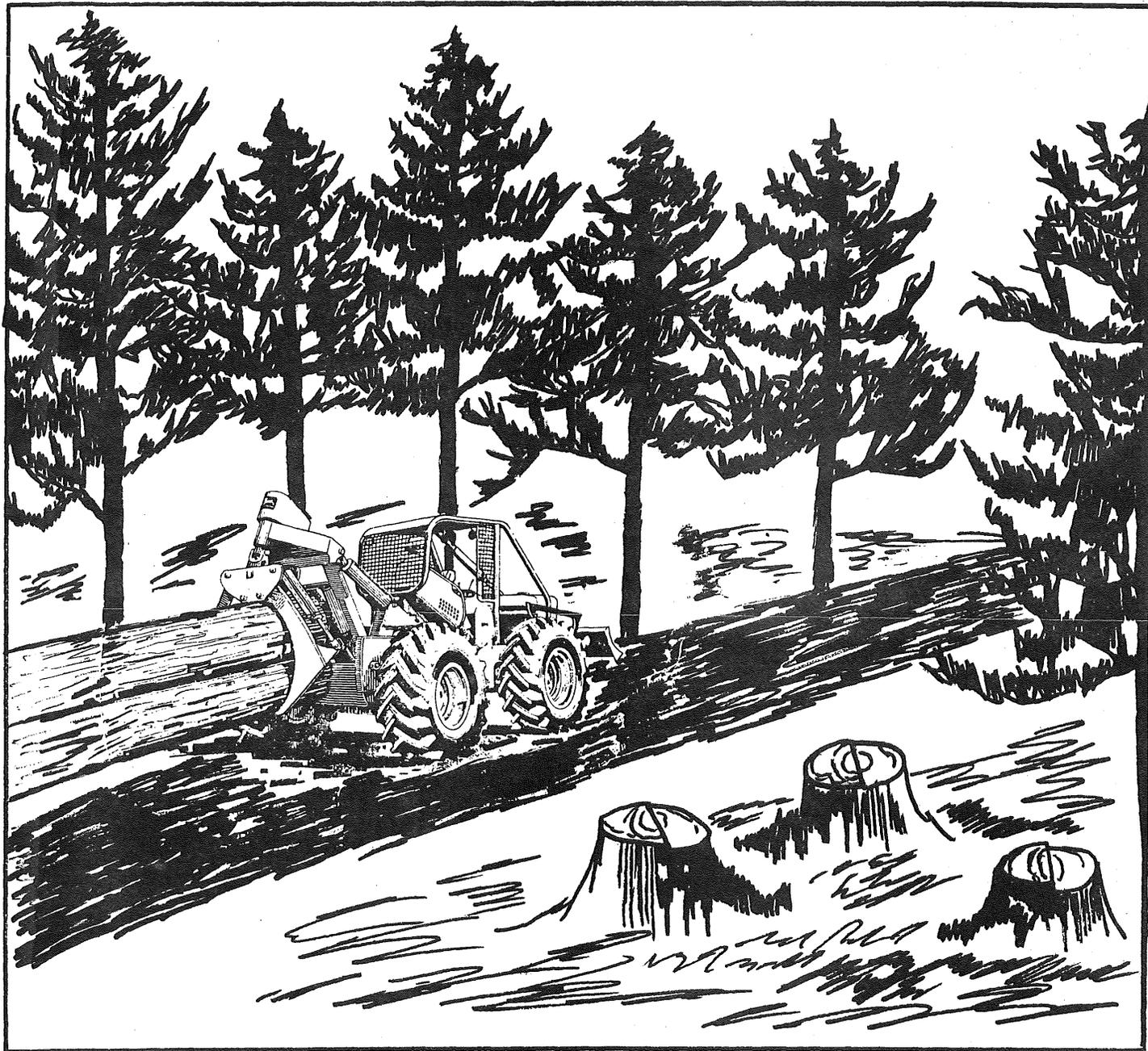


TIMBER SALES MANUAL



MINNESOTA DEPARTMENT OF
NATURAL RESOURCES

DIVISION OF FORESTRY - 1982

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DIVISION OF FORESTRY

TIMBER SALES MANUAL
May, 1982

FOREWORD

The Timber Sales Manual is designed to guide field and staff personnel of the Department of Natural Resources, Division of Forestry, in administering the timber sales program for State land.

It is the policy of the Division of Forestry to protect, develop, and administer the renewable resources of State Forests so they are utilized in the combination of uses that will best meet the needs of Minnesota citizens. This requires harmonious and coordinated management of these resources to bring about the maximum productivity of products and other public benefits.

Renewable resources requiring management and protection include timber, wildlife, soil, and water. A maximum sustained yield of the various products and renewable resources of State forests to benefit the greatest possible number of citizens is the primary objective.

The Division of Forestry has been designated by the Commissioner of Natural Resources as the agency to manage and sell timber on all lands under the control of the Department of Natural Resources. Management will conform with the purposes for which the lands are held and with all laws, regulations and instructions of the Commissioner.

Before selling any timber on lands not directly under the control of the Division of Forestry, such timber shall be examined by forestry personnel. After selection and priority of areas to cut are determined, a report will be made to the proper authority of the division having control of the land. Upon approval by such authority, the Division of Forestry will proceed with the sale of the timber under the same procedure as other State timber is being sold.

It will be the responsibility of the Division of Forestry to protect these lands from trespass. Attention is especially directed to the extreme importance of protecting the natural beauty of State lands that are adjacent to lakes, rivers, streams, access sites, campgrounds, roads, and in State parks. The value of such areas for recreational purposes is steadily increasing and must be given the maximum amount of consideration and protection.

This manual is a guide. It covers policy, methods, and procedures and thus establishes uniformity in our timber sales program. It will not, nor is it intended to answer all the questions and problems that may confront the resource manager. Such a manual would fill volumes and create as many questions as it answered. A real concern for the public we serve and the resources we administer along with good common sense are the ingredients necessary for a good resource manager.

When revisions in the procedures are made, this guide will be modified accordingly.

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SECTION A

PROCEDURES FOR KEEPING TIMBER RECORDS

PROCEDURE FOR KEEPING TIMBER RECORDS

1. DISTRICT

- a. Prepare a Planned Cut List (F-90) of tracts that will be offered for sale during the coming year and submit it to the Area and Region for approval.
- b. Appraise tracts using the Field Appraisal Book as an appraisal record.
- c. Prepare a Timber Appraisal Report (F-121).
- d. Application for Informal Sales (F-122).
 - 1) Keep a file of unfilled applications.
 - 2) Submit the original of the application with the Timber Appraisal Report to the Area.
 - 3) Send rejected application to the Area. District may keep a copy.
- e. Record the number of acres cruised by planned cut number on the planned cut list (F-90) after the Timber Appraised Report (F-121) is prepared.
- f. Record the number of acres drained when the sale is made on Report of Type Acres Drained (F-89).
- g. Maintain separate files in chronological order for active auction and informal sales.
- h. File the Timber Appraisal Reports for active permits in a looseleaf notebook.
- i. Prepare a Timber Scale Report (F-116) for each scaling event and submit it to the Area.
- j. Make a final inspection before closing the permit. If post sale treatment is recommended, initiate a Forest Development Project Proposal and submit it to the Area.
- k. When a permit is closed, enter the changes on the forest inventory records.
- l. Send the Timber Appraisal Report and any important information about the permit to the Area when the permit is closed. (District will have the necessary management information on forest inventory records and in the cruise book.)
- m. Prepare a Stand Data Alteration Sheet and send it to the Area.

PROCEDURE FOR KEEPING TIMBER RECORDS

2. AREA

- a. Review and approve the District Planned Cut List and submit it to the Region. Maintain a file of the List by District and record the number of acres cruised by planned cut number when reviewing the Timber Appraisal Report for approval.
- b. Maintain a card file of active permits; including name, permit number and remarks. File alphabetically for cross reference with the permit file.
- c. Maintain separate files of active Auction and Informal permits:
 - 1) File by permit numbers.
 - 2) Include a running total of the volume scaled by species for each permit.
 - 3) Include all information regarding the permit.
- d. Completed timber permits:
 - 1) File one copy of the Timber Appraisal Report by legal description.
 - 2) File the remainder of the permit information by permit number (for three years). Follow normal procedures for disposal of records.
 - 3) File a second copy of the Timber Appraisal Report by District and year in which forest regeneration check or action should take place.
 - 4) File Stand Data Alteration Sheets by District and send a copy to the Grand Rapids Forest Inventory Office. (See the Alteration section of the Forest Survey Manual.)
- e. Report of Type Area Drained (F-89)
 - 1) Maintain a record of acres sold by District.
 - 2) Submit a summary of acreage sold by District and Area to St. Paul by July 15th.

PROCEDURE FOR KEEPING TIMBER RECORDS

3. REGION

- a. Maintain a file of the District Planned Cut List by Area.
- b. Maintain a file of Informal Permits. File by permit number and include a copy of the:
 - 1) Timber Appraisal Report
 - 2) Permit to Cut Timber
 - 3) Extensions
 - 4) Authorization for Alternate Landing
 - 5) Authorization For Cutting Additional Timber
 - 6) Final Invoice (onionskin)
- c. Maintain a file of Auction Permits. File by permit number and include a copy of the:
 - 1) Timber Appraisal Report
 - 2) Sealed Bid Form
 - 3) Permit to Cut Timber
 - 4) Extensions
 - 5) Authorization for Alternate Landing
 - 6) Authorization For Cutting Additional Timber
 - 7) Annual and Final Invoice (onionskin)
- d. Maintain a file of Auction Sales. File by sale name and date and include a copy of:
 - 1) The Notice of Sale
 - 2) All Sealed Bids
 - 3) The Registration Ledger
 - 4) All letters regarding the sale

PROCEDURE FOR KEEPING TIMBER RECORDS

4. ST. PAUL

a. Auction Sales

A folder for each permit will be filed by permit number with separate files for active and completed permits. Each folder will contain a copy of:

- 1) The permit, Timber Appraisal Report, and Auction Data Record. (F-130)
- 2) A Checklist indicating the status of the permit.
- 3) The Scaling worksheet showing the volume by product and species of each Timber Scale Report. Work sheet to be totaled annually.
- 4) Each Timber Scale Report with the field scale sheets and/or consumer scale slips.
- 5) Each Annual Timber Scale Report.
- 6) Each billing and the letter to the bonding company.
- 7) Any notice to the permit holder regarding expiration or termination of the permit.
- 8) Each letter to the permit holder granting an extension.
- 9) All correspondence.
- 10) Any authorization of an alternate landing.
- 11) Any authorization for cutting additional timber.

A computer file will be maintained by name and description for each permit. The file will contain the permit number, description, name and address of permit holder, date of sale, and Area. Names will be removed when permits are completed, and will be filed in the completed file.

An auction sale book is maintained listing tracts offered, who purchased the tracts and the price paid.

b. Informal Sales

A folder for each permit will be filed by permit number with separate files for "active" and "waiting for final payment" permits. Completed permits will be filed in folders containing five permits. Each active folder will contain a copy of:

- 1) The permit, application, and appraisal report.
- 2) Each scale report with the field scale sheets and/or consumer scale slips.

PROCEDURE FOR KEEPING TIMBER RECORDS

- 3) Any authorization of alternate landings.
- 4) Any authorization for cutting additional timber.
- 5) Any permit extension granted by the Area.
- 6) All correspondence.

Each "waiting for final payment" permit will contain all of the above plus an audited 'onion skin' copy of the billing (F-123).

A name and address computer file, similar to the auction file, will be maintained for informal permits.

c. Other Records

A description of each trespass case as it occurs is entered in the Timber Trespass Book.



SECTION B
TIMBER APPRAISAL

TIMBER APPRAISAL

1. APPRAISING PROCEDURES

The appraisal is an essential part of any timber sale and must be made from an on-the-ground cruise of the timber stand according to the procedure as outlined under "Appraiser's Field Book" (page B-2.1).

It is important that the appraiser determine the value of a timber stand as if it were to be cut into the most valuable products that can be marketed within the general market area. Since pulpwood is the major timber product sold from state lands, it is the basic product. All other products should add to this value if they are in the stand and there is a market for them. The only exception is material that does not meet pulpwood standards. Material beyond or above the sawtimber specifications in sawlog sales should be considered pulpwood to the specified top diameter.

When more than one product can be harvested from the same species, the highest value product should determine the price. In most instances where this occurs, the products should be lumped together under one unit of measurement with the value determined by the percent of product. (See page B-3.4). In this way, the state receives full value for what the stand is worth, not by what products the operator decides to cut. Stands with bolt, pole, and post material lend themselves to this method.

It is very important to consider how the various species and products will be scaled. Many scaling problems can be avoided by how species and products are combined. Products and species that are combined at the market generally should be sold in such a manner that they can be scaled together.

High standards must be maintained in timber appraisals. Poor appraisals cause collection problems, reflect negatively on the Division's image and can be a disservice to the purchaser.

Appraisal Standards

Appraisals made for timber sales that will be scaled should be accurate to within 20% of total volume and value.

Appraisals made for "Sold on Appraised Volume" sales should be accurate to within 10% of total volume. (See page G-5.1)

TIMBER APPRAISAL

2. APPRAISER'S FIELD BOOK

The Appraisers Field Book for cruising shall be used as the official record of appraisal. The district name and number is to be placed in the front of each appraisal book. Each book used by the district will be numbered consecutively. Each map page in the book will be numbered consecutively and indexed in the front of the book by page number showing the legal description.

Two methods have been approved for gathering field information and use of this book:

a. Book used to record all field notes (see page B-2.3).

