

DEPARTMENT OF NATURAL RESOURCES STATE OF MICHIGAN

TIMBER SALE PROSPECTUS #4959

SCHEDULED SALE DATE AND TIME: 3:00 p.m. (local time) on August 14, 2013. 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:

SWAMP V (12-005-13-01) / T44N, R28W, SEC. 11, NE1/4,E1/2SE,E1/2NW.

T44N, R28W, SEC. 12, N1/2S1/2,S1/2NE,SENW,SWSW.

T44N, R28W, SEC. 13, N1/2NW, SENW.

T44N, R28W, SEC. 14, NENE.

Dickinson County, Advertised Price \$104,580.60, 214.0 Acres

SALE NOTE: Snowmobile trail will need to be used at least for haul route, which will need posting if used in winter. Units 3 - 5 are recommended for winter or dry summer cut. Unit 1 has bark slippage restrictions.

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 state forest land.

THE TADPOLE APPROACH (12-007-13-01) / T41N, R28W, SEC. 27, NESW.

T41N, R28W, SEC. 27, NWSW.

T41N, R28W, SEC. 27, S1/2SW.

T41N, R28W, SEC. 28, SESE.

Dickinson County, Advertised Price \$43,252.45, 51.0 Acres

SALE NOTE: All operations limited to existing roads and closed roads. Improvements to existing closed or open roads allowed. If purchaser chooses to use road across failed culvert for hauling, culvert must be replaced. Unit 3 is recommended to be harvested during frozen ground conditions. Brown's Lake Road must be posted to warn of logging activity.

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.

HITNMISS HAZEL (12-010-13-01) / T41N, R28W, SEC. 28, N1/2NW.

Dickinson County, Advertised Price \$34,966.25, 38.0 Acres

SALE NOTE: Estimated 25.9 cords per acre of harvestable timber.

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. 06/06/2013):

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 August 14, 2013. For further information concerning this sale, contact Eric Thompson at 906-786-2354 extension 142.

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 (6/13)

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

If a bidder, present at a bid opening, has submitted bids on more than one sale, that bidder may withdraw their unopened bid envelopes after being declared the successful bidder on one sale.

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 (10/12)

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/timber. 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 (3/13)

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 100% 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.

KEITH CREAGH
Director

TIMBER SALE INFORMATION

SWAMP V (12-005-13-01)

T44N, R28W, SEC. 11; T44N, R28W, SEC. 12; T44N, R28W, SEC. 13; T44N, R28W, SEC. 14.

SALE NOTE: Snowmobile trail will need to be used at least for haul route, which will need posting if used in winter. Units 3 - 5 are recommended for winter or dry summer cut. Unit 1 has bark slippage restrictions.

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 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
Pulpwood			
Black Spruce	1,297.00 Cords	\$	23.85 / Cord
Mixed Aspen	1,331.00 Cords	\$	25.90 / Cord
Mixed Softwood	718.00 Cords	\$	22.65 / Cord
Paper Birch	251.00 Cords	\$	22.00 / Cord
Tamarack	503.00 Cords	\$	26.65 / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$3,984.60:

PRODUCTS & SPECIES	ESTIMATED UNITS*	<u>ADV</u>	<u>'ERTISED PRICE</u>
Pulpwood			
Mixed Hardwood	174.00 Cords	\$	22.90 / Cord

^{*} The total volume is statistically estimated within plus (+) or minus (-) 7.77 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.

BOND AND PAYMENT SCHEDULE:

- 1. A bond in the amount of **\$6,000.00** 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:

(c) i dyment for each of the fellowing diffic m	det be made belefe edung begine in that anne
PAYMENT UNIT NUMBER	PERCENT OF TOTAL SALE VALUE
01	9%
02	24%
03	16%
04	21%
05	15%
06	15%

- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on 06/30/2018.

Sale Specific Conditions & Requirements

Sale Name: Swamp V Sale Number: 12-005-13-01

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (12/08)

The sale boundary, payment Unit boundaries and seed tree exclusions are marked and identified by red and yellow paint. Exterior sale boundary lines against state and seed plot exclusions 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, IF they are designated harvest timber species.

2 - Timber Specifications

2.1 - Included Timber

2.1.1 - Clearcut unit(s) with unmerchantable trees (8/11)

Within Payment Unit(s) 2-5, cut all trees that are two (2) inches or more in diameter measured at a point four and one-half (4-1/2) feet above ground level regardless of merchantability EXCEPT: red pine, white pine, and cedar.

