



DEPARTMENT OF NATURAL RESOURCES AND ENVIRONMENT
STATE OF MICHIGAN

TIMBER SALE PROSPECTUS (4470)

SCHEDULED SALE DATE AND TIME: 11:00AM on October 25, 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:

OLD ORCHARD RED PINE (71-001-11-01) / T23N, R02E, SEC.15, N1/2NE;SENE;N1/2NW.

T23N, R02E, SEC.21, SWSE;SESW.

T23N, R02E, SEC.22, NENE;W1/2NW;SENW.

OGEMAW COUNTY (Advertised Price \$95,822.00), 102.0 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.

FP HARVEST (71-022-11-01) / T21N, R02E, SEC.01, NE1/4.

T22N, R02E, SEC.36, S1/2SESE.

OGEMAW COUNTY (Advertised Price \$62,798.20), 148.0 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.

SOUTH TOWNLINE RED PINE (71-023-11-01) / T21N, R04W, SEC.13, NE SE.

ROSCOMMON COUNTY (Advertised Price \$35,958.75), 28.0 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 October 25, 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

OLD ORCHARD RED PINE (71-001-11-01)

T23N, R02E, SEC.15; T23N, R02E, SEC.21; T23N, R02E, SEC.22.

OGEMAW COUNTY (Advertised Price \$95,822.00)

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 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:

<u>PRODUCTS & SPECIES</u>	<u>ESTIMATED VOLUME*</u>	<u>ADVERTISED PRICE</u>
Sawlogs		
Red Pine	208.60 MBF	\$ 139.00 / MBF
Pulpwood		
Red Pine	1,452.00 Cords	\$ 45.00 / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$1,486.60:

<u>PRODUCTS & SPECIES</u>	<u>ESTIMATED VOLUME*</u>	<u>ADVERTISED PRICE</u>
Sawlogs		
White Pine	14.60 MBF	\$ 42.00 / MBF
Pulpwood		
Mixed Hardwood	20.00 Cords	\$ 13.15 / Cord
White Pine	56.00 Cords	\$ 10.90 / Cord

*The volumes are statistically estimated within plus (+) or minus (-) 9.44 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 **\$4,900.00** 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:

<u>PAYMENT UNIT NUMBER</u>	<u>PERCENT OF TOTAL SALE VALUE</u>
01	9%
02	9%
03	20%
04	15%
05	17%
06	18%
07	12%
4. If no cutting takes place, the 10% down payment will not be refunded.
5. Operations on the contract issued will terminate on 03/31/2013.

Sale Specific Conditions & Requirements

Sale Name: Old Orchard Red Pine Sale Number: 71-001-11-01

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. Exterior sale boundary lines against private property are marked with blue paint. Exterior sale boundary lines against state are marked with red paint.

2 - Timber Specifications

2.1 - Included Timber

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

Within Payment Unit(s) 1 - 4, 6, and 7, all trees are designated for cutting when marked with orange paint above and below stump height, regardless of merchantability.

2.1.8 - Designated plantation row unit(s) (12/08)

Within Payment Unit(s) 5, all trees which meet minimum piece specifications in 2.2 Utilization, within designated plantation rows are designated for cutting. Designated plantation rows are identified by yellow paint marks above and below stump height at row ends and within rows. In addition, cut all trees marked above and below stump height with orange paint regardless of merchantability.

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.

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 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 orduring 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.

5.2.1.10 - No slash in openings (5/10)

No brush or logging debris is to be left in the maintained wildlife openings which are indicated by G0 on the Timber Sale Map. Any damage to the opening shall be repaired according to specifications of the Unit Manager or his/her representative.

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 - 7, 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) 6, 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.

5.2.4 - 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. EXCEPTION - In Unit 5. dead trees may be removed in designated plantation rows for access. These dead trees may be processed and utilized so access in the rows is maintained.

5.2.20 - Equipment width (2/04)

Equipment used to remove designated rows and trees within leave rows must be capable of moving through cut rows without damaging residual trees.

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

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

5.2.43 - Opening protection (12/08)

No activities are permitted in openings marked on the timber sale map with the letter "G". Any damage to the openings shall be repaired according to specifications of the Unit Manager or his/her representative.

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.