- 1) Transfer type lines, etc., or overlay from the aerial photograph to the Appraiser's Field Book.
- 2) In the field:
 - a) Show route of travel and location of plots on the map.
 - b) Correct any type lines or types.
 - c) Assess regeneration needs while cruising and record in book.
 - d) Show volumes as found on the plots by plot number.
 - e) Compute volume for the area to be cut by species.
 - f) Sign and date each page.

b. Book used as reference to field notes
Method for use of tally sheets

- 1) Transfer type lines, etc., or overlay from the aerial photograph to the field map sheet in the office.
- 2) In the field:
 - a) Show route of travel and location of plots on field map.
 - b) Correct any type lines or types.
 - c) Assess regeneration needs while appraising and record in book.
 - d) Record all plot information on the tally sheet.
 - e) Make (on the tally or map sheet) any notes necessary for regulation and value.

TIMBER APPRAISAL

- 3) In the office:
 - a) Transfer corrected map to cruise book.
 - b) Show route of travel (cruise book).
 - c) Compute the volume by species in the area to be cut and record it in the cruise book.
 - d) Transfer information regarding regulations and value to the cruise book.
 - e) Number the page in the field book and record this number on the field notes (tally and map sheets) and the index in the front of the book.
 - f) Date and sign cruise book.
 - g) File field notes (tally sheet) by the cruise book page number in a special file for each cruise book.
 - h) When the appraisal book is filled it should be filed in the District office indefinitely.

When the sale is made, add pertinent information under "remarks". The number of one-fifth or one-tenth acre plots needed for three common degrees of accuracy is noted in the appendix (see page L-4.1).

TIMBER APPRAISAL

3. TIMBER APPRAISAL REPORT (F-121)

Each forest officer making Timber Appraisal Reports shall do so from field notes made in the Appraiser's Field Book for Cruising. (See page B-2.1). Either print or type the report.

The District will keep the original Appraisal and copies of both the front and back will be distributed to the permit holder, scaling specialist, and the Area. Copies of the front only will be sent to St. Paul, Region, and to other agencies when needed.

When the tract is sold, the District will place the Appraisal in a notebook and use the reverse side of the form to record everything that transpires on the permit.

When it becomes necessary to use more than one form to map the area to be sold, all pertinent information shall be entered on the first form (regulations, acres sold by type, species, unit price, value, price guide factors, remarks, etc.). Type at the top of the form what page each is of the total number of pages for the tract. Any additional forms shall include just the map, scale of map, description covered by map, and the percent of the total value by forty or lot.

a. Preparing the Timber Appraisal Report

- 1) Heading - The appraiser will fill in the county number and name, state forest number, legal description, and region, area and district number. Permit number and permittee's name will be entered on the form when the permit is approved.
- 2) Map - An accurate and complete forest type map is essential. It should define the area to be cut, the adjacent types, existing roads, and other pertinent physical features. When using a 8" scale, the quarter section should be identified on the map by printing its description abbreviated at the center of the quarter. The scale used must be checked at the top of the map and must be either 4" or 8" to the mile.

Since the appraisal is used by the logger, the map should be as descriptive as possible with the available space. Do not use the standard inventory cover type symbols. No logger will understand them. When possible, use the full or abbreviated species name, (e.g., Asp., W.P., J. P., etc.). Size class can be indicated by diameter size (e.g., W.P. 5"-9") or as pole-timber, sawtimber or reproduction.

3) Cutting Regulations

- a) Designation of cutting areas and methods (color can be used on permit holder copy).

TIMBER APPRAISAL

Reserve Area - No Cutting (Green)

Clear-Cut Area (Red)

Partial Cut Area - Explain (Cross Hatch)

Optional Timber - Explain (Auction Only)

- b) Utilization Standards - Minimum top diameter, minimum log standards, etc.
 - c) Changes in Cutting Regulations - Careful original appraisal work will make changes in cutting regulations infrequent. If major changes are necessary, a new cutting regulation map must be prepared for the permittee. Minor changes may be made by letter to all concerned.
- 4) Slash Disposal - Enter regulations here. If none required enter "None".
 - 5) Price Guide Factors - List the price guide factors used to determine the stumpage price for the various species on the sale. (See page B-4.1) Any other factors that add to or reduce the prices are also to be included by either percentage or actual value change. Price shall be rounded off to the nearest 5 cents for cord or thousand board feet and to the nearest cent for weight, piece, and lineal foot measurement units.
 - 6) Planned Cut Number - Enter the number from the annual cutting plan. If not part of a planned cut, enter the reason why (example: salvage etc.)
 - 7) Acres Sold by type - Record to the nearest acre for each type sold. This acreage is also entered in the Report of Type Area Drained and after the planned cut number on the annual Cutting Plans. (See page J-1.1).
 - 8) Total Acres in Sale Area - Enter the acreage within the cutting lines. It may be different than the acres drained.
 - 9) Land Status, Forty or Lot, and % of Total Value - Codes used for land status are listed in the appendix. Each separate forty-acre tract or equivalent governmental subdivision will be listed under "Forty or Lot" and the percent of the total appraised value shown after each description. To determine the percent of the total value for each description:
 - a) Compute the value for each description.
 - b) Total the description values to obtain total appraised value.
 - c) Divide each description value by total appraised value to obtain percent.

TIMBER APPRAISAL

Percentages for the total sale must add up to 100 percent. Since optional timber is not a part of the sale until the permit holder elects to cut it, it will not be included in these computations.

If more than one form is needed to map all the descriptions on the sale, each form should have the percentage of the total value by forty for the descriptions on that particular sheet. Therefore, total for the first form will then be less than 100%. Cross out 100% and put in the actual percentage total the sheet is of the entire sale. The total of all the forms made out for one tract should equal 100 percent.

- 10) Species, Products, and Prices - List each separate species and product giving the volume as appraised and the price as determined by the appraiser with help from the stumpage price guide. The price is to be the same as the final calculations under the "Price Guide Factors".

Total value of each product by species will be recorded at the extreme right edge of the form. Total value of all species on the report will be recorded at the bottom of the form in the space provided.

If poles are to be sold by length, the price to be charged will be entered in the spaces provided. The average price per pole will be used to determine the unit price and total value of all the poles and will be listed under species and product. (See page B-3.4.)

- 11) Remarks - This space is to be used to note any useful information pertinent to the appraisal, such as prices or additional instructions to the operator. Do not include cutting regulations in "remarks".
- 12) Forest Development Plans - Indicate plans and prescribe treatments for regeneration of the stand following harvest.
- 13) Pulp and Bolt Breakdown - When pulp and bolts are listed together, use this box for breaking down the price into pulp and bolts. Indicate the percent of bolts and then list the individual pulp and bolt prices. The prices are determined by multiplying the price guide factors times the base price.
- 14) Signatures - The appraisal report must be signed by the appraiser and the Area Forest Supervisor or his assistant who has full authority to approve appraisal reports.
- 15) Corrections - The Appraiser is the only person who may change the volume or unit price figures on the appraisal report. Figures that are obviously mathematical errors may be corrected in the area and St. Paul offices. All corrections must be initialed and dated by the person making the change. Do not erase or obliterate the portion being changed. Cross it out and insert the correct item.

TIMBER APPRAISAL

b. Mixed Species

When there are a number of species of the same value on a permit or they normally will be scaled together, it may be desirable to sell them as mixed species (e.g., mixed hardwoods). This will save time in scaling as the material can then be scaled as mixed species without separation.

If the timber is sold in this manner, the appraiser should estimate the percent of the total volume each species will represent. This percentage figure should be listed on the appraisal under remarks and also on the permit. (For example: mixed hardwood logs are 50% elm, 40% ash, and 10% maple).

c. Mixed Products

It is important that the appraiser determines what products can be cut and the price calculated from this, rather than the value being determined by what products the operator cuts. For this reason, it is often better to sell the timber as mixed products. In this way, the State receives the full value of products that are harvested regardless of what the operator cuts.

- 1) Pulpwood and Bolts - When the stand includes both pulpwood and sawtimber, the two products can be sold as pulpwood and bolts. The percent of the volume which is bolts is estimated to the nearest five percent and added into the price computations after the price guide factor is determined. If there is less than ten percent bolts, consider the product as pulpwood. An example of establishing the price per cord is shown below:

Jack pine = 20% bolts and 80% pulpwood.
Base price = \$9.00 pulpwood and \$16.00 bolts
Price Guide Factors = 1.10

$1.10 \times \$9.00 = \9.90 per cd. $\times .80 = \$7.92$ (pulpwood share)
 $1.10 \times \$16.00 = \17.60 per cd. $\times .20 = \$3.52$ (bolt share)
Total Pulp and Bolt Price $\underline{\$11.44}$ or $\underline{\$11.45}$ per cd.

Enter the necessary information in the "Pulp and Bolts Breakdown" section of the Timber Appraisal Report.

- 2) Pulpwood, Bolts and Poles - The pole stumpage price is to be based on a 25% price increase over the established price of bolts for a specific sale. The percent is to be added to the bolt price to determine the actual per unit price for the pole volume.
 - a) This method assumes that the pole volume in a stand is part of the bolt volume and, therefore the percentage of poles is subtracted from the bolt percentage.

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Example: 60% pulpwood, 40% bolts (20% poles) =
60% pulpwood, (40% bolts - 20% poles) =
60% pulpwood, 20% bolts, 20% poles.

- b) After the appraiser has determined the volume of a timber stand containing pole material the price of the pulpwood and bolts is calculated using the price guide factors. Next the pole price is determined using a 25% increase over the bolt price.

Example:

60% pulp, 40% bolts (20% poles)

Base Price: pulpwood = \$9.00, bolts = \$16.00, poles = \$16.00 x 1.25 = \$20.00

Price Guide Factor = 1.10

1.10 x \$9.00 = \$9.90 per cd. x 60% =	\$ 5.94 (pulpwood share)
1.10 x \$16.00 = \$17.60 per cd. x 20% =	\$ 3.52 (bolt share)
1.10 x \$20.00 = \$22.00 per cd. x 20% =	\$ 4.40 (pole share)
Total pulp, bolts and pole price	<u>\$13.86 or \$13.85 per cd.</u>

The poles which are measured as pieces can be converted to cords using the conversion factors on page J-2.8 of the scaling manual or page L-3.1 of this Manual. If poles are scaled by weight, the cord-weight conversion factors on page H-1.2 of the scaling manual are used.

- c) If a price per pole is needed, the price for each size is obtained by dividing the per cord price by the number of poles per cord.

Example: 25' pole = 10.4 poles per cord (See page L-7.1)
\$13.85 / 10.4 = \$1.33 per pole

3) Sawtimber and Poles

When stands are appraised as sawtimber, the percentage of pole value should be increased by 25% over the sawtimber price. This will give the value of the poles in board feet.

Example:

NP Sawtimber (20% poles)

Base Price: Sawtimber = \$60.00 per MBF, poles = \$60.00 x 1.25 = \$75.00 per MBF

Price Guide Factor = 1.10

1.10 x \$60.00 = \$66.00 per MBF x .80 =	\$ 52.80 (Sawtimber share)
1.10 x \$75.00 = \$82.50 per MBF x .20 =	\$ 16.50 (Pole share)
Sawtimber and pole price	<u>= \$ 69.30 per MBF</u>

Use the prices per MBF column on page J-2.8 (Table 10) of the scaling manual to convert from poles to MBF. The table should

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also be used to determine the price for each pole length.
(Also see page L-3.1 of this manual)

4) Pulpwood, Bolts, and Piling

Piling should be treated the same as poles in computing stumpage prices except that a 50% increase over the bolt price is to be used instead of the 25% increase used for poles.

Example:

40% pulpwood, 60% bolts, (5% piling)

Base price: Pulpwood = \$9.00 cd., bolts = \$16.00 cd,

piling = \$16.00 x 1.5 = \$24.00 per cd.

Price Guide Factor = 1.10

40% pulp, (60% bolts - 5% piling) =

40% pulp, 55% bolts, 5% piling

$1.10 \times \$9.00 = \9.90 per cd. x .40 = \$ 3.96 (Pulpwood Share)

$1.10 \times \$16.00 = \17.60 per cd. x .55 = \$ 9.68 (Bolt Share)

$1.10 \times \$24.00 = \26.40 per cd. x .05 = \$ 1.32 (Piling Share)

Total pulp, bolt, and piling price = \$14.96 per cord

If there is piling in a stand appraised as sawtimber, the piling should be handled the same as poles in a sawtimber stand except a 50% increase is used instead of the 25% increase for poles.

Use the lower part of Table 10 (J-2.8) of the scaling manual to convert from pieces to cords or bd. ft.

5) Pulpwood, Bolts, Poles and Piling

Some stands may have both poles and piling. In this case both the poles and piling will come out of the bolt percent. The percent increase in pole and piling value will remain 25% respectively.

Example:

40% pulpwood, 60% bolts (15% poles, 5% piling)

Base price: Pulpwood = \$9.00 cd, Bolts = \$16.00 cd.

Poles = \$16.00 x 1.25 = \$20.00 cd, piling = \$16.00 x 1.5 = \$24.00 cd.

Price guide factor = 1.10

40% pulp (60% bolts - 15% poles - 5% piling)

40% pulp, 40% bolts, 15% poles, 5% piling

$1.10 \times \$9.00 = \9.90 per cd x .40 = \$3.96 (pulpwood share)

$1.10 \times \$16.00 = \17.60 per cd x .40 = \$7.04 (bolt share)

$1.10 \times \$20.00 = \22.00 per cd x .15 = \$3.30 (pole share)

$1.10 \times \$24.00 = \26.40 per cd x .05 = 1.32 (piling share)

Total pulp, bolt, pole, piling = \$15.62 per cd.

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d. Optional Timber (Auction Only)

Appraisers may list timber of doubtful value showing the appraised volume and price which the operator may elect to cut during the life of the permit. Optional timber must be in separate types and not included in types that are required to be cut. For example: In a spruce-balsam type containing spruce, balsam, and aspen, all three timber products will be listed to be cut. If in the same description there is a type of scattered aspen over a balsam understory, the scattered aspen in this type could be listed separately as optional timber.