In addition, unmerchantable conifers should be RETAINED in UNIT 2; unmerchantable conifers should be CUT in UNITS 3-5 due to eastern dwarf mistletoe.

Within units 3-5, there are seed tree exclusions (approx 1/10th acre in size) scattered throughout and painted with red. No trees within these plots shall be cut. Volume within these exclusions was NOT cruised.

Special protection trees identified in accordance with condition 3.4.2, within clearcutting unit boundaries, are not Included Timber and are to be protected.

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

Within Payment Unit(s) 6, cut all trees which meet minimum piece specifications in 2.2 Utilization EXCEPT red pine, white pine, cedar, and oak (if present).

2.1.4 - Species designation unit(s) (12/08)

Within Payment Unit(s) 1, all aspen and birch are designated for cutting UNLESS marked with GREEN paint.

3 - Payments

3.3 - Pre-measured Sales

3.3.4 - Dividing payment units (12/08)

Payment Unit(s) 2 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.

3.4 - Damaged Timber

3.4.2 - Special Protection Trees (8/11)

The Purchaser shall not cut live or dead special protection trees within cutting units or clearings. Special protection trees are all cedar. The Purchaser shall protect special protection trees from damage by the Purchaser's operations. If the Purchaser's operations have cut or damaged special protection trees through carelessness, the Purchaser shall pay \$10 as fixed, agreed and liquidated damages for each special protection tree cut or damaged. Such payment does not constitute ownership of the undesignated timber.

4 - Transportation

4.1 - Construction

4.1.2 - Stream crossings, specific (3/11)

There are streams between Payments Units 4 and 5 as shown on the Timber Sale Map. Crossing these streams will not be permitted. The Payment Units are accessible without the necessity of crossing the stream.

4.1.4 - Timber removed for construction (12/09)

Trees cut or damaged in the process of pre-approved road, landing or skid trail construction will be decked in an area separate from other Designated Timber and not removed until measured by the sale administrator. Payment will be made at the specified Purchase Unit Price.

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 5 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 (10/11)

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 of stumps and logs covered with earth. These roads must be rendered impassable to cars and trucks. All stumps from road building and landing construction must be reserved to block any newly constructed roads upon completion of the sale. These stumps must be scattered along the road system to prohibit vehicular movement. Temporary berms may be required if no sale activity occurs for 30 or more consecutive days. Contact the sale administrator for specific details of design and placement.

4.2 - Maintenance

4.2.1 - Hauling restriction (12/08)

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

5 - Operations

5.1 - Notification

5.1.1 - Pre-sale conference (10/11)

A pre-sale conference 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 5 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 red paint line.

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, cutting and skidding are not permitted during the period of April 1 to July 15. This restriction is because of bark slippage.

5.2.22 - Operating Caution

5.2.22.1 - Operating caution (6/11)

It is recommended, but not required, that within Payment Unit(s) 3-5, cutting and skidding occur during dry summer or frozen winter conditions. The reason for the recommendation is because of wetter ground.

5.2.32 - Decking/landing restoration (9/11)

All decking and landing areas must have the surface area restored to a condition equal to or better than before. This is to ensure the proper regeneration of the stand. If tops are chipped onto the ground, residue must not exceed 4" in depth. Chip piles must be removed within 60 days of sale expiration.

5.2.41 - Snowmobile trail protection (9/11)

The south portion of the Simpson Road is a snowmobile trail (not shown on the map) as is a portion of the Tower Road. 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 on the Simpson Road must be done prior to December 1. The trail must be graded to the satisfaction of the Unit Manager or his/her representative prior to December 1st. 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.

5.4 - 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 which is 12 inches or greater in depth and 50 feet in length. In addition, operations are to cease immediately if equipment and weather conditions result in rutting on skid trails which is 24 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.

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 snowmobile trail #32 prior to beginning operations during the snowmobile season (approximately December 1 to March 31). The trail must be posted at appropriate distances from the trail to warn of logging activity and truck traffic. Signs must be removed when harvest operations are suspended or completed. The Purchaser will provide these signs.

