23.75 / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$540.80:

PRODUCTS & SPECIES	ESTIMATED UNITS*	ADV	ERTISED PRICE
Pulpwood			
Mixed Hardwood	3.00 Cords	\$	21.35 / Cord
Mixed Softwood	7.00 Cords	\$	24.00 / Cord
Paper Birch	13.00 Cords	\$	23.75 / Cord

^{*} The estimated units 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 **\$2,320.00** 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:

-, -,	5	3 - 3
PAYMENT UNIT NUMBER		PERCENT OF TOTAL SALE VALUE
01		64%
02		19%
03		17%

- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on 06/30/2015.

Sale Specific Conditions & Requirements

Sale Name: Powerline Pine Sale Number: 12-060-11-01

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (12/08)

The sale boundary is marked and identified by blue and red paint. The Interior Payment Unit boundary between Payment Units 2 and 3 is marked with green paint along the north - south woods road.

2 - Timber Specifications

2.1 - Included Timber

2.1.2 - Clearcut unit(s) w/o unmerchantable trees (8/11)

Within Payment Unit(s) 2 and 3, cut all jack pine, aspen, balsam fir, spruce, mixed hardwood and white birch trees which meet minimum piece specifications in 2.2 Utilization. Except do not cut cherry, oak, red pine, white pine or trees marked with orange paint.

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

Within Payment Unit(s) 1, all trees are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability. In addition, also cut all merchantable aspen and jack pine.

2.2 - Utilization

2.2.3 - Stump heights (4/07)

Stump heights within the Sale Area shall not exceed 12 inches for trees greater than 10 inches DBH and 4 inches for trees smaller than 10 inches DBH.

2.2.11 - Chipping restriction (2/11)

If chipping occurs on this sale, then all tops piled for chipping must be chipped within 30 days of the end of round wood operations. In addition, after chip pile removal, residual chips at the landing may be no more than 4 inches in depth.

2.3 - Log Rule

2.3.1 - Log rule (12/08)

All board foot volumes of sawlog size products in this contract have been determined by the International 1/4 Inch Log Rule.

3 - Payments

3.3 - Pre-measured Sales

3.3.4 - Dividing payment units (12/08)

Payment unit(s) 1 may be divided at the request of the purchaser and upon approval of the Unit Manager. Dividing payment units is a contract modification which requires a Timber Sale Contract Supplement.

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 not be left in windrows. 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 and reopened abandoned roads built into the sale must be blocked to vehicle traffic within 30 days of completion of the sale. In general, this will require constructing a four (4') foot high berm constructed of stumps and logs covered with earth. In addition, stumps and brush may be required to be placed in the road course/s at specified locations. These roads must be rendered impassable to ORVs. Stumps from road building and landing construction may be reserved to block any newly constructed roads. 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. All operations are limited to existing roads. A short truck turn around spur may be constructed if needed in Unit 3.

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 prolonged 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.

4.4 - Access

4.4.2 - Alternate route on private property (2/04)

It is the purchaser's responsibility to obtain access across private land for any routes other than the route shown on the sale map.

5 - Operations

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.

5.2.1.8 - 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

5.2.3.1 - Operating restrictions (12/08)

Within Payment Unit(s) 1, unless changed by written agreement, cutting, skidding, and hauling are not permitted from December 1 to July 15. Within Payment Unit(s) 2 - 3, cutting skidding and hauling are not permitted from December 1 - May 15. This restriction is to avoid snowmobile trail conflicts, spring break up and bark slip season.

5.2.37 - No decking areas (12/08)

No decking is allowed within 50 feet of the county road (Nature Trail) without permission of Dickinson County Road Commission and the Unit Manager or his/her representative.

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

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

5.2.41 - Snowmobile trail protection (8/09)

The woods road as shown on the timber sale map is a snowmobile trail. Do not cut or damage posts with orange trail markers or traffic control signs. If the trail is used, it must be maintained and restored to a condition equal to or better than before the sale. The road maintenance/restoration must be done prior to December 1. Slash must be removed within 20 feet of the road/snowmobile trail, using the road/snowmobile trail as the center line. All stumps within 20 feet of the snowmobile trail must be cut at ground level.

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.

5.8 - Protection of Endangered Species

5.8.5 - Protection of raptor nests (4/09)

All trees with raptor nests will be protected if found during harvesting operations. Notification will be made to the Unit Manager or his/her representative who will notify the Wildlife Biologist so an on-site evaluation and recommendation can be made, if necessary.

Section Name: Sale Specific Current as of 8/30/2011 3:09:22PM



Forest Management Unit

Crystal Falls

Michigan Department of Natural Resources - Forest, Mineral & Fire Management

TIMBER SALE MAP

This information provided by authority of Part 525 of Act 451, PA 1994, as amended.