When an optional timber product is present only in the optional portion of a permit, no special scaling problem exists. However, when the same timber product is present on both the optional and other portions of a permit at different stumpage rates, a definite scaling problem becomes evident. Where feasible, it is advisable to avoid different prices for the same product on any single permit because of the scaling problem. This may be accomplished by avoiding the optional provisions and lowering the overall price of the timber product in proportion to the volumes found on the operable and marginal portions. An alternative to listing optional timber types for an auction timber sale would be to consider selling the doubtful timber informally, if a market develops. In this case, the regulations governing informal permits would apply. Where there is a difference in price for the same material, such as would occur when the mandatory cut portion is bid up or the appraised prices are different, precautions must be made to preserve the identity of the optional product until scaled. It will be necessary to run lines between the regular permit and the optional timber. The scaler must be advised of the problem, be furnished a map of the permit, and should go over the operation with the forest officer. The operator should be advised as to how the scaling problem will be handled.

e. "Sold on Appraised Volume" (SOAV)

Minnesota Statutes, Section 90.251, Subdivision 1, authorize the Commissioner to sell timber on appraisal without scaling. "Sold on Appraised Volume" is to be inserted on the Timber Appraisal Report on the line either before or after the volume of the species to be sold in this manner. While the law places no limitations on this type of sale, Division policy limits what can be "Sold on Appraised Volume" as follows:

- 1) Fuelwood, hardwood, aspen pulpwood, and boughs for decorative purposes.
- 2) Tracts of timber composed mainly of hardwood and aspen pulpwood and containing a relatively small volume of other species or products. The maximum volume of other products or species will be 30% bolts if sold as pulpwood and bolts, and 10% by value of other species. The Area Forester is

TIMBER APPRAISAL

responsible for seeing that these limitations are adhered to. If there are good reasons to exceed these limitations, the Area Forester may request approval from the Region to exceed the limitations on a specific permit.

- 3) Cut products resulting from timber stand improvement, clearing for roads, trails, or other openings. Such products can usually be readily measured at the time of appraisal.
- 4) High value species, such as walnut veneer, which are essentially scaled on the stump.
- 5) Small amounts of miscellaneous material that may be salvaged from logging residue or from the forest floor.
- 6) One or more species can be "Sold on Appraised Volume" and the other species scaled in the regular manner. Products within a species must not be divided between "Sold on Appraised Volume" and a regular scale.

f. Approval By Other Agencies

When the proposed sale involves other agencies, the Timber Appraisal Report must be approved as follows:

- 1) Division of Parks and Recreation: Approved by Park Superintendent.
- 2) Division of Fish and Wildlife land:
 - a) Section of Wildlife: Regional Wildlife Manager will classify land into two categories:
 - (1) Land where blanket approval is given to make timber sales -- no further approval is necessary.
 - (2) Land where approval of Area or Regional Wildlife Manager is required for each individual sale.
 - b) Section of Fisheries: Approved by Area or Regional Fisheries Manager.
- 3) Department of Transportation land: Approved by District Engineer.

TIMBER APPRAISAL
TIMBER APPRAISAL REPORT



Permittee					Permit Number
State Forest Number 17					County LAKE
Section 31	Township 057	Range 07W	Region, Area & District Number 254		

CUTTING REGULATIONS:

III CLEAR CUT - CUT ALL TREES 2" DBH AND OVER
IIV PARTIAL CUT - CUT ONLY WHITE PINE
RESERVE - NO CUTTING
-x-x- RESERVE LINES

Land Status	Forty or Lot	% of Total Value
1	NWSW	55
1	NESW	45
XXX	XXX	100

UTILIZE ASPEN, BIRCH, & HOWD TO A 4" TOP; BALSAM, SPRUCE, PINE, & CEDAR TO A 3" TOP.

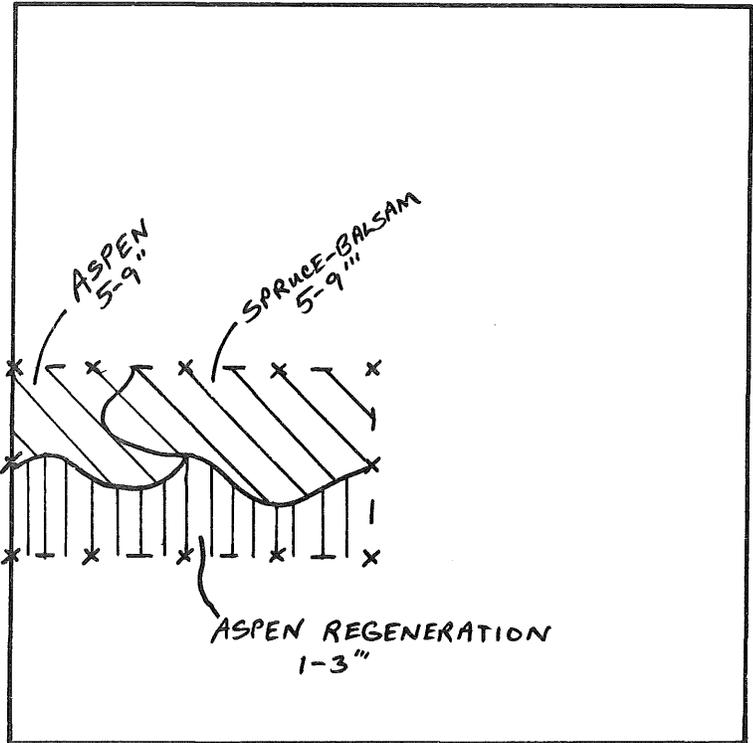
NOTE: ROAD AND LANDING MUST BE APPROVED BY FOREST OFFICER

Slash Disposal Regulations: **KEEP SLASH OFF ROAD AND OUT OF STANDING TIMBER.**

Price Guide Factors: $45+20+10+10+10+15=110\%$
 W. PINE = $15+10+20+15+10+15=85\%$

Planned Cut No. **80-16**
 Acres Sold by Type (Drain) **A-10ac.; BAL-12 ac.**
 Total Acres in Sale Area **80 acres**

SCALE (Mark One) 4" to Mile 8" to Mile



Species	Products	M Feet	Cords	Pieces	Weight M LBS.	Unit Price	Value
ASPEN	PULP & BOLTS		150			\$ 3.45	\$ 517.50
W. BIRCH	BOLTS		20			12.30	246.00
BALSAM	PULP		120			1.50	180.00
B. SPRUCE	PULP		15			15.40	231.00
CEDAR	POSTS		10			8.80	88.00
MIXED HOWD.	FUELWOOD		25			1.50	37.50
W. PINE	LOGS	2.5				54.40	136.00
W. PINE	PULP		1			9.90	9.90
Pole Sizes						Total Value	\$1,445.90
Pole Prices							

Remarks: **BALSAM REDUCED TO \$1.50 PER CORD BECAUSE OF BUDWORM DAMAGE. (MIXED HOWD. FUELWOOD IS 20% BIRCH, 70% MAPLE, & 10% ASH - REDUCED IN PRICE TO REFLECT LOCAL MARKETS.) CLEAR CUT AREAS ARE 70 YEARS OLD. ASPEN IS MIXED IN THROUGHOUT THE BALSAM STAND.**

Forest Development Plans: **SITE INDEX FOR ASPEN IS 72. AFTER CLEAR CUT, BOTH STANDS WILL REGENERATE TO ASPEN. LANDINGS WILL BE MAINTAINED AS GRASSY WILDLIFE OPENINGS.**

Species	% Bolts	(Price using P.G.F.)	
		Pulp	Bolts
ASPEN	20	2.75	6.16

State Appraiser Signature John Bachar	Date 6/20/80	Area Forest Supervisor Signature Joe Gummerson	Date 6/27/80
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TIMBER APPRAISAL

3. STUMPAGE PRICES

a. General

It is the appraiser's responsibility to set the stumpage value for each sale. Since some uniformity is necessary in arriving at these values, the stumpage price guide was developed to assist the appraiser in determining the actual price for each unit sold. The stumpage price guide uses weighted factors to arrive at a percentage of the base price. While these are the factors that most influence the cost of logging, they cannot account for all the costs that may be involved. When other costs are involved, the appraiser should adjust the price obtained from the price guide factor. These factors and the amount of adjustment should be listed in the remarks section of the Timber Appraisal Report.

b. Base Prices (See pages B-4.7 and B-4.8)

Base prices are standard prices by species and product established each fiscal year for each area. They are used with the price guide factors to establish the actual price by species and product for each permit. Base prices should not be considered the average price obtained for a species in an area as logging conditions for a particular species may be above or below average in that area.

The procedure for establishing base prices includes a review and analysis of the actual prices paid for the previous year's timber sales. This analysis of auction and informal sale prices shows what was actually paid for a particular product during the past year. In addition, prices from other agencies and states are analyzed. The results of this study are presented to each Area Forester who then recommends price changes based on both the analytical results and the local market conditions. His recommendations are submitted to the Regional Forester who reviews them and makes a regional price change recommendation to the St. Paul Staff.

c. Use of the Price Guide Factors

1) Production and Marketing Factors

The Price Guide Factor System is a method of obtaining a price per species on an appraisal based on the stand conditions and markets at the time of the appraisals. These factors are based on the relative costs of the logging operations and the efficiency of the average and prudent timber operator. These factors, or spread points, indicate the expected profit ratio which influence the base stumpage price as they relate to each of the production costs and marketing factors. They include all costs which are incurred in producing and transporting pulpwood and logs with consideration for the market, the quantity and quality of the wood, and the degree of profit.

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A separate Price Guide Factor is made for pulpwood and for sawtimber. It is imperative in the use of this table that sufficient notes be taken in the appraisal process in the field relative to: terrain, underbrush, the residual stand, soil conditions, and size, quality and quantity of the timber. The average timber stand throughout the state with its production influences will have a Price Guide Factor of 1.00.

2) Pulpwood Factors (See page B-4.5)

The main production factors such as felling, limbing, bucking and skidding and hauling are each broken down into subfactors for detail selection.

a) Felling Production Factor

This category has three subfactors for each of the standard classifications of poor, fair, average, good and excellent. A selection factor that fits the standard description can be made throughout the range of the standards.

For example, a stand may have a volume of 0-4 cords/acre or a .04 factor and an 8" DBH and sticks per tree of 3.5 for a subfactor of .15 together with an assessment of .02 because of underbrush, stocking residual stand, for a total production factor of .21.

b) Skidding Production Factor

The skidding group is also broken down into subfactors for cords/acre, degree of slope, and average number of chains per skid. These subfactors, based on data from the field notes, can be selected throughout the range of standards.

c) Hauling Production Factor

Since the type of road as well as the distance to market has an influence on this rate, this factor is divided into two parts.

(1) Secondary Road Haul

By definition, the truck haul distance from the logging site to the start of a paved road would include the determination of this factor. In basic terms, this means the transport on all non-paved roads including woods roads.

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(2) Mill Haul

This subfactor is interpreted as the load haul distance in miles on all paved roads to the nearest mill or loading point. The nearest mill or loading point, as well as concentration area, must have a precedent for taking the species.

d) Road Construction and Maintenance

This group of factors is intended to assist in the cost of road building or the maintenance of the road network. Unlike other agencies, the State does not list the required road specifications and allows the purchasers to build a minimum type road, just to get out the product.

Attention should be given to anticipated maintenance work, such as filling of holes, ruts, grading and snow plowing for winter cut species.

e) Market Outlook

This factor is determined on the basis of the general market conditions and the specific market conditions in the local area. The general market condition will be determined by St. Paul on a quarterly basis. The specific market conditions will be determined at the local level.

Prior to the beginning of a quarter, St. Paul will notify the field what factor to use for the three month period. The field will be allowed a five point spread, up or down, from this factor, for the specific market conditions. In no case however, can the market outlook factor exceed 20 or be less than 0.

EXAMPLE: The quarterly factor is 5. In the Littlefork Area the spruce market is better than the general market conditions so 5 points can be added making the total market factor 10. If the Littlefork area market condition was poor, 5 points could be subtracted making a market factor of 0.

f) Quality Factor

This factor refers to the soundness of the standing trees as judged in the appraisal process. This determination is made based on conks, cankers, butt swell, frost cracks, scars, and holes. These exterior indicators of rot and cull material are a scaling deduction. In pulpwood, where most mills take wood up to 75% unsound, the factor has minor importance. It does, however, influence the percent of sawbolts which are estimated separately.

TIMBER APPRAISAL

3) Sawtimber Price Guide Factors (See page B-4.6)

a) Felling, Limbing and Bucking Factor

Users of this guide will notice that there is overlap throughout the standards for this production group.

This was intentional to avoid concentration and choices to be made only on a single sub-group, like volume per acre or logs per tree. As prescribed, interpolation is allowed between standards or group factors. This is explained in the notes at the bottom of the factor summation.

b) Hauling Rates

Unlike the pulpwood factors of secondary road haul, this factor considers straight load haul distance to the nearest mill buying this species.

c) Quality Factor

This group of factors commands careful analysis because of its relationship to the market demand. Appraisers with training in log grades should use this background to assist in determining the proper factor.

4) General Information

The price guide factors can be used individually for single species, but are best applied either on pulpwood or sawtimber in a combination of species that will be logged together at the same time.

All price guide factors should be selected and indicated as they apply to the stand from information from the field notes and market knowledge. If a price reduction has merit, this should be applied to the final selling process or the total price guide factor and not a manipulation of one or more of the price guide factors themselves.

In using the price guide factor, the sum of all the factors multiplied by the species base price is the selling price for the sale. Bolt percentages are assessed separately in the stand, but will use the same price guide factors as for pulpwood and as computed against the species bolt price.