7 - Other Conditions

7.2 - Extensions

7.2.5 - Weather related extension (1/13)

If weather conditions during the operating period of this contract prevent harvesting, this sale may qualify for a weather related extension. If approved, the normal extension fee would be waived. To qualify, there must be a documented attempt each year to harvest in the difficult portion of the sale. This applies to Units 3-5; No free extensions will be offered for Units 1, 2 or 6.

Section Name: Sale Specific Current as of 2/1/2013 2:12:32PM

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Forest Management Uni Crystal Falls		County Dickinson	Mapped By Cruised By	Debbie Gou		Date 1/11/13	Page 1	of 1
Township	Range	Section(s) and Subd	wision(s) 11:NE1/4	•		1 2, S1/2NE, SENV	w,swsw_	
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TIMBER SALE INFORMATION

THE TADPOLE APPROACH (12-007-13-01)

T41N, R28W, SEC. 27; T41N, R28W, SEC. 28.

Dickinson County (Advertised Price \$43,252.45)

SALE NOTE: All operations limited to existing roads and closed roads. Improvements to existing closed or open roads allowed. If purchaser chooses to use road across failed culvert for hauling, culvert must be replaced. Unit 3 is recommended to be harvested during frozen ground conditions. Brown's Lake Road must be posted to warn of logging activity.

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

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

PRODUCTS & SPECIES	ESTIMATED UNITS*	<u>ADV</u>	ERTISED PRICE
Pulpwood			
Mixed Aspen	892.00 Cords	\$	36.75 / Cord
Mixed Hardwood	147.00 Cords	\$	28.35 / Cord
Mixed Softwood	128.00 Cords	\$	27.20 / Cord
Tamarack	129.00 Cords	\$	18.40 / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$448.80:

PRODUCTS & SPECIES	ESTIMATED UNITS*	ADV	ERTISED PRICE
Sawlogs			
Mixed Hardwood	4.40 MBF	\$	102.00 / MBF

^{*} The total volume is statistically estimated within plus (+) or minus (-) 14.03 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.

BOND AND PAYMENT SCHEDULE:

- 1. A bond in the amount of **\$2,500.00** 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:

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PAYMENT UNIT NUMBER	PERCENT OF TOTAL SALE VALUE
01	70%
02	25%
03	5%

- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on 09/30/2015.

Sale Specific Conditions & Requirements

Sale Name: The Tadpole Approach Sale Number: 12-007-13-01

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (10/12)

The sale boundary and Payment Unit boundaries are marked and identified by RED paint. The painted boundary line trees are not Included Timber and are to be protected. Exterior sale boundary lines against state are marked with RED paint.

2 - Timber Specifications

2.1 - Included Timber

2.1.1 - Clearcut unit(s) with unmerchantable trees (8/11)

Within Payment Unit(s) 1-3, cut all trees that are two (2) inches or more in diameter measured at a point four and one-half (4-1/2) feet above ground level regardless of merchantability EXCEPT HEMLOCK, OAK and CEDAR. Special protection trees identified in accordance with condition 3.4.2, within clearcutting unit boundaries, are not Included Timber and are to be protected.

2.1.11 - Description of timber note (2/04)

Note that Mixed Hardwood includes Maple, Birch, Ash, Elm, Ironwood, and BAM. Mixed Softwood includes Spruce and Fir.

2.2 - Utilization

2.2.6 - Roundwood operation required (5/07)

The skidding of whole trees or tree segments with limbs attached is prohibited within Payment Unit #3. All products must be produced as roundwood and forwarded to existing roads or landing areas in final product length. This is to provide browse protection, corduroy material, and a seed source for the regenerating stand.

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.

3.4 - Damaged Timber

3.4.2 - Special Protection Trees (8/11)

The Purchaser shall not cut live or dead special protection trees within cutting units or clearings. Special protection trees are ALL HEMLOCK, OAK and CEDAR. The Purchaser shall protect special protection trees from damage by the Purchaser's operations. If the Purchaser's operations have cut or damaged special protection trees through carelessness, the Purchaser shall pay \$30.00 as fixed, agreed and liquidated damages for each special protection tree cut or damaged. Such payment does not constitute ownership of the undesignated timber.

4 - Transportation

4.1 - Construction

4.1.5 - Culverts (9/11)

Roads may require the installation of culverts for cross drainage or at natural drainage-ways. If culverts are needed in these locations, their placement will be specified by the sale administrator and they shall be installed prior to hauling. The culverts shall be new, corrugated metal. Culverts will be a minimum of 18 inches in diameter and 24 feet in length. 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 purchaser.