5.7 - Protection of Historical Sites

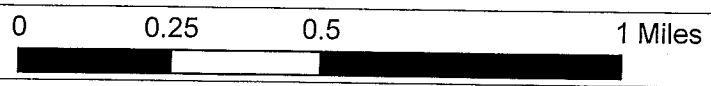
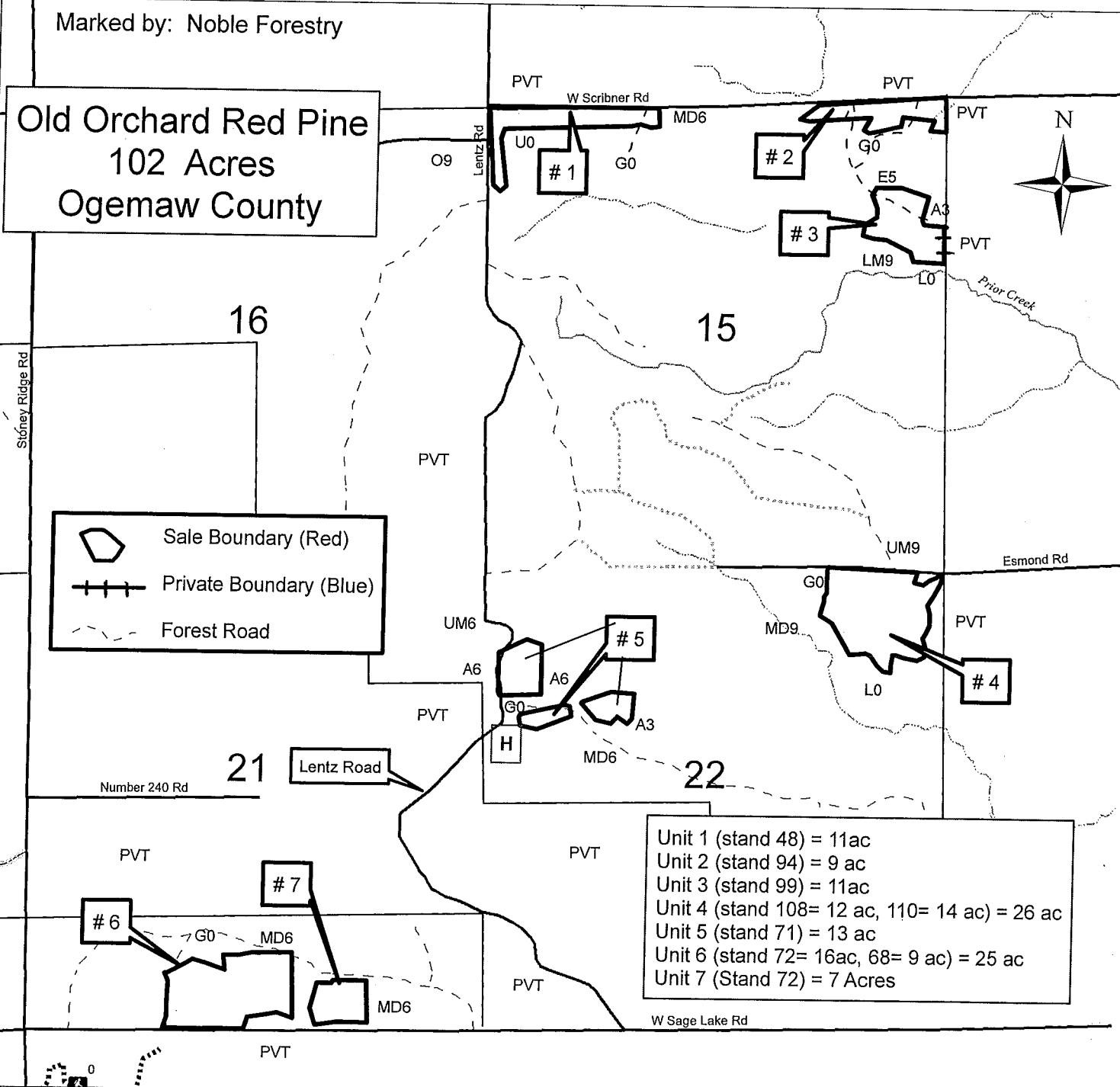
5.7.1 - Historical sites (2/04)

The Purchaser shall not cut live or dead trees or operate equipment within historical sites. Historical sites are marked on the map with an "H". The Purchaser shall protect historical sites from damage by the Purchaser's operations. If Purchaser's operations have cut or damaged historical sites through carelessness, the Purchaser shall pay \$300.00 as fixed, agreed and liquidated damages for each acre or part thereof cut or damaged.