The price guide factors should be listed on the F-121 in the same order as in the Guide with parenthesis around the sub-groups.

d. PULPWOOD PRICE GUIDE FACTORS¹

Production Factors	Items to Consider	Poor		S T A		N D A		R D		Excellent	
		Quantity	Factor	Quantity	Factor	Quantity	Factor	Quantity	Factor	Quantity	Factor
Felling Limbing Bucking	Cords/acre DBH" and sticks/tree other factors ² Total	0-4	.04	5-7	.07	7	.12	8-20	.15	20+	.18
		5"		6"		8"		8-10"		10+"	
		2	.04	2.5	.09	3.5	.15	4	.19	4+	.24
			.02		.04		.08		.11		.13
			.10		.20		.35		.45		.55
Skidding	Cords/acre Slope (%) ³ # of chains ³ Total	0-4	.02	5-7	.05	7	.07	8-20	.09	20+	.11
		25+	.02	15-25	.03	15	.05	10-15	.07	0-9	.09
		10+	.01	7-10	.02	5-7	.03	3-5	.04	0-2	.05
			.05		.10		.15		.20		.25
Hauling Distance	⁴ Secondary Road Haul (miles) ⁵ Haul to Mill Total	15+	.03	10-15	.07	5-10	.10	3-5	.14	0-3	.18
		90+	.02	60-90	.03	40-60	.05	20-40	.06	0-20	.07
			.05		.10		.15		.20		.25
⁶ Road Maintenance/ Construction	⁶ Cost/Cord	1.00+	.05	.75 1.00	.10	.75	.15	.50- .75	.20	0-.50	.25
Market Outlook	Demand		.00		.05		.10		.15		.20
Quality	Soundness		.00		.05		.10		.15		.20
Grand Total			.25		.60		1.00		1.35		1.70

1. To be used for each species on the Sale.
2. Limbs, underbrush, stocking, distribution, rocks, terrain, and residual stand requirements.
3. Skidding distance in chains plus other factors noted above.
4. Distance to all weather road.
5. Include secondary road haul mileage. Destination may be a concentration yard or railroad car landing.
6. Rocks, terrain, wet areas, and bridges must be considered.
7. Amount of rot and knots, sticks per tree, straightness and clarity of bole should be considered.

e. SAWTIMBER FACTORS AND DEFINITIONS

Production Factors	Items to Consider	Poor	Fair	Average	Good	Excellent
Felling Limbing Bucking	Board feet/acre Logs/tree Percent cull ¹	.08	.15	.20	.25	.32
Skidding	Board feet/acre Slope 2 & 3	.04	.10	.18	.23	.29
Hauling	Distance to mill only ⁴	.05	.15	.30	.36	.42
Road Maintenance/ Construction	MBF Cost in Board Feet ⁵	.03	.05	.08	.10	.13
Market Outlook	Demand	.02	.04	.09	.12	.15
Quality	Cull factor and log grade ⁶	.03	.06	.15	.24	.34
Grand Total		.25	.55	1.00	1.30	1.65

1. To be used for each species on the sale.
2. Residual stand problem, steep slopes, hilly and rocky, heavy underbrush, scattered timber, swampy or low area.
3. Skidding distance in chains plus other factors and slope noted above.
4. Miles to mill.
5. Consider drainage hill, slope, all weather and length.
6. Amount of rot, knots, clear bole, log size, log grade.

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TIMBER APPRAISAL

BASE STUMPAGE PRICES
Effective May 3, 1982

SAWLOGS (\$/MBF)	Region 1	Region 2	Region 3	Region 4	Region 5	Region 6
White & Norway Pine	64.00	60.00	64.00	50.00	55.00	60.00
Jack Pine	40.00	38.00	40.00	---	---	38.00
White Spruce	40.00	40.00	40.00	---	---	40.00
Tamarack	20.00	18.00	20.00	---	---	18.00
Cedar	30.00	30.00	30.00	---	---	36.00
Balsam	20.00	15.00	20.00	---	---	15.00
Aspen	14.00	12.00	15.00	28.00	25.00	25.00
Birch	30.00	28.00 ^{1/}	30.00	32.00	35.00	35.00
Balm of Gilead	14.00	12.00	15.00	---	---	---
Basswood	30.00	24.00 ^{2/}	30.00	48.00	50.00	50.00
Cottonwood	---	---	23.00	31.00	25.00	25.00

Ash	30.00	24.00 ^{2/}	30.00	68.00	60.00	60.00
Elm, American	30.00	24.00 ^{2/}	30.00	40.00	35.00	35.00
Elm, Red	30.00	24.00 ^{2/}	30.00	50.00	70.00	70.00
Oak Species	35.00	24.00 ^{2/}	35.00	68.00	65.00	65.00
Maple Species	20.00	24.00 ^{2/}	30.00	57.00	60.00	60.00
Black Walnut	---	---	---	285.00	275.00	275.00
Butternut	---	---	---	65.00	55.00	55.00
Black Cherry	---	---	---	46.00	55.00	55.00
Hackberry	---	---	---	35.00	35.00	55.00
Black Willow	---	---	---	26.00	25.00	25.00
Hickory	---	---	---	50.00	50.00	50.00

VENEER (\$/MBF)	*USE TWICE THE SAWLOG PRICE	*USE TWICE THE SAWLOG PRICE	*USE TWICE THE SAWLOG PRICE
Basswood			114.00
Red Oak			226.00
White Oak			144.00
Black Walnut			USE S.E. MN GRADE AND PRICE GUIDE
Butternut			OPEN 150.00
Black Cherry			OPEN 150.00
American Elm			OPEN 150.00
Red Elm			OPEN 400.00
Hard Maple			180.00 200.00
Soft Maple			88.00 95.00
Ash			103.00 155.00
Cottonwood			52.00 50.00

POLES (\$/Piece) ALL REGIONS

Base Price per piece is to be calculated using 125% of your Regional price per cord of Sawbolts and the conversion factors for Pc.s per Cd. from Table 10, page J-2.8 of the Scaling Manual.^{3/}

PILING (\$/Piece) ALL REGIONS

Base Price per piece is to be calculated using 150% of your Regional price per MBF of Sawlogs and the conversion factors for Pc.s per MBF from Table 10, page J-2.8 of the Scaling Manual.^{3/}

CABIN LOGS (\$/Piece) ALL REGIONS

When appraising special request sales involving Cabin Logs only, use twice the pole or piling price as dictated by the size and quality of the pieces being requested.

When Cabin Logs are only one of many products being cut on a timber sale, use the pole or piling Base Price directions shown above.

FOOTNOTES

- 1/ Yellow Birch = \$42.00
- 2/ Hill City Area use Region 3 Base Price
- 3/ When appraising poles or piling, refer to additional directions beginning on page B-3.6 of the Revised Timber Sales Manual.

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BASE STUMPAGE PRICES
Effective May 3, 1982

SAWBOLTS (\$/Cd) ^{1/}	Region 1	Region 2	Region 3	Region 4	Region 5	Region 6
White & Norway Pine	25.60	24.00	25.60	20.00	22.00	24.00
Jack Pine	16.00	15.20	16.00	-- --	-- --	15.20
White Spruce	16.00	16.00	16.00	-- --	-- --	16.00
Tamarack	8.00	7.20	8.00	-- --	-- --	7.20
Cedar	12.00	12.00	12.00	-- --	-- --	14.40
Balsam	8.00	6.00	8.00	-- --	-- --	6.00
Aspen	5.60	4.80	6.00	11.20	10.00	10.00
Birch	12.00	11.20 ^{2/}	12.00	12.80	14.00	14.00
Balm of Gilead	5.60	4.80	6.00	-- --	-- --	-- --
Basswood	12.00	9.60 ^{3/}	12.00	19.20	20.00	20.00
Cottonwood	-- --	-- --	9.20	12.40	10.00	10.00
Ash	12.00	9.60 ^{3/}	12.00	27.20	24.00	24.00
Elm, American	12.00	9.60 ^{3/}	12.00	16.00	14.00	14.00
Elm, Red	12.00	9.60 ^{3/}	12.00	20.00	28.00	28.00
Oak Species	14.00	9.60 ^{3/}	14.00	27.20	26.00	26.00
Maple Species	8.00	9.60 ^{3/}	12.00	22.80	24.00	24.00
Black Walnut	-- --	-- --	-- --	114.00	110.00	110.00
Butternut	-- --	-- --	-- --	26.00	22.00	22.00
Black Cherry	-- --	-- --	-- --	18.40	22.00	22.00
Hackberry	-- --	-- --	-- --	14.00	14.00	14.00
Black Willow	-- --	-- --	-- --	10.40	10.00	10.00
Hickory	-- --	-- --	-- --	20.00	20.00	20.00
<u>PULPWOOD & POSTS (\$/Cd)</u>						
Pine	8.00	8.00	8.00	5.00	6.00	6.00
Spruce	14.00	14.00	14.00	5.00	6.00	6.00
Cedar	8.00	7.50	8.75	5.00	6.00	6.00
Balsam	4.50	3.75	5.50	5.00	6.00	6.00
Tamarack	5.00	5.00	7.00	5.00	6.00	6.00
Aspen	2.50	2.25	2.50	3.00	4.00	4.00
Birch	2.50	2.25	4.50	3.00	4.00	4.00
Balm of Gilead	2.50 ^{4/}	2.25 ^{4/}	2.50 ^{4/}	3.00	4.00	4.00
Ash & Elm	3.00	2.25	4.50	5.00	7.00	7.00
Oak & Maple	3.00	2.25	4.50	6.00	7.00	7.00
Other Hardwoods	3.00	2.25	2.00	6.00	7.00	7.00

FUELWOOD (\$/Cd) ALL REGIONS

Fuelwood included on regular timber sales shall be priced the same as pulpwood, except that the appraiser may lower the price when selling tops, dead and down material.

Fuelwood sold on the Special Fuelwood Permit shall be priced in accordance with directives received from the Area Supervisors Office.

BOUGHS (\$/Ton) ALL REGIONS

ALL SPECIES \$9.25

CHRISTMAS TREES (\$/Pc.) ALL REGIONS

	2-4'	4-6'	6-8'	8-10'
Stagnant Spruce	.04	.08	.11	.14
Scotch Pine	.54	.85	1.22	2.06
White Pine	.50	.80	1.15	1.94
Norway Pine	.37	.54	.85	1.46
Jack Pine	.24	.30	.37	.43
Spruce-Balsam	.24	.30	.37	.43

FOOTNOTES

- ^{1/} Prices listed are for Bolts under 12" top D.I.B.; for bolts 12" and over use ½ sawlog price.
- ^{2/} Yellow Birch = \$16.80
- ^{3/} Hill City Area use Region 3 Base Price
- ^{4/} Use \$2.00 per cord when Balm exceeds 10% of the aspen volume in the stand being appraised.

B-4.8

TIMBER APPRAISAL

5. STAGNANT SPRUCE CHRISTMAS TREE SALES AND POLICY

a. General

At one time the Black Spruce Christmas Tree industry used a large volume of stagnant spruce trees each year. The industry presently is non-existent so sales of Black Spruce for Christmas Trees is uncommon. However, the following policy will remain in effect in case the demand should develop in the future.

The sale of Christmas trees should normally be confined to stagnant sites that will not economically produce pulpwood. Christmas tree sites are defined as those of site index 23 and lower. The site of any spruce stand can be readily determined by referring to the spruce site index curve in the Survey Manual after field measurements of average age and height are taken.

When the sale of trees is limited to stagnant sites, (site index 23 and lower), it will not be necessary to limit the size (D.B.H.) of trees that may be cut. In unusual cases where scattered pulpwood exists in operable quantities, pulpwood should be sold to release future Christmas trees.

The frequency of cut on the various stagnant sites is extremely variable and should be determined by the ability of the sites to produce merchantable Christmas trees. In most cases, a cut is desirable when enough saleable trees exist to interest an operator since:

- 1) Merchantable Christmas trees of the presently accepted form are subject to damage and loss by insects, squirrels, and other causes if not harvested early enough to prevent such loss.
- 2) Sufficient unmerchantable stems are present on most sites to provide adequate stocking following cutting.

Because relatively few trees qualify as to merchantable form, density, size, etc., it is usually unnecessary to limit the number of stems that may be cut per acre.

Inexperienced Christmas tree cutters have a tendency to cut too many unmerchantable trees. Cutting supervision should be aimed at preventing such waste. Where there is indiscriminate cutting of unacceptable trees, such trees shall be charged for at the going stumpage rate for Christmas trees.

b. Christmas Tree Lease

Minnesota Statutes, Section 90.50, was enacted in 1955 to allow long term leases for the purpose of cultivation of Black Spruce Christmas trees. Under the terms of the lease, the lessee can invest money in improving the Christmas trees by drainage and

TIMBER APPRAISAL

cultural work. The lease, which is sold at a regular timber auction sale, establishes the stumpage price of the Christmas trees. No interest is charged for the life of the lease, which can be up to 15 years.

All leases have expired and it is unlikely that any new leases will be made. Any questions concerning new leases should be referred to St. Paul.

SECTION C
AUCTION SALE OF STATE TIMBER
REGULAR AUCTION

REGULAR AUCTION

1. GENERAL REGULATIONS

Auction sales provide the means to move large volumes of timber from state lands at a relatively low administrative cost. Smaller volumes of high demand species can also be sold by this method to obtain a higher market value. Through the competitive bidding process, auction sales offer a measure of establishing stumpage prices. It is also a system that allows the state to impartially distribute permits to harvest timber from state lands. For these reasons, tracts containing large volumes of timber for harvest should be sold at auction.

Auction sales are authorized under Minnesota Statutes, Section 90.101, Subd. 1, which provides:

"The Commissioner may sell the timber on any tract of state land in lots not exceeding \$20,000 in appraised value and may determine the number of sections or fractional sections of land to be covered by any one permit issued to the purchaser of timber on state lands or in any one contract or other instrument relating thereto. No timber shall be sold, except to the highest bidder at public auction, and the minimum price shall be the appraised value as fixed by the report of the state appraiser. All sales shall be held in the county in which the tract is located."

The laws concerning auction sales are very detailed and specific as to how the sale will be handled by the State and the responsibilities of the permit holder. Most of the regulations and requirements of the permit are specified under Minnesota Statute, Section 90.151.

Auction sales must be held in the county in which the tracts offered for sale are located. No more than one sale shall be held on any one day in the State.

An auction sale may be made by either an oral or sealed bid process. Oral bids are in increments of 5 percent of the appraised value of all products subject to bidding. The sealed bid process allows separate bids for each species or product with the highest total bid for all species and products determining the successful bidder. The successful bidder must pay 25 percent of the appraised value at the time of the sale. Within 90 days of the sale, he must also supply security equal to the total bid price of the sale minus the advance payment. A 30 day bonding extension may be granted.