4.1.6 - Road construction (1/09)

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.

4.1.12 - No new roads (1/12)

No new roads will be permitted in any Payment Unit. All operations are limited to existing roads and closed roads. Closed roads may be improved. A 4 foot berm must be replaced when operations are complete. The location of the berm is shown on the timber sale map.

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 (10/11)

A pre-sale conference between the Purchaser and sale administrator is required prior to beginning any operations to determine landing locations. The Unit Manager or his/her representative must be contacted at least 5 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

5.2.2 - 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.

5.2.22 - Operating Caution

5.2.22.1 - Operating caution (6/11)

It is recommended, but not required, that within Payment Unit(s) 3, cutting, skidding, and hauling occur during FROZEN winter conditions. The reason for the recommendation is because of the saturated soils.

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.

5.4.6 - Wet area protection (5/10)

No harvesting operations, including skidding and felling, are to take place within the drainage between UNIT 1 and UNIT 2. Care must be taken by the Purchaser to identify and avoid operating in these areas of the timber sale.

6 - Safety and Fire Prevention

6.2 - Signing

6.2.1 - Road posting (9/09)

The Purchaser is responsible for posting and maintaining caution signs on Brown's Lake Road prior to beginning operations. The road must be posted at appropriate distances to warn of logging activity and truck traffic. Signs must be removed when harvest operations are suspended or completed. The Purchaser will provide these signs.

7 - Other Conditions

7.2 - Extensions

7.2.5 - Weather related extension (1/13)

If weather conditions during the operating period of this contract prevent harvesting, this sale may qualify for a weather

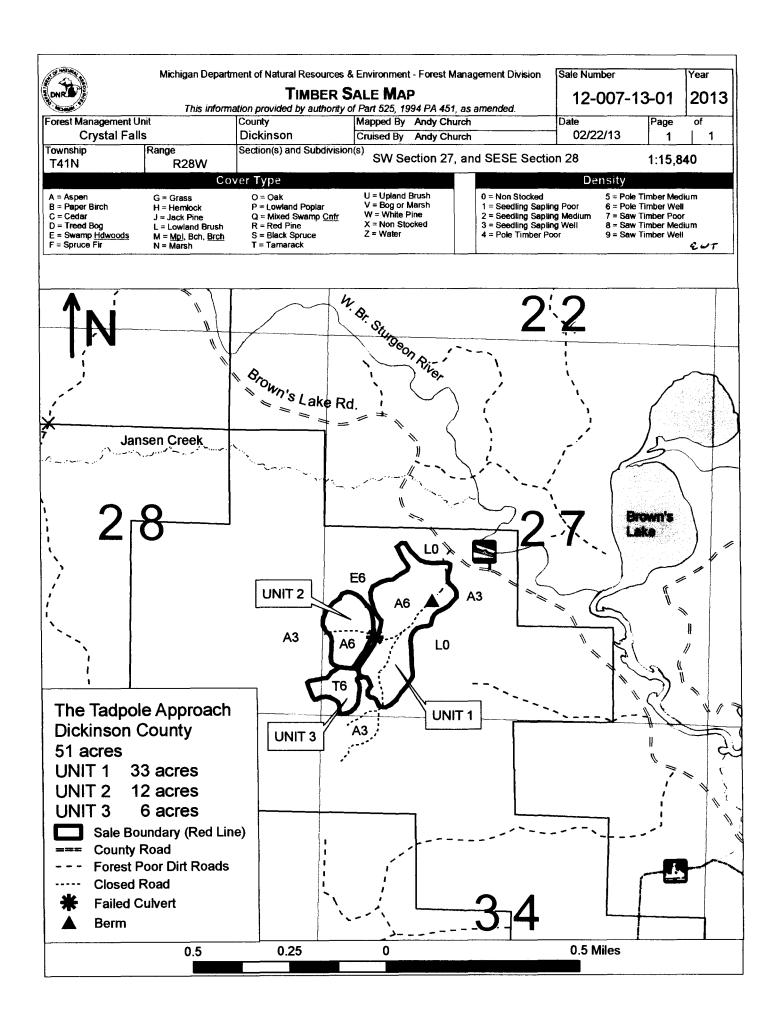
related extension. If approved, the normal extension fee would be waived. To qualify, there must be a documented attempt each year to harvest in the difficult portion of the sale.