FOREST MANAGEMENT UNIT Roscommon		COUNTY Ogemaw	MAPPED BY Hartman	DATE 6/20/11	PAGE 1	OF 1
TOWNSHIP 23N	RANGE 2E	SECTION(S) AND SUBDIVISION(S) 15 - N1/2NE;SENE;N1/2NW 21 - SWSE;SESW 22 - NENE;W1/2NW;SENW		1:20,000		
CRUISED BY D. Ekdorn						

Cover Type				Density	
A = Aspen	H = Hemlock	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	R = Red Pine	X = Non Stocked	2 = Seedling Sapling Medium	7 = Saw Timber Poor
E = Swamp Hdwoods	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			



TIMBER SALE INFORMATION

FP HARVEST (71-022-11-01)

T21N, R02E, SEC.01; T22N, R02E, SEC.36.

OGEMAW COUNTY (Advertised Price \$62,798.20)

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:

<u>PRODUCTS & SPECIES</u>	<u>ESTIMATED VOLUME*</u>	<u>ADVERTISED PRICE</u>
Sawlogs		
Mixed Oak	282.70 MBF	\$ 110.00 / MBF
Pulpwood		
Mixed Oak	1,152.00 Cords	\$ 19.00 / Cord
Mixed Softwood	279.00 Cords	\$ 24.70 / Cord
Other C. Sp.	287.00 Cords	\$ 6.00 / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$1,199.90:

<u>PRODUCTS & SPECIES</u>	<u>ESTIMATED VOLUME*</u>	<u>ADVERTISED PRICE</u>
Sawlogs		
Mixed Hardwood	0.50 MBF	\$ 101.00 / MBF
Mixed Softwood	10.50 MBF	\$ 55.00 / MBF
Pulpwood		
Mixed Hardwood	43.00 Cords	\$ 13.30 / Cord

*The volumes are statistically estimated within plus (+) or minus (-) 8.31 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 **\$3,500.00** 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:

<u>PAYMENT UNIT NUMBER</u>	<u>PERCENT OF TOTAL SALE VALUE</u>
01	30%
02	33%
03	12%
04	25%
4. If no cutting takes place, the 10% down payment will not be refunded.
5. Operations on the contract issued will terminate on 03/31/2013.

Sale Specific Conditions & Requirements

Sale Name: Fp Harvest Sale Number: 71-022-11-01

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. 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

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

Within Payment Unit(s) 1-4, 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. EXCEPTION: Do

not cut any tree marked with green paint above and below stump height.

IN ADDITION: Cut and utilize all standing dead oak trees within 200 feet of all roadways and overhead powerlines within the sale boundaries. This includes both forest and oil well access roads. These are identified on the timber sale map.

2.1.11 - Description of timber note (2/04)

Note that mixed oak includes northern pin and white oak. Mixed softwoods consists of red, white, and jack pine. Other commercial species is standing dead oak. Mixed hardwood is red maple and paper birch.

2.2 - Utilization

2.2.2 - Chipping required (1/11)

This area must be chip harvested to facilitate subsequent planting operations. The purchaser has the option to produce sawlogs or pulpwood bolts, but the remaining portion of the trees must be chipped and hauled. Do not chip 1/6 of the slash from harvested trees (tree tops and limbs less than four inches in diameter).

2.2.3 - Stump heights (4/07)

Stump heights within the Sale Area shall not exceed 6 inches for all trees. This is in order to facilitate trenching/planting operations.

4 - Transportation

4.1 - Construction

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. Skid trails only will be allowed.

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.

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.

The Unit Manager or his/her representative must be contacted at least 5 days in advance to schedule the conference.

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

The Purchaser is responsible for contacting the gas or pipeline company prior to operating equipment in the vicinity of well heads or natural gas pipelines.

Unit 1 - Lease Management, (989) 773-5948

Henry Sappington, (989) 345-0711

Unit 2 - Henry Sappington, (989) 345-0711

Unit 3 - RM Nelson, (989) 345-1282

Unit 4 - Henry Sappington, (989) 345-0711

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.