Permits are issued for a maximum of two (2) years. Three one-year extensions may be granted, but maximum life of the sale cannot exceed five (5) years, including extensions. The appraiser may limit the permit to a specific time. All such restrictions must be included in the advertisement or explained at the auction sale before bidding begins.

There is no legal minimum value for an individual tract to be offered at an auction sale, but it is division policy that tracts appraised at a value of less than \$500 should not be offered. The maximum appraised value of a tract that may be offered is \$20,000. Bidding

REGULAR AUCTION

may increase the sold price of a tract beyond the maximum appraised value.

The Executive Council (Governor, Lt. Governor, Attorney General, Auditor, Treasurer and Secretary of State) have the authority to approve tracts for sale which exceed \$20,000 in appraised value. This authority will be used sparingly by the Executive Council so the Department must be very careful in recommending tracts to be sold under this authority. Recommendation of tracts to sell which exceed \$20,000 should be made through normal channels to St. Paul. Only those tracts that cannot be broken down into less than \$20,000 units (because of economics, management problems, etc.) should be considered.

St. Paul will maintain a list of prospective bidders and interested agencies. The list will be periodically revised with the assistance of the Area. Copies of auction sales will be sent to all names on the list.

The description, appraisal, and required advance payment of all tracts included in each sale are recorded in the Timber Sales Book before the sale. The name, address, and bid of each successful bidder is added after the sale.

After the sale is completed, the Region will list by tract number on the "Notice of Sale" the permit number, the successful bidder, the bidder's address, and the percent bid. The notice of sale will then be sent to St. Paul where copies will be made and sent to all Regions.

REGULAR AUCTION

2. SPECIFIC CONDITIONS FOR AUCTION SALES

a. All-Auction-Sales

- 1) A listing of the tracts offered for sale will be made available to any interested bidder.
- 2) Only one auction sale may be held on any one day in the State of Minnesota. An intermediate auction may not be held the same day as a regular auction.
- 3) Optional timber shall be listed on the sale notice. (Note: No optional timber can be cut on a permit until it is paid for or bonded.)
- 4) Sale can be made by either the oral or sealed bid process. (The second round of a sealed bid sale is by oral bidding.)
- 5) Timber may be "sold on appraised volume" with no scale required.
- 6) All timber shall be sold to the highest bidder.
- 7) No timber shall be sold for less than appraised value.
- 8) The Commissioner reserves the right to reject any or all bids.
- 9) An advance payment of twenty-five percent of the appraised value of each tract must be paid at the time of the sale by the successful bidder.
- 10) Security for the difference between the advance payment and the bid price must be furnished.
- 11) Security that may be used in lieu of a surety bond is:
 - a) An irrevocable letter of credit. (Page C-6.5)
 - b) Assignable bonds or notes of the United States.
 - c) An assignment of a bank savings account.
 - d) An assignment of an investment certificate.
 - e) Cash, including cashier's check, certified check, postal, bank or express money order. (Note: Personal checks are not acceptable.)
- 12) The auction permit holder is responsible for cutting the entire sale area, regardless of the volume stated on the appraisal, in accordance with cutting regulations.
- 13) Timber may be added at appraised value to the permit, for management purposes, after the permit is approved. (Note: Payment must be received before cutting additional timber. see G-7.1.)

REGULAR AUCTION

- 14) The permittee may assign his permit to another party upon written approval of the Commissioner.

b. Regular Auction Sales

- 1) Tracts are limited to a maximum appraised value of \$20,000 unless approval to exceed this limit is granted by the Executive Council.
- 2) An auction sale includes only tracts located within the county where the sale is held; can be conducted at any public building in the county.
- 3) Tracts shall be advertised for three consecutive weeks in a legal newspaper in the county.
- 4) A copy of the sale list shall be posted in the Commissioner's office and the County Auditor's office for at least 30 days prior to the sale.
- 5) Permits are issued for up to two years with a maximum life of 5 years including extensions.
- 6) Extensions can be issued for any period of time up to one year.
- 7) Security for the full value of the total bid price minus the 25% advance payment must be supplied within 90 days from the date of the sale.
- 8) Eight percent simple interest per annum will be applied to the uncut balance during all extensions.

REGULAR AUCTION

3. REGULAR AUCTION SALE PROCEDURES

a. District Responsibilities

1) Before the Sale:

- a) Appraise tracts from Planned Cut List and prepare Timber Appraisal Report.
- b) Identify boundaries of sale area and cutting lines with appropriate color.
- c) Arrange in order by legal description. (Range, Township, Section, Forty)
- d) Submit three copies of the Timber Appraisal Report to the Area with a memo requesting a regular auction.
- e) Prior to the sale, have Notice of Sale, bid forms, and envelopes (if sealed bid) for prospective bidders.

2) After the Sale:

- a) Scale cut products.
- b) Supervise the sale.
- c) At least 30 days before the expiration date, determine the need for an extension and notify the Area.
- d) At the anniversary date, scale all cut products (check lock box for load tickets), and submit a Regular Timber Scale Report if needed and an Annual Timber Scale Report of timber cut. Include the value, or percent (if appropriate), of uncut volume to the Area to be used for bond requirement calculations.
- e) A Final Timber Scale Report is submitted to the Area upon completion of the permit.

b. Area Responsibilities

1) Before the Sale:

- a) Combine Timber Appraisal Reports from the Districts and arrange in order by legal description.
- b) Thoroughly check appraisals and approve.
- c) Prepare Auction Data Record (F-130) for each tract.
- d) Submit Appraisal and Auction Data Record to the Region along with tentative date(s) and location for sale.

REGULAR AUCTION

- 2) After the Sale:
 - a) Acknowledge receipt of cash bonds.
 - b) Advise permittee by letter at least 30 days prior to expiration of permit. (See page C-7.3 and C-7.4)
 - c) Notify St. Paul if an extension is to be granted.
 - d) Shortly after the anniversary date, clear all Timber Scale Reports and consumer scale tickets through that date. Send Annual Timber Scale Report to St. Paul.
 - e) Send Final Timber Scale Report to St. Paul.

c. Region Responsibilities

- 1) Before the Sale:
 - a) Thoroughly check the Timber Appraisal Reports from Area.
 - b) Set the time, date, and location of the sale in consultation with St. Paul and the Area.
 - c) Prepare Notice of Sale, including the terms of the sale. Any special regulation should follow each tract. Proof read the Notice!!! Regional Forester will initial the notice.
 - d) Send Notice of Sale and Timber Appraisal Reports to St. Paul for approval by the Director.
 - e) Prepare and send advertisement of sale to the legal newspapers. Region pays for the advertisement. See page C-4.14, C-4.15.
 - f) Obtain permit number for the first tract from St. Paul.
 - g) Prepare bid forms.
 - h) Send summary sheet and advertisement notice to St. Paul.
- 2) After the Sale:
 - a) Assign permit numbers to the tracts which have been sold.
 - b) Send a copy of the Notice of Sale with sale information to St. Paul.
 - c) Complete the Auction Data Record Sheet for each tract sold and send it to St. Paul with the advance payment.

REGULAR AUCTION

- d) Prepare a Timber Sale Permit for each tract sold and send it to the permittee for execution.
- e) Advise permittee about the bonding deadline, and grant a 30 day extension if recommended by the Area. (Send copy of bonding extension letter to St. Paul.)
- f) Maintain a file of sale information.

d. St. Paul Responsibilities

1) Before the Sale:

- a) Coordinate scheduling of auction sales.
- b) Approve Notice of Sale.
- c) Post Notice of Sale on Commissioner's board.
- d) Send copies of the Notice of Sale to the County Auditor and prospective bidders.
- e) Post the tracts for sale in the Auction Sale Book.

2) After the Sale:

- a) Post sale results in the Auction Sale Book.
- b) Approve Timber Sale Permits.
- c) Enter permit number, legal description, and permittee's name and address in file (word Processor).
- d) File all sales information during the life of the permit.
- e) Send a list of permits that will expire to the Area (copy to the Region) 60 days prior to their anniversary dates.
- f) Advise permittee by letter that permit has been extended. (Page C-7.5)
- g) Prepare Annual and Final Billings.
- h) Notify bonding Co. when payment has been received.

REGULAR AUCTION

4. PREPARING THE SALE

a. Timber Appraisal Report (F-121) (See page C-4.3)

The District will submit at least two (2) copies of the Appraisal Report to the Area. One copy will be forwarded to the Region and one retained by the Area until a permit is executed. That copy will then be returned to the District with all pertinent information entered on the reverse side.

Any special management problems (such as salvage, leases, etc.) are to be indicated on the appraisal report. If these problems limit the method or time of harvest, or termination date of all or part of the tract, it should be indicated on the appraisal and data sheet.

b. Auction Data Record (F-130) (See page C-4.4)

An Auction Data Record is prepared by the area for each tract to be offered. This form is used by the Region in preparing the auction sale and by St. Paul for data processing. The data sheet is similar in format to the informal permit.

All items on the form should be completed except the permit number, permit date, name, and address, bid total, and bid price. These items will be completed by the Region when the tract is sold. (See Section L for codes)

The quantity, species and product, unit price, and value are prepared as for the informal permit. Advance payment is 25% of the total appraised value, raised to the next whole dollar.

Any optional timber should be shown under the Optional Timber heading, as it is not a part of the sale until the Permittee elects to cut it.

Any additional regulations must be included under special regulations, especially if they should be included in the advertisement.

Salvage or forest development plans which may limit the period of the permit should be shown on the Auction Data Record under Special Regulations and must be advertised this way. Such regulations must be carefully considered and the Forester initiating the regulation must be prepared to close the permit on the expiration date. For example: if a special regulation states that decadent or blowdown timber must be cut within one year and that no extensions will be granted, the forester in charge must be prepared to close the sale on the expiration date. Sometimes weather, market conditions, or health of the operator make it impossible for him to complete cutting in the specified time, so don't impose time restrictions that are unrealistic and not essential to the permit.

REGULAR AUCTION

c. Notice of Sale

The Area attaches the Auction Data Record to the Timber Appraisal Report and submits them to the Regional Forester. After the Region has reviewed and approved the Auction Data Records and appraisal reports of all the tracts to be offered for sale in a particular county, the Region will prepare the Permit and Notice of Sale. This includes a listing of products and prices by tracts to be offered in a county and the terms of sale. The Notice of Sale is sent to St. Paul for the Director's approval.

An appropriate newspaper advertisement is prepared and sent to the local newspaper of the county and any others that may be suggested by the Area.

A copy of the list must be posted in the county auditor and Commissioner's office for at least 30 days prior to the sales. Additional copies are sent to the county auditor, prospective bidders, and to the Area and Region offices.

Procedures necessary to fulfill the requirements of the law consume considerable time. Approximately eight weeks are needed from the time the Region receives the appraisals and Auction Data Records until the sale can be held. A minimum of six weeks is needed by St. Paul from the time the Notice of Sale is prepared.

Example of Notice of Sale for a oral bid (C-4.5, C-4.6, & C-4.7, & C-4.8)

Example of Notice of Sale for a sealed bid (C-4.9, C-4.10, C-4.11 & C-4.12)

REGULAR AUCTION
TIMBER APPRAISAL REPORT



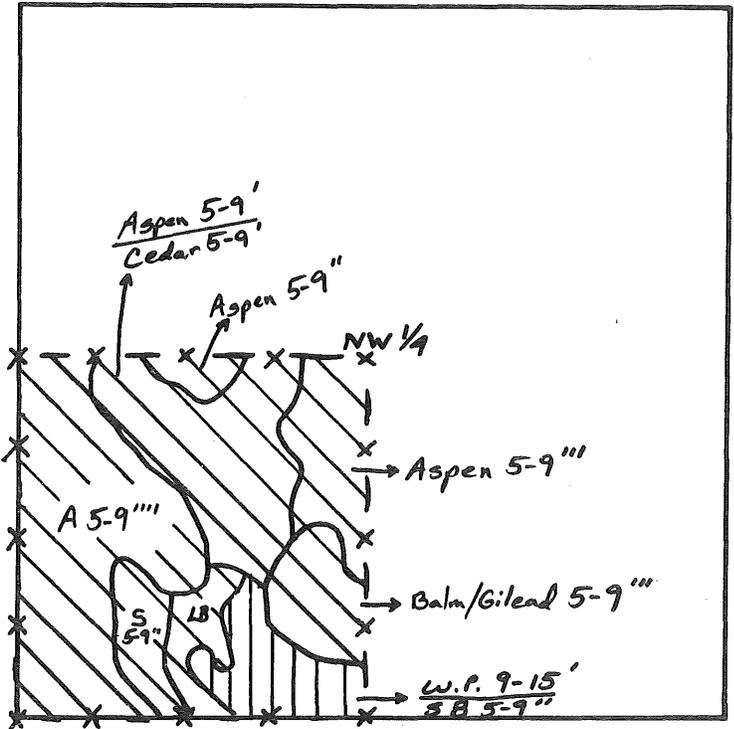
Permittee				Permit Number
State Forest Number 28				County 36 KOOCHICING
Section 26	Township 065	Range 24W	Region, Area & District Number 261	

CUTTING REGULATIONS:

- CLEAR CUT - CUT ALL TREES 2" DBH AND LARGER
- PARTIAL CUT - CUT NOW. PINE, BALSAM, & SPRUCE WITH 2 OR MORE STICKS; AVOID DAMAGE TO PINE, SPRUCE, & BALSAM REPRODUCTION.
- Reserve - No Cutting
- X-X- BLUE RESERVE LINES
- UTILIZE ASPEN & BALM TO A 4" TOP; PINE, SPRUCE, CEDAR & BALSAM TO A 3" TOP.