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 7/1/2013 1:53:13PM



TIMBER SALE INFORMATION

HITNMISS HAZEL (12-010-13-01)

T41N, R28W, SEC. 28.

Dickinson County (Advertised Price \$34,966.25)

SALE NOTE: Estimated 25.9 cords per acre of harvestable timber.

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

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

PRODUCTS & SPECIES	ESTIMATED UNITS*		ERTISED PRICE
Pulpwood			
Mixed Aspen	779.00 Cords	\$	38.05 / Cord
Mixed Hardwood	184.00 Cords	\$	26.10 / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$522.90:

PRODUCTS & SPECIES	ESTIMATED UNITS*	ADVERTISED PRICE		
Pulpwood				
Mixed Softwood	21.00 Cords	\$	24 90 / Cord	

^{*} The total volume is statistically estimated within plus (+) or minus (-) 12.26 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.

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 remainder is due before cutting begins.
- 4. If no cutting takes place, the 10% down payment will not be refunded.
- 5. Operations on the contract issued will terminate on 09/30/2015.

Sale Specific Conditions & Requirements

Sale Name: Hitnmiss Hazel Sale Number: 12-010-13-01

1 - Sale Area

1.2 - Boundaries

1.2.1 - Painted boundaries (10/12)

The sale boundary and Payment Unit boundaries are marked and identified by BLUE and RED paint. The painted boundary line trees are not Included Timber and are to be protected. 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

2.1.1 - Clearcut unit(s) with unmerchantable trees (8/11)

Within Payment Unit(s) #1, cut all trees that are two (2) inches or more in diameter measured at a point four and one-half (4-1/2) feet above ground level regardless of merchantability EXCEPT all Cedar, Hemlock, and Oak. Also, do not cut Cherry under 4 inches DBH.

2.1.11 - Description of timber note (2/04)

Note that Mixed Hardwood includes: Maple, Birch, BAM, Ironwood, and Ash.

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 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 (10/11)

All new roads built must be blocked to vehicle traffic upon completion of the sale. In general, this will require constructing a four (4') foot high berm of stumps and logs covered with earth. These roads must be rendered impassable to cars and trucks.

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 (10/11)

A pre-sale conference 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.

5.2.2 - 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 (9/11)

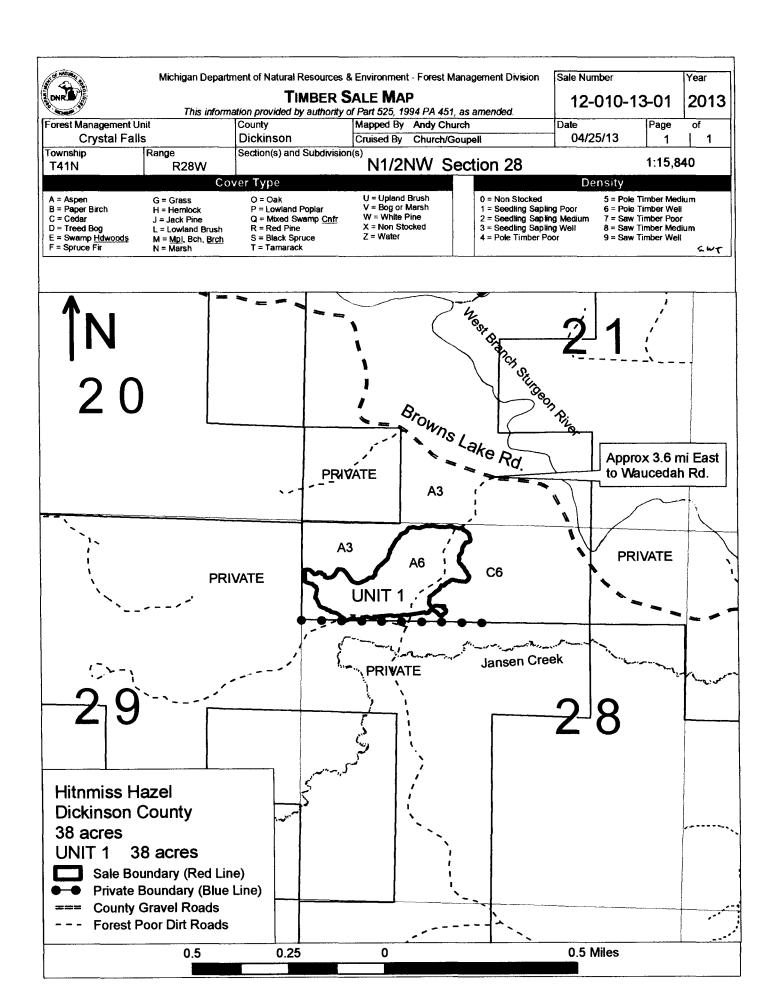
All decking and landing areas must have the surface area restored to a condition equal to or better than before. This is to ensure the proper regeneration of the stand.