5.2.1.9 - 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.

5.2.1.11 - 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.

5.2.32 - Decking/landing restoration (9/10)

All decking and landing areas must have the surface area restored to a condition equal to or better than before. This is to insure the proper regeneration of the stand.

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

7.2.2 - No extensions (3/09)

There will be no extensions granted on this contract.

7.5 - Loss

7.5.1 - Deteriorating timber (7/09)

The sale area has received damage from gypsy moth defoliation. 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.



TIMBER SALE MAP

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

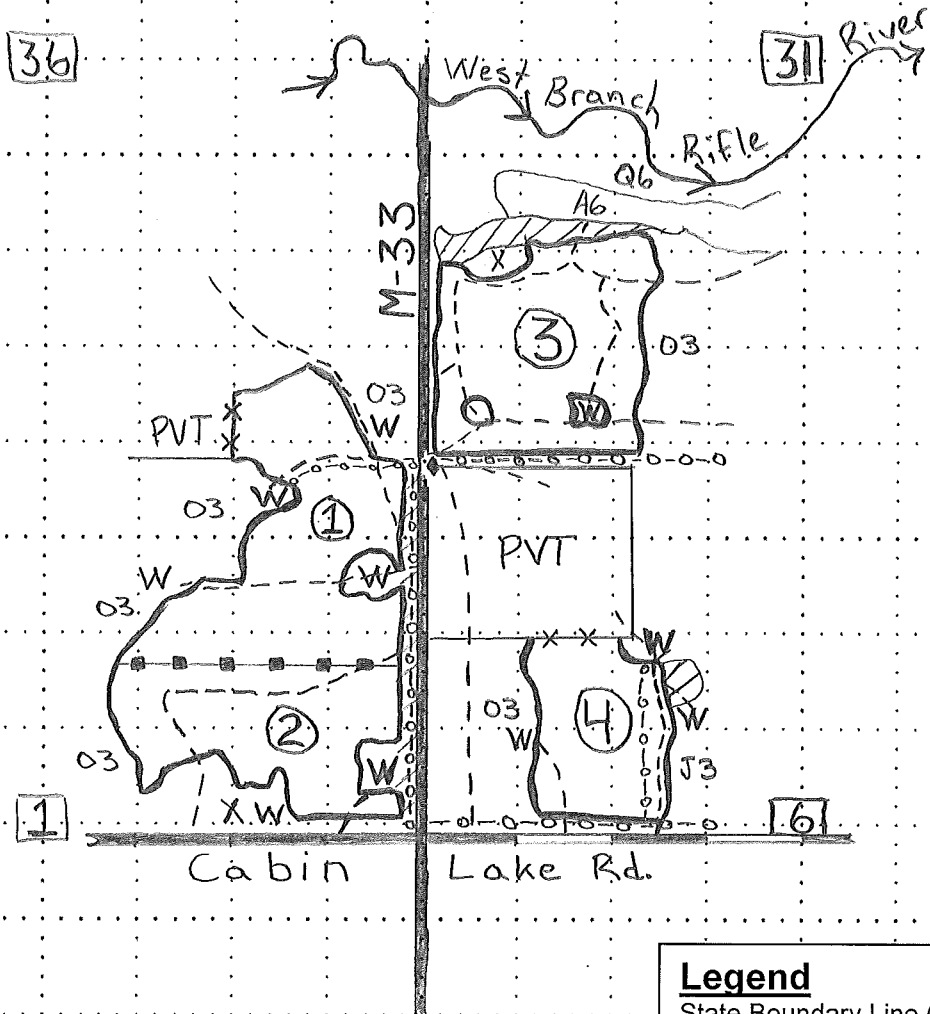
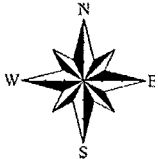
Sale Number
71-022-11-01

Year
2011

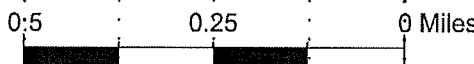
Forest Management Unit Roscommon		County Ogemaw	Mapped By D. Bates Cruised By D. Bates	Date 08/10/11	Page 1	of 1
Township 21 & 22N	Range 02 & 03E	Section(s) and Subdivision(s) Sec. 01: NE, Sec. 36: S1/2SESE, Sec. 06: S1/2NW, Sec. 31: S1/2SW				