Land Status	Forty or Lot	% of Total Value
1 SWNW	100	
XXX	XXX	100

SCALE (Mark One) 4" to Mile 8" to Mile



Slash Disposal Regulations:

FULL TREE SKID BLACK SPRUCE

Price Guide Factors:

40-20-10-15-10-10 = 105%

Planned Cut No. 80-43, 81-2, 81-4
Acres Sold by Type (Drain) A-32, S-4, SB-4
Total Acres in Sale Area 40 ACRES

Species	Products	M Feet	Cords	Pieces	Weight M LBS.	Unit Price	Value
N.W. PINE	SAW LOGS	15				67.20	1008.00
ASPEN	PULP & BOLTS		530			3.10	1643.00
CEDAR	PULP & BOLTS		35			9.05	316.75
BLACK SPRUCE	PULP		60			14.70	882.00
BALSAM	PULP		25			3.95	98.75
BALM/GILEAD	PULP		40			2.65	106.00
N.W. PINE	PULP		3			9.45	28.35
Pole Sizes						Total Value	\$4,082.85

Remarks: N.W. PINE IS 20% NORWAY & 80% WHITE PINE; IF SCALED TREE LENGTH WILL BE CHARGED AS 95% SAWTIMBER AND 5% PULPWOOD.
BLACK SPRUCE SITE - 40% SPAGNUM WITH SCATTERED SPRUCE & CEDAR IN LB AREA.
N.W. PINE SITE - 350 STEMS/ACRE OF 1-5" W. PINE, SPRUCE, AND BALSAM.

Species	% Bolts	(Price using P.G.F.)	
		Pulp	Bolts
ASPEN	15	2.63	5.88
CEDAR	10	8.40	15.12

Forest Development Plans: SITE INDEX: ASPEN-LB, SPRUCE-90 NATURAL REGENERATION IN ASPEN & BALM CLEARCUTS
BLACK SPRUCE SITE WILL BE AERIAL SEEDING TO SPRUCE ALONG WITH OTHER SITES IN VICINITY;
PINE SITE HAS SUFFICIENT STOCKING OF W. PINE, SPRUCE, AND BALSAM.

State Appraiser Signature <i>William J. Fossum</i>	Date 7/21/81	Area Forest Supervisor Signature <i>Charles J. Spoder</i>	Date 7/25/81
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REGULAR AUCTION
MINNESOTA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY

NOTICE OF SALE OF STUMPAGE ON STATE LANDS IN
KOOCHICHING COUNTY

REGULAR AUCTION
(ORAL BID)

Notice is hereby given that I will offer for sale at public auction in Little Fork at 10:00 a.m. on Tuesday, September 1, 1981, timber belonging to the State of Minnesota. All tracts will be offered at the Area Forestry Office in Little Fork Minnesota.

Following is the list of lands upon which the timber is located, the estimated quantities of timber that will be offered and the appraised prices:

TRACT NO. 1 Koochiching County

Purchased by: _____ Permit # _____

SW $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 26, Twp. 65, Rge. 24W

Species/Product	Volume Unit	Appraised		Bid	
		Unit Price	Value	Unit Price	Value
White & Norway Pine					
Sawtimber	15 MBF	@ \$67.20	1008.00		
Aspen Pulp & Bolts	530 Cords	@ \$ 3.10	1643.00		
Cedar Pulp & Bolts	35 Cords	@ \$ 9.05	316.75		
Black Spruce Pulpwood	60 Cords	@ \$14.70	882.00		
Balsam Pulpwood	25 Cords	@ \$ 3.95	98.75		
Balm/Gilead Pulpwood	40 Cords	@ \$ 2.65	106.00		
White & Norway Pine					
Pulpwood	3 Cords	@ \$ 9.45	28.35		
		Total Value =	\$4082.85	Bid Total =	
		Advance Payment =	\$1021.00		

TRACT NO. 2 Koochiching County

Purchased by: _____ Permit # _____

NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Sec. 8; and NW $\frac{1}{4}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ NW $\frac{1}{4}$ of Sec. 9; Twp. 65, Rge. 24W

Species/Product	Volume Unit	Appraised		Bid	
		Unit Price	Value	Unit Price	Value
Mixed Pine Pulp &					
Jack Pine Bolts	155 Cords	@ \$14.30	2216.50		
Balsam Pulp & Bolts	80 Cords	@ \$ 6.95	556.00		
Black & White Spruce					
Pulp	40 Cords	@ \$17.50	700.00		
Red & White Pine					
Sawlogs	1 MBF	@ \$75.50	75.50		
White Spruce Sawlogs	.25 MBF	@ \$47.20	11.80		
Birch Pulpwood	9 MBF	@ \$ 3.45	31.05		
		Total Value =	\$3590.85	Bid Total =	
		Advance Payment =	\$898.00		

File all slash in big compact piles to be burned - no windrows.

REGULAR AUCTION

TRACT NO. 3 Koochiching County

Purchased By: _____ Permit # _____

SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Sec. 36, Twp. 65, Rge. 24W

<u>Species/Product</u>	<u>Volume Unit</u>	<u>Appraised</u>		<u>Bid</u>	
		<u>Unit Price</u>	<u>Value</u>	<u>Unit Price</u>	<u>Value</u>
Red & White Pine Sawlogs	26 MBF	@ \$83.20	2163.20		
Birch Pulp & Bolts	10 cords	@ \$ 5.10	51.00		
Balsam Pulp & Bolts	90 cords	@ \$ 7.25	652.50		
White Spruce Pulp & Bolts	15 cords	@ \$20.00	300.00		
Mixed Pine Pulpwood	5 cords	@ \$12.15	60.75		
Balm/Gilead Pulpwood	2 cords	@ \$ 3.70	7.40		

Total Value = \$3234.85 Bid Total = \$
 Advance Payment = \$809.00

Pile all slash in big compact piles so that it may be burned - no windrows.

Sale terms are attached. Cutting regulations and additional information may be obtained upon request from Little Fork Area DNR - Forestry Office.

The right is reserved to reject any and all bids.

MINNESOTA DEPARTMENT OF NATURAL RESOURCES

Joseph N. Alexander, Commissioner

by: Raymond B. Hitchcock
 Director
 Division of Forestry

Date at St. Paul, Minnesota, this 1st day of August, 1981.

REGULAR AUCTION

MINNESOTA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY

REGULAR AUCTION
ORAL BID TIMBER SALE

_____ COUNTY

_____ DATE

TERMS OF SALE

This sale is to be held pursuant to the provisions of Minnesota Statutes, Section 90.101. Timber shall be offered and sold by the same unit of measurement as it was appraised. The sale shall be made to the party who shall bid the highest price for all of the several kinds of timber advertised on each tract. None of the timber can be sold for less than the appraised prices as given herein, and any bidding over and above the appraised prices shall be by percentage in increases divisible by five (5), percent and added to the appraised price of each of the different kinds of timber advertised. No bid shall be accepted from any bidder having a delinquent timber sale account with the State, or from any bidder involved in a pending timber trespass case with the State.

ADVANCE PAYMENT

Purchasers of timber at this sale must pay, at the time of sale, twenty-five (25) percent of the value of the timber purchased, based on the estimated quantity and appraised price. The advance payment is listed after each tract. The advance payment will be kept on deposit by the State and applied against the billings for timber cut. It is not part of the security. If security is not furnished within the specified time, the 25% advance payment will forfeit to the State.

SECURITY

The purchaser must furnish security in the form of a corporate surety bond, cash, certified check, cashier's check, money order, assignable bonds or notes of the United States, an assignment of a bank savings account or investment certificate or an irrevocable bank letter of credit within ninety (90) days from the date of the sale, equal to the total bid value of the permit, LESS the amount paid as advance payment. All security shall be approved by the Attorney General as to form and execution. If security is not furnished within the specified time, the 25% advance payment will forfeit to the State.

PERMIT

A permit to cut and remove the timber from the lands will be issued to the purchaser. No permit shall be issued to any person other than the purchaser in whose name the bid is made. The permit will be issued for a period of no more than two (2) years. All the timber purchased on the permit must be cut within that time unless the Commissioner extends the permit beyond the expiration date. Extensions may be granted for, "good and sufficient reason", but the total of these extensions may not exceed three (3) years. In no case shall any permit, including extensions, be in effect more than five (5) years from the date of issuance.

REGULAR AUCTION

A condition of any extension shall be that the purchaser shall be liable to the State for interest on the entire unpaid purchase price at the rate of eight (8) percent per annum during the whole time of such extensions.

Please note special regulations for certain tracts.

REGULAR AUCTION
MINNESOTA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY

NOTICE OF SALE OF STUMPAGE ON STATE LANDS IN
KOOCHICHING COUNTY

REGULAR AUCTION
(Sealed Bid)

Notice is hereby given that I will offer for sale at public auction in Little Fork at 10:00 a.m. on Tuesday, September 1, 1981, timber belonging to the State of Minnesota. All tracts will be offered at the Area Forestry Office in Little Fork Minnesota.

Following is the list of lands upon which the timber is located, the estimated quantities of timber that will be offered and the appraised prices:

TRACT NO. 1 Koochiching County

Purchased by: _____ Permit # _____

<u>Species/Product</u>	<u>Volume Unit</u>	<u>Unit Price</u>	<u>Value</u>	<u>Unit Price</u>	<u>Value</u>
White & Norway Pine					
Sawtimber	15 MBF	@ \$67.20	1008.00		
Aspen Pulp & Bolts	530 Cords	@ \$ 3.10	1643.00		
Cedar Pulp & Bolts	35 Cords	@ \$ 9.05	316.75		
Black Spruce Pulpwood	60 Cords	@ \$14.70	882.00		
Balsam Pulpwood	25 Cords	@ \$ 3.95	98.75		
Balm/Gilead Pulpwood	40 Cords	@ \$ 2.65	106.00		
White & Norway Pine					
Pulpwood	3 Cords	@ \$ 9.45	28.35		

Total Value = \$4082.85 Bid Total =
Advance Payment = \$1021.00

TRACT NO. 2 Koochiching County

Purchased by: _____ Permit # _____

<u>Species/Product</u>	<u>Volume Unit</u>	<u>Unit Price</u>	<u>Value</u>	<u>Unit Price</u>	<u>Value</u>
Mixed Pine Pulp &					
Jack Pine Bolts	155 Cords	@ \$14.30	2216.50		
Balsam Pulp & Bolts	80 Cords	@ \$ 6.95	556.00		
Black & White Spruce					
Pulp	40 Cords	@ \$17.50	700.00		
Red & White Pine					
Sawlogs	1 MBF	@ \$75.50	75.50		
White Spruce Sawlogs	.25 MBF	@ \$47.20	11.80		
Birch Pulpwood	9 MBF	@ \$ 3.45	31.05		

Total Value = \$3590.85 Bid Total =
Advance Payment = \$898.00

Pile all slash in big compact piles to be burned - no windrows.

REGULAR AUCTION

TRACT NO. 3 Koochiching County

Purchased By: _____ Permit # _____

SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Sec. 36, Twp. 65, Rge. 24W

<u>Species/Product</u>	<u>Volume Unit</u>	<u>Appraised</u>		<u>Bid</u>	
		<u>Unit Price</u>	<u>Value</u>	<u>Unit Price</u>	<u>Value</u>
Red & White Pine Sawlogs	26 MBF	@ \$83.20	2163.20		
Birch Pulp & Bolts	10 cords	@ \$ 5.10	51.00		
Balsam Pulp & Bolts	90 cords	@ \$ 7.25	652.50		
White Spruce Pulp & Bolts	15 cords	@ \$20.00	300.00		
Mixed Pine Pulpwood	5 cords	@ \$12.15	60.75		
Balm/Gilead Pulpwood	2 cords	@ \$ 3.70	7.40		

Total Value = \$3234.85 Bid Total = \$
 Advance Payment = \$809.00

Pile all slash in big compact piles so that it may be burned - no windrows.

Sale terms are attached. Cutting regulations and additional information may be obtained upon request from Little Fork Area DNR - Forestry Office.

The right is reserved to reject any and all bids.

MINNESOTA DEPARTMENT OF NATURAL RESOURCES

Joseph N. Alexander, Commissioner

by: Raymond B. Hitchcock
 Director
 Division of Forestry

Date at St. Paul, Minnesota, this 1st day of August, 1981.

REGULAR AUCTION

MINNESOTA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY

REGULAR AUCTION
SEALED BID TIMBER SALE

_____ COUNTY

_____ DATE

TERMS OF SALE

This sale is to be held pursuant to the provisions of Minnesota Statutes, Section 90.101. Timber shall be offered and sold by the same units of measurement as it was appraised. None of the timber can be sold for less than the appraised prices per species as given herein. Bids for individual tracts must be submitted on bid forms to be provided, each bid sealed in a separate envelope clearly marked with the tract number and bidder's name on the outside of the envelope. Bid forms may be obtained upon request from _____. No bid shall be accepted from any bidder having a delinquent timber sale account with the State, or from any bidder involved in a pending timber trespass case with the State.

Bids for any specific offered tract may be submitted by mail or in person prior to the public opening of bids. The person submitting the bid assumes the responsibility of seeing that the bid is delivered to the appropriate forest officer prior to the sale.

ADVANCE PAYMENT

Each bid must be accompanied by the advance payment for that tract. The advance payment is listed on the notice of sale which is twenty-five (25) percent of the value of the timber purchased, based on the estimated quantity and appraised price. Any bid submitted without the advance payment will be rejected. Advance payments submitted by unsuccessful bidders will be returned.

The advance payment will be kept on deposit by the State and applied against the billings for timber cut. It is not part of the security. If security is not furnished within the specified time, the 25% advance payment will forfeit to the State.

SECURITY

The purchaser must furnish security in the form of a corporate surety bond, cash, certified check, cashier's check, money order, assignable bonds or notes of the United States, an assignment of a bank savings account or investment certificate or an irrevocable bank letter of credit within ninety (90) days from the date of the sale, equal to the total bid value of the permit, LESS the amount paid as advance payment. All security shall be approved by the Attorney General as to form and execution. If security is not furnished within the specified time, the 25% advance payment will forfeit to the State.