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.

Section Name: Sale Specific Current as of 4/25/2013 3:39:17PM



BID FORM

SWAMP V (12-005-13-01)

T44N, R28W, SEC. 11; T44N, R28W, SEC. 12; T44N, R28W, SEC. 13; T44N, R28W, SEC. 14, Dickinson County

In response to the notice of sale to be held 3:00 p.m. (local time) on August 14, 2013, I am hereby submitting my sealed bid (firm offer) for the following forest products to be cut. Bids for individual species must be at or above the advertised price. All non-responsive bid forms may be rejected.

PRODUCTS & SPECIES	<u>ESTIMATE</u>	O UNITS*	ADV	ERTISED PRICE	BID PR	RICE
Pulpwood						
Black Spruce	1,297.00	Cords	\$	23.85 / Cord	\$	/ Cord
Mixed Aspen	1,331.00	Cords	\$	25.90 / Cord	\$	/ Cord
Mixed Softwood	718.00	Cords	\$	22.65 / Cord	\$	/ Cord
Paper Birch	251.00	Cords	\$	22.00 / Cord	\$	/ Cord
Tamarack	503.00	Cords	\$	26.65 / Cord	\$	/ Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$3,984.60:

PRODUCTS & SPECIES	ESTIMATED UNITS*	AD\	/ERTISED PRICE
Pulpwood			
Mixed Hardwood	174.00 Cords	\$	22.90 / Cord

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

	FEDERAL ID:	or SOCIAL SE	CURITY NUMBER:						
	Company or individual bidding:								
	Company representative's name:								
	Address:								
	City:	State:	Zip:						
F AVAIL	F AVAILABLE, PLEASE PLACE THE PERSONALIZED LABEL FROM YOUR PROSPECTUS IN THE ABOVE BOX.								
Individual	or company representative's signatu	re:		Date:					
Phone nu	ımber :	Ema	il (optional):						

^{*} The total volume is statistically estimated within plus (+) or minus (-) 7.77 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.



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:	,

•	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 one of the boxes below): A. Sole Proprietorship (individual) B. Partnership C. Corporation 							
2.	You must check one of the boxes below:							
	 A. I certify that my business is a sole proprietorship and it has Worker's Compensation Laws. 	as no employees but the sole proprietor. I am not subject to the						
	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 F	ederal ID (or) Social Security No.						
Addr	dress T	elephone)						
City	y State Z	(IP						
I he	ereby certify that the above information is true and correct. I	agree to notify the Michigan DNRE of any changes that						

VERIFICATION OF WORKER'S DISABILITY COMPENSATION ACT COMPLIANCE

Date

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

Signature of Owner or Authorized Representative

Title

BID FORM

CRYSTAL FALLS MANAGEMENT UNIT

CRYSTAL FALLS OFFICE

THE TADPOLE APPROACH (12-007-13-01) T41N, R28W, SEC. 27; T41N, R28W, SEC. 28, Dickinson County

In response to the notice of sale to be held 3:00 p.m. (local time) on August 14, 2013, 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*	ADVERTISED PRICE	BID PRICE
Pulpwood			
Mixed Aspen	892.00 Cords	\$ 36.75 / Cord	\$ / Cord
Mixed Hardwood	147.00 Cords	\$ 28.35 / Cord	\$ / Cord
Mixed Softwood	128.00 Cords	\$ 27.20 / Cord	\$ / Cord
Tamarack	129.00 Cords	\$ 18.40 / Cord	\$ / Cord

In addition, the successful bidder agrees to purchase the following species at the indicated advertised price for a total value of \$448.80:

PRODUCTS & SPECIES	ESTIMATED UNITS*	ADVERTISED PRICE	
Sawlogs	.	·	
Mixed Hardwood	4.40 MBF	\$	102.00 / MBF

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:			
F AVAILABLE, PLEASE PLACE THE PERSONALIZED LABEL FROM YOUR PROSPECTUS IN THE ABOVE BOX.						
ndividual	lividual or company representative's signature: Date:					
Phone nu	hone number : Email (optional):					

^{*} The total volume is statistically estimated within plus (+) or minus (-) 14.03 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.