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

FP HARVEST
Ogemaw Co.
148 acres



Unit #	Acres	Type
1	48	O6
2	32	O6
3	43	O8
4	25	O8



Legend

- State Boundary Line (Red) ———
- Private Boundary Line (Blue) *-*-*
- Payment Unit Line (Yellow) -x-x-x-
- Survey Corner ◆
- Forest Road - - - - -
- Petroleum Production Site W
- Overhead Powerline o-o-o-o
- Retention (O)
- Unit # (2)

TIMBER SALE INFORMATION

SOUTH TOWNLINE RED PINE (71-023-11-01)

T21N, R04W, SEC.13.

ROSCOMMON COUNTY (Advertised Price \$35,958.75)

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:

<u>PRODUCTS & SPECIES</u>	<u>ESTIMATED VOLUME*</u>	<u>ADVERTISED PRICE</u>
Sawlogs		
Red Pine	174.00 MBF	\$ 149.00 / MBF
Pulpwood		
Red Pine	195.00 Cords	\$ 51.45 / Cord

*The volumes are statistically estimated within plus (+) or minus (-) 14.04 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 **\$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:

<u>PAYMENT UNIT NUMBER</u>	<u>PERCENT OF TOTAL SALE VALUE</u>
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 03/31/2013.

Sale Specific Conditions & Requirements

Sale Name: South Townline Red Pine Sale Number: 71-023-11-01

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 red and yellow 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 unless also marked with orange paint.

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.

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 6 inches for trees smaller than 10 inches DBH.

2.2.5 - Limbed tree skidding (1/09)

The skidding of whole trees or tree segments with limbs attached is prohibited unless approved by the Unit Manager or his/her representative.

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 5% 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.

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 chipped, utilized or otherwise removed from the sale.

4.1.12 - No new roads (6/10)

No new roads will be permitted in the sale area. All operations are limited to existing roads. Skid trails only will be allowed.

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.

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, cutting and skidding are not permitted during the period of April 15 to July 15. This restriction is because of bark slippage.

5.2.3.6 - Bark beetle restriction (12/08)

In the event drought creates a high risk of pine bark beetle infestation, pine is not to be cut during the period March 1 through July 1, unless all portions of trees greater than two inches in diameter are removed from the sale area, reduced to chips, or treated to the satisfaction of the Unit Manager or his/her representative, within fifteen days of being severed from the stump. Pine log decks, pulpwood piles and treetops that are piled for chipping in the fall or winter within a 1/4 mile of susceptible sites must be removed before March 15. Residual slash must not be placed in piles or rows and must be spread over the site for quick drying. The Department of Natural Resources will exercise this specification if the risk of damage warrants.

5.2.31 - Landing locations (10/09)

Landing areas are marked on the timber sale map with the letter "L".

5.2.32 - Decking/landing restoration (9/10)

All decking and landing areas must have the surface area restored to a condition equal to or better than before. This is to insure the proper regeneration of the stand.

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 snowmobile trail is shown on the Timber Sale Map. 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. If the trail road is to be used for hauling during the snowmobile season, then a snow covered base must be left on the trail.

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.

6 - Safety and Fire Prevention

6.2 - Signing

6.2.2 - Snowmobile trail posting (8/09)

The Purchaser is responsible for posting and maintaining caution signs on the snowmobile trail prior to beginning operations during the snowmobile season (approximately December 1 to March 31). The trail must be posted to warn of logging activity and truck traffic. Signs must be removed when harvest operations are suspended or completed.