REGULAR AUCTION

FIRST OFFERING

The bid form will satisfy eligibility requirements for bidder registration. Bid price will be made on a monetary value per unit of measure for each product and species. The sale is to be awarded on the highest total offer for all such products and species. If two or more bidders tie on total bid value, the tract will be awarded by an unimpeded toss of a coin. In case of a multiple tie, the odd call of the coin will be awarded the sale. All bids will be opened and the tract awarded prior to proceeding to the following listed tracts of timber on the sale. A successful bidder may at any time withdraw any or all of his unopened bids. Advance payments submitted by unsuccessful bidders will be returned.

SECOND OFFERING

Individual tracts not awarded on the first offering will be offered orally at a second round of bidding. Interested persons will register prior to oral bidding. Bidding above the appraised prices shall be by percentages in increases divisible by five (5) percent and added to the appraised price of each of the different kinds of timber advertised.

PERMIT

A permit to cut and remove the timber from the lands will be issued to the purchaser. No permit shall be issued to any person other than the purchaser in whose name the bid is made. The permit will be issued for a period of no more than two (2) years. All the timber purchased by the permit must be cut within that time unless the Commissioner extends the permit beyond the expiration date. Extensions may be granted for, "good and sufficient reason", but the total of these extensions may not exceed three (3) years. In no case shall any permit, including extensions, be in effect more than five (5) years from the date of issuance.

A condition of any extension shall be that the purchaser shall be liable to the State for interest on the entire unpaid purchase price at the rate of eight (8) percent per annum during the whole time of such extensions:

Please note special regulations for certain tracts.

REGULAR AUCTION

AN EQUAL OPPORTUNITY EMPLOYER

MA-01930-01
10-0610-NA

FROM:

AFFIX CORRECT
AMOUNT OF
FIRST CLASS
POSTAGE

BID FOR:

TRACT NUMBER:

TO BE OPENED:

(ONLY ONE (1) BID PER ENVELOPE)

REGULAR AUCTION



STATE OF
MINNESOTA
DEPARTMENT OF NATURAL RESOURCES

BOX , CENTENNIAL OFFICE BUILDING • ST. PAUL, MINNESOTA • 55155

DNR INFORMATION
(612) 296-6157

FILE NO. 3460-1-1-2

September 4, 1981

The Blackduck American
Blackduck, MN. 56630

Gentlemen:

Enclosed please find a Notice of State Timber Sale for Koochiching
County. This notice is to be published on three consecutive weeks prior to
the date of sale. Perhaps Dec. 7, 14 & 21, 1981.

Please display the notice in the approximate overall size, but same format as
the attached copy using 24 point bold face caps for the headline (NOTICE OF
STATE TIMBER SALE), 12 point bold face caps for the county and name of town,
and 12 point bold face for the remainder of the notice.

After publication would you forward two copies of the affidavit of publication
and three copies of your invoice to: DNR Forestry, Route 5, Box 41A, Bemidji,
MN. 56601, Attn: Dale Peterson. When we receive your invoice, we will complete
processing for payment.

If for any reason you cannot comply with the publication date, or any other
unforeseen problems arise, please do not hesitate to contact us at (218) 755-2891.

Very truly yours,

Dale Peterson
Regional Staff Forester

DP:my

Enclosure

REGULAR AUCTION

NOTICE OF STATE TIMBER SALE
REGULAR AUCTION - ORAL BIDS
CARLTON COUNTY

10:00 a.m. Tuesday, December 4, 1979
Moose Lake Village Hall

Complete information may be obtained
From DNR Forestry Offices in
CLOQUET & MOOSE LAKE, MN.

NOTICE OF STATE TIMBER SALE
REGULAR AUCTION - SEALED BIDS
CARLTON COUNTY

10:00 a.m. Tuesday, December 4, 1979
Moose Lake Village Hall

Complete information may be obtained
From DNR Forestry Offices in
CLOQUET & MOOSE LAKE, MN.

REGULAR AUCTION

5. PROCEDURE FOR CONDUCTING REGULAR AUCTION SALES

a. For all Regular Auction Sales

- 1) Obtain the permit number from St. Paul that should be assigned to the first tract sold. To maintain the numerical sequence of permit numbers on the Notice of sale, assign permit numbers after the sale is completed in the event a tract is not sold until the second offering.
- 2) Notice of Sale copies shall be available to everyone at the sale.
- 3) Start at the designated time.
- 4) Announce bidding procedures.
- 5) Read the Notice of Sale in the following order: the first paragraph on the front page of the Notice of Sale, the terms of the sale, everything after the last tract including the Commissioner's name, Director's signature, and the date.
- 6) When all tracts have been sold, or at the completion of the second round of bidding, announce the sale closed. No more tracts can be sold.
- 7) The Region will prepare the Timber Sale Permit for each tract sold (see page C-6.1). Permit forms will include the address of the successful bidder and the date of sale. If the value was bid-up, round off to the nearest penny and figure the new total value that will be required for security. Depending upon the type of security furnished, fill in the appropriate spaces. The original and one copy of the permit is prepared and sent to the Permittee with instructions to return the original with his security to the Region. Permits will expire two years from the first day of the month in which the sale is held. For example: if a sale is held March 15, 1981, the permit will expire March 1, 1983.
- 8) If the successful bidder wants his permit as soon as possible and will be furnishing a cash bond, the permit can be typed in the nearest forestry office.
- 9) Immediately after the sale, the Region will send St. Paul a copy of the Notice of Sale (See page C-5.4) on which the purchaser's name and address, the bid price, and the permit number has been indicated for each tract. If a tract is not sold, write in "No Sale".
- 10) When the Permittee returns the completed permit with security to the Region, the Region will forward it to St. Paul for final approval. The security must be furnished within 90 days of the date of sale or the permit is cancelled and the purchaser forfeits his advance payment. The Region will keep a record of the date of sale

REGULAR AUCTION

and notify the purchaser 30 days prior to the expiration date if the security has not been received. The Region may grant an additional 30 days for obtaining the security if "good and sufficient reason" is received in writing prior to the expiration of the 90 day period.

- 11) The Region will complete the Auction Data Record Sheet and send it to St. Paul with the advance payment for each tract sold.

b. Oral Bid Sales

- 1) Offer the tracts in numerical order. Bidding is in 5 percent increments. Do not wait too long for a bid, but allow sufficient time for anyone to offer a bid.
- 2) Call the highest bid three times before declaring "Sold to...". Indicate the percent bid-up after each tract. Obtain from the successful bidder the complete name to whom the permit is to be issued, the mailing address, and type of security that will be provided. This should all be indicated on the Region's copy of the Notice of Sale.
- 3) If bidding for a particular tract gets too vigorous, call a short recess to allow the bidders time for some figuring. It is our responsibility to see that the State receives a fair price for its timber, but it is not in the State's interest for the operators to overbid.
- 4) Those tracts that did not sell on the first offering should be offered a second time. Once you have finished offering the tracts a second time, declare the sale closed. Do not sell any tracts after the sale is closed. Unsold tracts can be offered on a future sale.
- 5) The successful bidders are to pay the advance payment as listed for the tract as soon as the sale has been closed. The advance payment is not increased by the bid-up. Advance payments for several permits bought by the same bidder may be covered in one (1) check made out to the State Treasurer. Personal checks will be accepted.
- 6) Issue receipts for the permits bought.

c. Sealed Bid Sales

- 1) Do not accept bids after the designated starting time. Make sure bids have been marked with the bidder's name and tract number on the outside of the envelope. Place all envelopes containing bids for each tract number in separate manilla envelope or similar containers marked with the tract number. Do not allow bidders to see how many bids there are for any particular tract.

REGULAR AUCTION

- 2) Review bidding procedure for sealed bids, explain how and when bids can be withdrawn.
- 3) Open the bids for tract number one. Check the math on all bids. Any math errors in calculating "bid value" or "total bid" must be corrected. "Unit bid price" cannot be changed. Reject any unsigned bid, those without advance payment, or any with omissions in the "unit bid price: column. The tract will be awarded to the bidder having the highest "bid total". After all bids have been opened and checked announce the successful bidder.
- 4) Ties will be broken by the toss of a coin.
- 5) A successful bidder may withdraw any or all of his remaining unopened bids. Just prior to opening the manila envelope containing the bids for a tract, ask if any of the successful bidders wish to withdraw their bids. Unsuccessful bidders may NOT withdraw their bids.
- 6) Continue opening bids and awarding tracts until the first round is complete.
- 7) If any tracts remain unsold, they will be offered orally on the second round of bidding.
- 8) Return advance payments to all unsuccessful bidders. Retain all bid offerings for the Region File.

REGULAR AUCTION
MINNESOTA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY

NOTICE OF SALE OF STUMPAGE ON STATE LANDS IN
KOOCHICHING COUNTY

REGULAR AUCTION
(ORAL BID)

Notice is hereby given that I will offer for sale at public auction in Little Fork at 10:00 a.m. on Tuesday, September 1, 1981, timber belonging to the State of Minnesota. All tracts will be offered at the Area Forestry Office in Little Fork Minnesota.

Following is the list of lands upon which the timber is located, the estimated quantities of timber that will be offered and the appraised prices:

TRACT NO. 1 Koochiching County

Purchased by: Oscar Swendberg, Cohasset, MN 55721 Permit # A-1234

SW $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 26, Twp. 65, Rge. 24W

<u>Species/Product</u>	<u>Volume Unit</u>	<u>Appraised</u>		<u>Bid 10%</u>	
		<u>Unit Price</u>	<u>Value</u>	<u>Unit Price</u>	<u>Value</u>
White & Norway Pine					
Sawtimber	15 MBF	@ \$67.20	1008.00	73.92	1108.80
Aspen Pulp & Bolts	530 Cords	@ \$ 3.10	1643.00	3.41	1807.30
Cedar Pulp & Bolts	35 Cords	@ \$ 9.05	316.75	9.96	348.60
Black Spruce Pulpwood	60 Cords	@ \$14.70	882.00	16.17	970.20
Balsam Pulpwood	25 Cords	@ \$ 3.95	98.75	4.35	108.75
Balm/Gilead Pulpwood	40 Cords	@ \$ 2.65	106.00	2.92	116.80
White & Norway Pine					
Pulpwood	3 Cords	@ \$ 9.45	28.35	10.40	31.20

Total Value = \$ 4082.85 Bid Total = \$ 4491.65
Advance Payment = \$ 1021.00

TRACT NO. 2 Koochiching County

Purchased by: John Smith, Deer River, MN 56636 Permit # A-1235

NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Sec. 8; and NW $\frac{1}{4}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ NW $\frac{1}{4}$ of Sec. 9; Twp. 65, Rge. 24W

<u>Species/Product</u>	<u>Volume Unit</u>	<u>Appraised</u>		<u>Bid 5%</u>	
		<u>Unit Price</u>	<u>Value</u>	<u>Unit Price</u>	<u>Value</u>
Mixed Pine Pulp &					
Jack Pine Bolts	155 Cords	@ \$14.30	2216.50	15.02	2328.10
Balsam Pulp & Bolts	80 Cords	@ \$ 6.95	556.00	7.30	584.00
Black & White Spruce					
Pulp	40 Cords	@ \$17.50	700.00	18.38	735.20
Red & White Pine					
Sawlogs	1 MBF	@ \$75.50	75.50	79.28	79.28
White Spruce Sawlogs	.25 MBF	@ \$47.20	11.80	49.56	12.39
Birch Pulpwood	9 MBF	@ \$ 3.45	31.05	3.62	32.58

Total Value = \$3590.85 Bid Total = \$3771.55
Advance Payment = \$898.00

Pile all slash in big compact piles to be burned - no windrows.

REGULAR AUCTION

TRACT NO. 3 Koochiching

Purchased By: _____ Permit # _____

SW¼ SE¼ of Sec. 36, Twp. 65, Rge. 24W

Species/Product	Volume Unit	Appraised		Bid	
		Unit Price	Value	Unit Price	Value
Red & White Pine Sawlogs	26 MBF	@ \$83.20	2163.20		
Birch Pulp & Bolts	10 cords	@ \$ 5.10	51.00		
Balsam Pulp & Bolts	90 cords	@ \$ 7.25	652.50		
White Spruce Pulp & Bolts	15 cords	@ \$20.00	300.00		
Mixed Pine Pulpwood	5 cords	@ \$12.15	60.75		
Balm/Gilead Pulpwood	2 cords	@ \$ 3.70	7.40		

NOT SOLD

Total Value = \$3234.85 Bid Total = \$
 Advance Payment = \$ 809.00

Pile all slash in big compact piles so that it may be burned - no windrows.

Sale terms are attached. Cutting regulations and additional information may be obtained upon request from Little Fork Area DNR - Forestry Office.

The right is reserved to reject any and all bids.

MINNESOTA DEPARTMENT OF NATURAL RESOURCES

Joseph N. Alexander, Commissioner

by: Raymond B. Hitchcock
 Director
 Division of Forestry

Dated at St. Paul, Minnesota, this 1st day of August, 1981.

REGULAR AUCTION

6. TIMBER SALE PERMIT F-115

The Timber Sale Permit is prepared by the Region following the auction sale. The original and one (1) copy is sent to the purchaser to be completed and signed and one (1) copy is retained by the Region.

a. There are four sections to the permit:

- 1) Section I - Provisions of Timber Permit
This section contains the information about the permittee, the timber which was sold, the legal description, expiration date, and the regulations and conditions of the sale.
- 2) Section II - Security - Purchaser's Bond
This section contains the bonding requirements of the permit. It is divided into two (2) parts, A. Surety Bond, for those who furnish a surety bond, and B. Security in lieu of surety bond, for those who furnish other approved types of security.

The purchaser of an auction sale is required to provide security to the State of Minnesota equal to the bid value, less the advance payment, of all timber covered by the permit. This security must be furnished in the form of cash, certified check, cashier's check, a money order, assignable bonds or notes of the United States, an assignment of a bank saving account or investment certificate or irrevocable bank letter of credit or a surety bond within 90 days of the purchase date. Personal checks shall not be accepted. The Commissioner, for good and sufficient reason, may grant an extension of up to 30 days. If the security cannot be furnished, the permit is cancelled and the advance payment forfeited to the State as required by law. The purchaser is notified by letter from St. Paul in this case with a copy to all concerned.