County Mapped By Rice Date Page of Cruised By Rice, marked by Rice 04/27/11 1 1

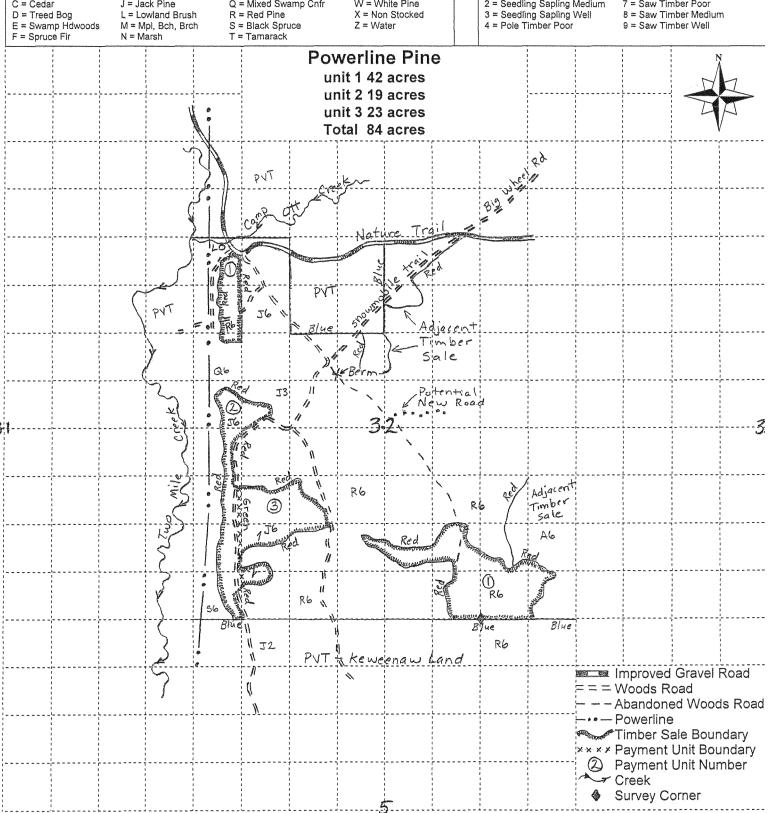
 Township
 Range
 Section(s) and Subdivision(s)

 44N
 29W
 Section(s) and Subdivision(s)

 sec 32
 W1/2NW, SW1/4, S1/2SE

 Scale: |...4"....| = 1 mile

Cover Type Density G = Grass O = Oak U = Upland Brush 0 = Non Stocked 5 = Pole Timber Medium A = Aspen B = Paper Birch H = Hemlock P = Lowland Poplar V = Bog or Marsh 1 = Seedling Sapling Poor 6 = Pole Timber Well C = Cedar Q = Mixed Swamp Cnfr W = White Pine 2 = Seedling Sapling Medium J = Jack Pine 7 = Saw Timber Poor L = Lowland Brush R = Red Pine X = Non Stocked 3 = Seedling Sapling Well 8 = Saw Timber Medium M = Mpl, Bch, Brch S = Black Spruce Z = Water 4 = Pole Timber Poor 9 = Saw Timber Well



BID FORM

CRYSTAL FALLS MANAGEMENT UNIT
CRYSTAL FALLS OFFICE

HINDSIGHT ASPEN (12-013-11-01) T41N, R28W, SEC. 32; T41N, R28W, SEC. 33, Dickinson County

In response to the notice of sale to be held 3:00 p.m. (local time) on March 28, 2012, 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 Pulpwood	ESTIMATE	O UNITS*	ADV	ERTISED PRICE			
Mixed Aspen Mixed Hardwood	1,142.00 120.00		\$ \$	25.00 / Cord 25.00 / Cord	\$ \$	/ Cord / Cord	
In addition, the successful bidder agre	es to purchase	the following spec	ies at th	e indicated advertise	ed price for a tota	al value of \$855.00 :	
PRODUCTS & SPECIES	<u>ESTIMATEI</u>	O UNITS*	ADV	ERTISED PRICE			
Pulpwood Mixed Softwood	57.00	Cords	\$	15.00 / Cord			
* The total volume is statistically estim Prospective bidders are urged to exar	•		•			d not subject to adjus	tment.
I understand that any or all bids may bunderstand that consideration and aw equipment and staffing subject to my	arding a contrac	et will be based up	on my p	ast performance and	d ability to comple	ete the contract base	
FEDERAL ID:						_	
Company or individual bidd	ling:						
Company representative's	name:						
Address:							
City:	State	:	Zip:				
IF AVAILABLE, PLEASE PLACE THE	PERSONALIZ	ED LABEL FROM	YOUR I	PROSPECTUS IN T	HE ABOVE BOX	ζ.	
Individual or company representative's	s signature:				Date:		_
Phone number :		Email (o	ptional):				_



sale contract.

Name of Business

Address

Michigan Department of Natural Resources & Environment Forest Management Division

TIMBER SALE VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

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

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

•	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.
Ple	ase 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 <u>one</u> 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

Federal ID (or) Social Security No.

than yourself, including family members and active partners (if none, you must enter "0").