TIMBER SALE MAP

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

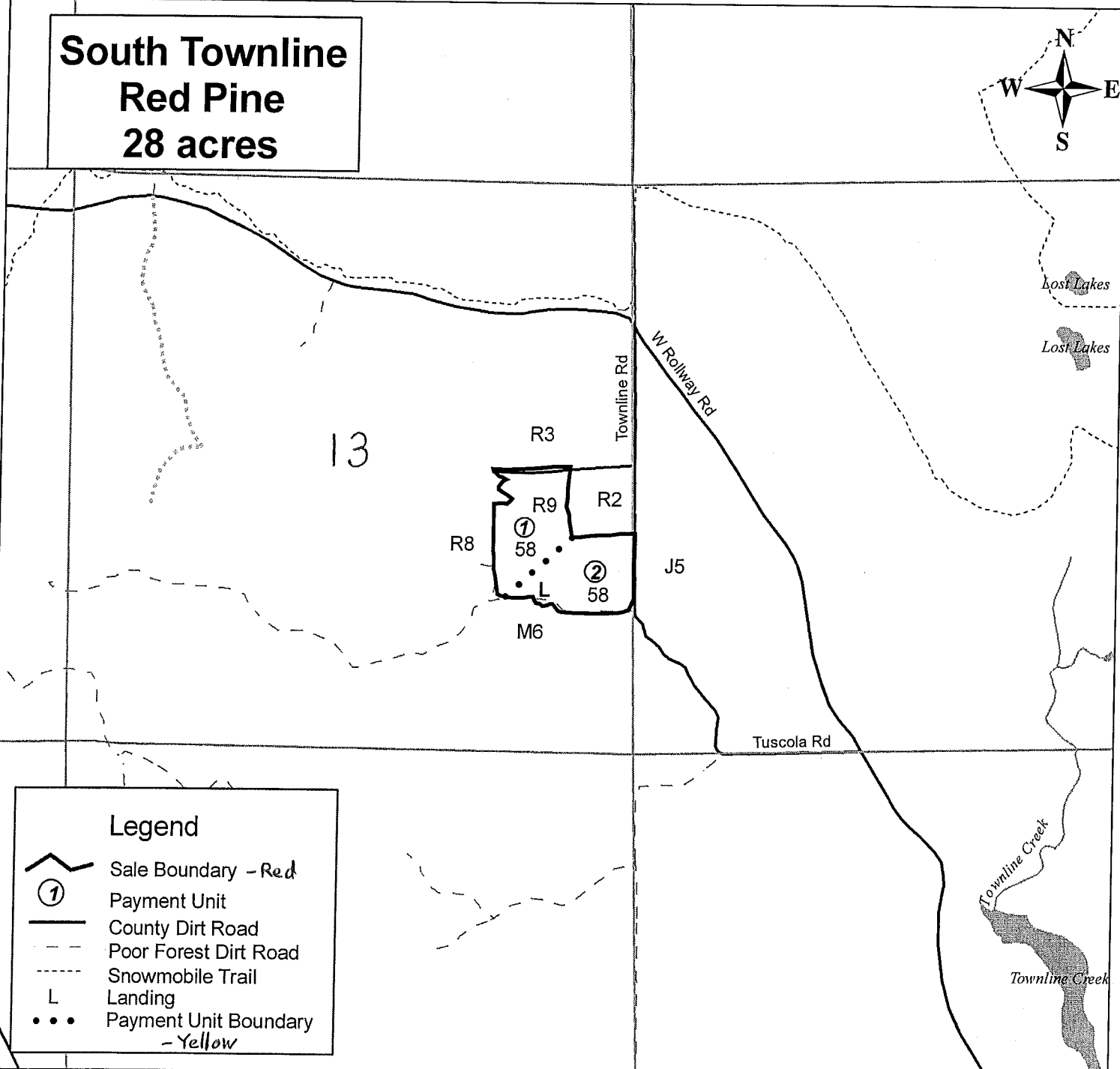
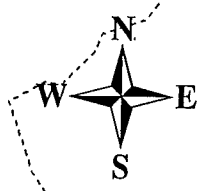
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2011

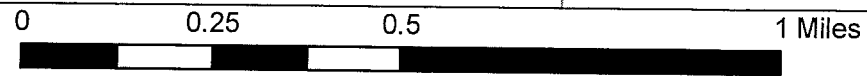
Forest Management Unit Roscommon	County Roscommon	Mapped By B Wiese	Date 4/26/2011	Page 1	of 1
Township T21N	Range R4W	Cruised By B Wiese	Section(s) and Subdivision(s) 13 NE SE 1:15,840		

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

**South Townline
Red Pine
28 acres**



	Sale Boundary - Red
	Payment Unit
	County Dirt Road
	Poor Forest Dirt Road
	Snowmobile Trail
	Landing
	Payment Unit Boundary - Yellow



OLD ORCHARD RED PINE (71-001-11-01)

T23N, R02E, SEC.15; T23N, R02E, SEC.21; T23N, R02E, SEC.22; OGEMAW COUNTY

In response to the notice of sale to be held 11:00AM on October 25, 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.