Title

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 WO	RKER'S DISABIL	ITY CO	MPE	PENSATION 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 e	except for written s	ignature	s.		
Ple	ease Check Appropriate Categories:					
1.	 My business is organized as (you must check <u>one</u> of the boxes below): A. ☐ Sole Proprietorship (individual) B. ☐ Partnership C. ☐ Corporation 					
2.	 You must check one of the boxes below: A. I certify that my business is a sole proprietorship and it has no employees but the sole proprietor. I am not subject to the Worker's Compensation Laws. B. I certify that my business has satisfied its obligation to the Worker's Compensation Act through the use of an approved Notice of Exclusion (BWC-337, Rev. 5/96). I will provide a copy of the Notice of Exclusion within 21 days of the contract award. (For questions or a copy of the BWC-337, please call the Worker's Compensation Bureau at 517-322-1195). C. I certify that my business has a Worker's Compensation Policy. I will provide an original Certificate of Insurance within 21 days of the contract award. 					
3.	If you have checked item 2(A) or 2(B), y than yourself, including family members				er of both full-time and part-time employees, other , you must enter "0").	
	Full-time Er	mployees			Part-time Employees	
Nam	ne of Business		Federal ID (or) Social Security No.			
Address			Telephor	ne)		
City State			ZIP			
occ	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					

Date

TIMBER SALE / SEALED BID STATE OF MICHIGAN / DNR

BID FORM

CRYSTAL FALLS MANAGEMENT UNIT CRYSTAL FALLS OFFICE

HITNMISS HAZEL (12-010-13-01) T41N, R28W, SEC. 28, Dickinson County

In response to the notice of sale to be held 3:00 p.m. (local time) on August 14, 2013, 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

cjectea.							
PRODUC Pulpwood	TS & SPECIES	ESTIMATE	O UNITS*	ADVE	RTISED PRICE	BID PRICE	
•	d Aspen	779.00	Cords	\$	38.05 / Cord	\$ / Cord	
	d Hardwood	184.00	Cords	\$	26.10 / Cord	\$ / Cord	
n additio	n, the successful bidder agree	s to purchase	the following specie	es at the	indicated advertis	ed price for a total value of \$5	22.90 :
	TS & SPECIES	<u>ESTIMATE</u>	<u>D UNITS*</u>	ADVE	RTISED PRICE		
Pulpwood Mixe	d Softwood	21.00	Cords	\$	24.90 / Cord		
	I volume is statistically estimate ve bidders are urged to exam	-		-		l units are final and not subjected and quality.	to adjustment.
understar	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 inderstand 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 SECUR	ITY NL	MBER:		
	Company or individual biddir	ng:					
	Company representative's n	ame:					
	Address:						
	City:	State	: :	Zip:			
F AVAILABLE, PLEASE PLACE THE PERSONALIZED LABEL FROM YOUR PROSPECTUS IN THE ABOVE BOX.							
Individual	or company representative's	signature:				Date:	
Phone nu	mber :		Email (op	tional):			



Title

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 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 e	xcept for written si	gnatures.			
Ple	ase Check Appropriate Categories:					
1.	 My business is organized as (you must check one of the boxes below): A. Sole Proprietorship (individual) B. Partnership C. Corporation 					
2.	 You must check one of the boxes below: A. I certify that my business is a sole proprietorship and it has no employees but the sole proprietor. I am not subject to the Worker's Compensation Laws. B. I certify that my business has satisfied its obligation to the Worker's Compensation Act through the use of an approved Notice of Exclusion (BWC-337, Rev. 5/96). I will provide a copy of the Notice of Exclusion within 21 days of the contract award. (For questions or a copy of the BWC-337, please call the Worker's Compensation Bureau at 517-322-1195). C. I certify that my business has a Worker's Compensation Policy. I will provide an original Certificate of Insurance within 21 days of the contract award. 					
0.	 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			
000	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					

Date