Full-time Employees

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

		()
City	State	ZIP
I hereby certify that the above information is occur in factors affecting my coverage during Signature of Owner or Authorized Representative		I agree to notify the Michigan DNRE of any changes that ent and future operations. Date
riue		Date

Telephone

Part-time Employees

PRODUCTS & SPECIES

BID FORM

BIG BEAR (12-057-11-01)

T43N, R32W, SEC. 05; T44N, R32W, SEC. 31; T44N, R32W, SEC. 32, Iron County

ADVERTISED PRICE

In response to the notice of sale to be held 3:00 p.m. (local time) on March 28, 2012, 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.

ESTIMATED UNITS*

Phone number :_____ Email (optional):_____

Fulpwood					
Mixed Aspen	793.00 Cords	\$	29.15 / Cord	\$	/ Cord
Mixed Hardwood	838.00 Cords	\$	29.50 / Cord	\$	/ Cord
Mixed Softwood	448.00 Cords	\$	30.05 / Cord	\$	/ Cord
* The estimated units are final and n estimates of quantity and quality.	ot subject to adjustment. Prosp	pective bidd	ers are urged to exa	mine this timbe	r and to make their own
I understand that any or all bids may understand that consideration and a equipment and staffing subject to my	warding a contract will be base	-			
FEDERAL ID:	or SOCIAL SI	ECURITY N	IUMBER:		
Company or individual bio	dding:				
Company representative's	s name:				
Address:					
City:	State:	Zip:			
IF AVAILABLE, PLEASE PLACE TH	HE PERSONALIZED LABEL FR	ROM YOUR	PROSPECTUS IN T	HE ABOVE BO	DX.
Individual or company representative	e's signature:			Date:	



Michigan Department of Natural Resources & Environment Forest Management Division

TIMBER SALE VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

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

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

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
- 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.			
Ple	Please Check Appropriate Categories:			
1.	My business is organized as (you must check <u>one</u> of the A. Sole Proprietorship (individual) B. Partnership C. Corporation	boxes below):		
 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 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 appro Notice of Exclusion (BWC-337, Rev. 5/96). I will provide a copy of the Notice of Exclusion within 21 days of the cont 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 days of the contract award. 				
3.	If you have checked item 2(A) or 2(B), you must indicate than yourself, including family members and active partners. Full-time Employees	the number of both full-time and part-time employees, other ers (if none, you must enter "0"). Part-time Employees		
Name of Business		Federal ID (or) Social Security No.		
Address		Telephone ()		
City	State	ZIP		
occ _	ereby certify that the above information is true and correct. Cur in factors affecting my coverage during any of my prese	I agree to notify the Michigan DNRE of any changes that ent and future operations.		
T	Title	Date		

TIMBER SALE / SEALED BID STATE OF MICHIGAN / DNR

BID FORM

POWERLINE PINE (12-060-11-01) T44N, R29W, SEC. 32, Dickinson County

In response to the notice of sale to be held 3:00 p.m. (local time) on March 28, 2012, 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 UNITS*	ADVER	ADVERTISED PRICE			
Sawlogs						
Red Pine	90.70 MBF	\$ 139	9.40 / MBF	\$	/ MBF	
Pulpwood						
Jack Pine	909.00 Cords	\$ 1 ⁻	7.15 / Cord	\$	/ Cord	
Mixed Aspen	146.00 Cords	\$ 23	3.70 / Cord	\$	/ Cord	
Red Pine	374.00 Cords	\$ 2	3.75 / Cord	\$	/ Cord	

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$540.80:

PRODUCTS & SPECIES	ESTIMATED UNITS*	AD\	ADVERTISED PRICE		
Pulpwood					
Mixed Hardwood	3.00 Cords	\$	21.35 / Cord		
Mixed Softwood	7.00 Cords	\$	24.00 / Cord		
Paper Birch	13.00 Cords	\$	23.75 / Cord		

^{*} The estimated units 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 SOC	IAL SECURITY NUMBER	₹:	
	Company or individual bidding:_				
	Company representative's name	:			
	Address:				
	City:	State:	Zip:		
IF AVAIL	ABLE, PLEASE PLACE THE PER	SONALIZED LABI	EL FROM YOUR PROSP	PECTUS IN THE ABOVE BOX.	_
Individual or company representative's signature:			Date:		
Phone number :			Email (optional):		



Michigan Department of Natural Resources & Environment Forest Management Division

TIMBER SALE VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

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

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

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.

Ple	lease 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 <u>one</u> 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				
Nam	me of Business Federal ID (or) Social Security No.				
Add	dress Telephone ()				
City	y State ZIP				
	nereby certify that the above information is true and correct. I agree to notify the Michigan DNRE of any changes that ocur in factors affecting my coverage during any of my present and future operations.				
-	Signature of Owner or Authorized Representative				
-	Title Date				