<u>PRODUCTS & SPECIES</u>	<u>ESTIMATED VOLUME*</u>	<u>ADVERTISED PRICE</u>	<u>BID PRICE</u>
Sawlogs			
Red Pine	208.60 MBF	\$ 139.00 / MBF	\$ _____ / MBF
Pulpwood			
Red Pine	1,452.00 Cords	\$ 45.00 / Cord	\$ _____ / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$1,486.60 :

<u>PRODUCTS & SPECIES</u>	<u>ESTIMATED VOLUME*</u>	<u>ADVERTISED PRICE</u>
Sawlogs		
White Pine	14.60 MBF	\$ 42.00 / MBF
Pulpwood		
Mixed Hardwood	20.00 Cords	\$ 13.15 / Cord
White Pine	56.00 Cords	\$ 10.90 / Cord

*The volumes are statistically estimated within plus (+) or minus (-) 9.44 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 SECURITY 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.

Individual or company representative's signature: _____ Date: _____

Phone number : _____ Email (optional): _____



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 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:

- My business is organized as (you **must** check one of the boxes below):
 - Sole Proprietorship (individual)
 - Partnership
 - Corporation
- You **must** check one of the boxes below:
 - 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.
 - 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).
 - 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.
- 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

Name of Business		Federal ID (or) Social Security No.	
Address		Telephone ()	
City	State	ZIP	

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 present and future operations.

Signature of Owner or Authorized Representative

Title

Date

FP HARVEST (71-022-11-01)
T21N, R02E, SEC.01; T22N, R02E, SEC.36; OGEMAW COUNTY

In response to the notice of sale to be held 11:00AM on October 25, 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.

<u>PRODUCTS & SPECIES</u>	<u>ESTIMATED VOLUME*</u>	<u>ADVERTISED PRICE</u>	<u>BID PRICE</u>
Sawlogs			
Mixed Oak	282.70 MBF	\$ 110.00 / MBF	\$ _____ / MBF
Pulpwood			
Mixed Oak	1,152.00 Cords	\$ 19.00 / Cord	\$ _____ / Cord
Mixed Softwood	279.00 Cords	\$ 24.70 / Cord	\$ _____ / Cord
Other C. Sp.	287.00 Cords	\$ 6.00 / Cord	\$ _____ / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$1,199.90 :

<u>PRODUCTS & SPECIES</u>	<u>ESTIMATED VOLUME*</u>	<u>ADVERTISED PRICE</u>
Sawlogs		
Mixed Hardwood	0.50 MBF	\$ 101.00 / MBF
Mixed Softwood	10.50 MBF	\$ 55.00 / MBF
Pulpwood		
Mixed Hardwood	43.00 Cords	\$ 13.30 / Cord

*The volumes are statistically estimated within plus (+) or minus (-) 8.31 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 SECURITY 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.

Individual or company representative's signature: _____ Date: _____

Phone number : _____ Email (optional): _____



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

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Please Check Appropriate Categories:

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 - 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

Name of Business		Federal ID (or) Social Security No.	
Address		Telephone ()	
City	State	ZIP	

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 present and future operations.

Signature of Owner or Authorized Representative

Title

Date

SOUTH TOWNLINE RED PINE (71-023-11-01)
T21N, R04W, SEC.13; ROSCOMMON COUNTY

In response to the notice of sale to be held 11:00AM on October 25, 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.

<u>PRODUCTS & SPECIES</u>	<u>ESTIMATED VOLUME*</u>	<u>ADVERTISED PRICE</u>	<u>BID PRICE</u>
Sawlogs			
Red Pine	174.00 MBF	\$ 149.00 / MBF	\$ _____ / MBF
Pulpwood			
Red Pine	195.00 Cords	\$ 51.45 / Cord	\$ _____ / Cord

*The volumes are statistically estimated within plus (+) or minus (-) 14.04 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 SECURITY 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.

Individual or company representative's signature: _____ Date: _____

Phone number : _____ Email (optional): _____



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 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.
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- You **must** check one of the boxes below:
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 - 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.
- 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

Name of Business		Federal ID (or) Social Security No.	
Address		Telephone ()	
City	State	ZIP	

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 present and future operations.

Signature of Owner or Authorized Representative

Title

Date