The security is conditioned upon the faithful performance by the purchaser and his successors in interest of all the terms and conditions of the permit and all requirements of law in respect to such sales. This security becomes part of the permit and must be approved by the Commissioner. Securities in the form of cash are deposited with the State Treasurer as general revenue.

All securities remain with the State until the logging is completed and all the terms of the permit have been fulfilled by the purchaser. Authorization for the release of the securities will then be given by the Director. Failure by the purchaser to fulfill the terms of the permit can result in a claim against the security.

- 3) Section III - Certification
This is acknowledgement, by notarization, that the person signing the permit has authority to represent the permittee. Part A is for acknowledgement by a corporation and Part B is for an individual.

REGULAR AUCTION

- 4) Section IV - Commissioner's Approval
The permit becomes effective when this part is completed.

b. Completing the Permit

- 1) The Region types in all the pertinent information in Section I, including the applicant's name in the last part of the section (top of page 3). The name used for permittee and applicant must be the same. Use full names; do not use nicknames.
- 2) Permits will expire two years from the first day of the month in which the sale is held.
- 3) In Section II (security), type the purchaser's name where applicant appears. It must be the same as in Section I. Type in the bond value in both A and B parts of Section II.
- 4) The purchaser will sign as applicant on the second line under the typed name in Section I. His signature must be the same as the typed applicant's name unless he is signing for a company or partnership. In this case, the person must have signature authority for the company. When sending to Permittee for executing include check list. (See C-6.3)
- 5) If the purchaser is providing a surety bond, he will complete the surety bond part of Section II and will sign as principal under the applicant's name. The bonding company's attorney-in-fact must also sign under the surety's name and acknowledge his signature before a notary.
- 6) If the purchaser provides security other than a surety bond, Part B of Section III must be completed and the necessary security instruments attached. The local forester will sign Section II Part B for the Commissioner in this case and indicate what type of security is provided.
- 7) Either A or B of Section III must be notarized before the permit is completed by the purchaser.
- 8) When the permit is completed correctly, the Region will send it to St. Paul for the Commissioner's and Attorney General's approval. The original (See C-6.10) will remain in St. Paul; copies are sent to Permittee, Area, District, and Scaling Specialist.

REGULAR AUCTION
STATE OF MINNESOTA
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY

Office _____ Phone # _____

PERMITTEE'S CHECKLIST FOR TIMBER AUCTION SALE PERMITS

Date _____

To _____

Enclosed is one copy each of State Timber Sale Permit(s) # _____ you purchased in _____ County on _____ Acknowledgement is hereby made of your twenty-five percent down payment in the amount of \$ _____ paid at the time of purchase.

As described in the terms of the sale, you must now bond your permit in the amount of the full bid-up value minus the advance payment. Bonding can be provided by: 1) Cash, certified or cashier's check, or money order.

- 2) Surety bond.
- 3) Irrevocable letter of credit.
- 4) Assignable bonds or notes of the United States, or assignment of a bank savings account or investment certificate.

Security for your permit must be furnished within 90 days from the date of sale or your advance payment will be forfeited as prescribed by law.

Instructions on how to complete your permit:

- 1) Purchaser must sign the permit in the space under Applicant at the end of SECTION I, PROVISIONS OF TIMBER PERMIT, top of page 3.
- 2) If bonding is provided by cash or check, complete part B-SECURITY IN LIEU OF SURETY BOND (top of page 4) by filling in the check number and the date.
- 3) If bonding is provided by a surety bond, complete part A-SURETY BOND and ACKNOWLEDGEMENT BY ATTORNEY-IN-FACT
- 4) If bonding is provided by an irrevocable letter of credit or assignable bonds or savings, these papers must accompany the signed permit when it is returned.
- 5) The purchaser must have the permit notarized (his signature) by completing either PART A - ACKNOWLEDGEMENT - CORPORATE APPLICANT, or PART B - ACKNOWLEDGEMENT - INDIVIDUAL APPLICANT found in SECTION III, CERTIFICATION. (page 4)

When the above information has been inserted, return the completed copy of the Auction Permit Contract(s) to the Regional Forest Supervisor at _____. After approval as to form and execution, a copy of the permit will be mailed to you at the address provided. If you have any further questions or need any other assistance in the completion of your contract, feel free to write or call at the address or telephone number shown above.

REGULAR AUCTION

c. Letter of Credit (in Lieu of Bond for Auction Sales)

The sample letter on page C-6.5 exemplifies the documentation that should be used for a Letter of Credit as security on auction sales. It was patterned after a Letter used by the First National Bank of Baudette and has been reviewed and approved by the Attorney General's Office.

This sample letter should be provided to the bank when a permittee desires to secure a permit with a Letter of Credit. The bank must retype the letter on their own letterhead, fill in the blanks, and sign. The Region will provide the bank with the information necessary for the blank spaces.

REGULAR AUCTION
STATE OF MINNESOTA
DEPARTMENT OF NATURAL RESOURCES
TIMBER SALE PERMIT

Permit No. A1234
District 261
County Koochiching
Land School

I. PROVISIONS OF TIMBER PERMIT Date of Sale Sept. 1, 1981

Oscar Swendberg of Cohasset, Mn. 55721, having submitted the highest bid for certain timber offered at public sale in accordance with law and having submitted an advance payment in the amount of \$ 1,021.00 herewith makes application to the Commissioner of Natural Resources for a permit to enter upon and harvest timber growing or being upon the following described state lands.

SW $\frac{1}{4}$ NW $\frac{1}{4}$

Section 26 in Township 065 of Range 24W; and

APPRAISAL - Prior to said sale said timber had been duly estimated by state appraisers, from whose report it appears that the estimated quantity of said timber and the estimated value thereof is as follows:

15 MBF	White & Norway Pine Sawtimber	@	\$67.20 per MBF
530 Cds	Aspen Pulp & Bolts	@	\$ 3.10 per cord
35 Cds	Cedar Pulp & Bolts	@	\$ 9.05 per cord
60 Cds	Black Spruce Pulpwood	@	\$14.70 per cord
25 Cds	Balsam Pulpwood	@	\$ 3.95 per cord
40 Cds	Balm/Gilead Pulpwood	@	\$ 2.65 per cord
3 Cds	White & Norway Pine Pulpwood	@	\$ 9.45 per cord

Said timber was sold at the following prices: Bid up 10%

15 MBF	White & Norway Pine Sawtimber	@	\$73.92 per MBF
530 Cds	Aspen Pulp & Bolts	@	\$ 3.41 per cord
35 Cds	Cedar Pulp & Bolts	@	\$ 9.96 per cord
60 Cds	Black Spruce Pulpwood	@	\$16.17 per cord
25 Cds	Balsam Pulpwood	@	\$ 4.35 per cord
40 Cds	Balm/Gilead Pulpwood	@	\$ 2.92 per cord
3 Cds	White & Norway Pine Pulpwood	@	\$10.40 per cord

Special Conditions:

1. Full tree skid black spruce.
2. If white and Norway Pine are scaled tree length, they will be charged at 95% sawtimber and 5% pulpwood.

This permit shall become effective on the date of the Commissioner's approval and will expire on September 1, 1983, at which date all rights hereby conferred shall terminate. It shall be subject to the provisions of Minnesota Statutes, Chapter 88 and 90, and to the following conditions:

1. **PERSON AFFECTED** - The provisions of this permit shall apply to the holder of the permit, his agents, and every successor in interest or assignee of the permittee.

2. **TITLE** - Title to all timber described in this permit shall remain in the State until scaled. [M.S. 90.181 (2)]

3. **LIABILITY** - The permittee shall be liable to the State for the full permit price of all timber covered hereby including timber which he fails to cut or remove within the time and in the manner provided in this permit. The actual amount of timber sold under this permit is not limited to the above estimate and all such timber on the designated cutting area shall be removed according to the cutting regulations furnished the purchaser. This liability shall continue notwithstanding injury to the timber from natural causes, Acts of God, or human acts including vandalism, trespass, or theft, and without prejudice to the right of the state to pursue such timber and recover the value thereof anywhere prior to payment therefor in full to the state. [M.S. 90.151 (3) (4)]

4. **EFFECTIVE DATE** - Permittee shall not commence any operations pursuant to this permit, including cutting or clearing building sites and logging roads, until this permit application is approved pursuant to Section IV of this instrument. [M.S. 90.151 (6)]

5. **REPORTS** - Each year before cutting any timber, permittee shall submit a written notice of intent to cut timber, as required by Minnesota Statutes Sec. 88.13. The Commissioner may require the permittee to submit such additional reports from time to time as he deems necessary on a form prescribed by the Commissioner. [M.S. 90.151 (5)]

6. **SCALING** - All timber shall be scaled, except as otherwise provided in this permit. Such scaling shall be conducted by a person authorized by the Commissioner. All such products shall be scaled upon the lands above described before being removed or at such other point as is designated in writing by the Commissioner. The report rendered pursuant to such scale shall be conclusive between the state and the permittee unless a rescale thereof shall be made by direction of the Commissioner in the manner provided by statute, and when so made, said rescale shall be conclusive upon both parties hereto. [M.S. 90.251, 90.252, 90.281]

7. **PEELED WOOD** - Pulpwood scaled after hand peeling will be increased ten (10 percent. Pulpwood scaled after machine peeling will be increased by twenty (20) percent.

8. **UNIT OF MEASURE** - Timber sold by board measure but later determined by the Commissioner not to be convertible into board measure shall be paid for by the piece or cord or other unit of measurement according to the size, species, or value of each piece or cord as may be determined by the Commissioner. [M.S. 90.151 (4)]

9. **MARKS** - The state timber marks shall be "Minn." unless otherwise authorized in this permit by letter, an alternate landing agreement or a consume scale agreement. The permittee shall plainly place specified marks upon a sufficient number of pieces to adequately identify the time from the time of cutting until delivered to the consumer. The permittee shall provide continuous identification of the cut timber until it is scaled. In case of failure to mark the cut timber as specified in this permit, the state has the right to take possession of the cut timber. [M.S. 90.151 (2)]

10. **SALAVAGE TIMBER** - If after this scale is made, the Commissioner deems it advisable to salvage or remove for proper forest management certain unsold timber within the permit area, he may, with the written consent of the permittee, cause such timber to be appraised and added to the permit. Such timber shall be accounted for in the same manner as the timber originally sold. [M.S. 90.151 (12)]

11. **OPTIONAL TIMBER** - Optional timber, if listed on the permit, will not be considered a part of the sale contract until the permittee has notified the Commissioner in writing of his intent to cut such timber. Upon his election to cut the optional timber, the permittee shall cut all products and volumes as appraised.

12. **SLASH DISPOSAL** - The permittee shall dispose of all slashings or other refuse resulting from cutting operations, in the manner provided by this permit or, if not provided by this permit, then in the manner provided by law. The permittee shall pay the state for any and all damage to other timber on state lands which may result from their negligence in such slash disposal. [M.S. 90.151 (9); 88.14]

13. **CONSERVATION** - During the life of this permit, the permittee shall, both independently and in cooperation with the Division of Lands and Forestry, take all reasonable and practical action to prevent and suppress forest fires, erosion, and despoliation of natural resources in the permit area and vicinity.

14. **TRESPASS** - Any timber damaged or removed without the authority of or in violation of the terms of this permit or of any law shall constitute a timber trespass as defined in Minnesota Statutes, Section 90.301. [M.S. 90.151 (8)]

15. **CANCELLATION** - The Commissioner may order suspension of all operations under the permit or cancellation of the permit when in his judgment the conditions hereof have been violated. The Commissioner may, at his election, repossess the timber cut. Any timber cut during suspension or after cancellation shall be deemed to have been cut in trespass. [M.S. 90.151 (8)]

16. **OTHER PERMITS** - If the permittee at any time fails to pay any obligations to the state under this or any other permits, any or all of his permits may be cancelled. [M.S. 90.151 (8)]

17. **EXTENSIONS** - No application for extension of this permit shall be considered unless received prior to the expiration date of this permit. Six percent will be charged on the uncut balance for each extension.

18. **REMOVAL OF EQUIPMENT** - All cut timber, buildings, and equipment must be removed from the land within ninety (90) days after termination of this permit, or it shall become the property of the state. The Commissioner may grant an additional period of time not to exceed one hundred twenty (120) days for the removal of cut timber, equipment, and buildings, upon request by the permittee for good and sufficient reasons. [M.S. 90.151 (1) (8)]

19. **STANDARDS** - The timber harvested under this permit shall be utilized according to the following standards:

a. The stump height shall not exceed stump diameter.

- | | | | | |
|----|---|------------------------|----------|--------------------|
| 1. | <u>Aspen and Balm of Gilead</u> | shall be utilized to a | <u>4</u> | inch top diameter. |
| 2. | <u>N & W Pine, Cedar, Black Spruce and Balsam</u> | " " " " " | <u>3</u> | " " " |
| 3. | _____ | " " " " " | _____ | " " " |
| 4. | _____ | " " " " " | _____ | " " " |

c. Merchantability standards

1. Hardwood logs shall be deemed merchantable if their top diameter exceeds 8 inches and if they contain not more than fifty percent (50%) defect.

2. Conifer logs shall be deemed merchantable if their top diameter exceed 6 inches and if they contain not more than sixty-seven percent (67%) defect.

d. Maximum trim allowable shall be four (4) inches for logs less than sixteen (16) feet in length and six (6) inches for logs sixteen (16) feet or longer in length.

20. **CUTTING REGULATIONS** - Forest officers under the direction of the Commissioner will establish cutting regulations and may reserve unto the state areas of timber of any class that may be growing upon any of the lands enumerated herein. All areas of timber or trees so reserved shall be properly designated in advance of logging operations.

21. **SECURITY** - Attached herewith and made a part of this application is a surety bond (Section II A) or a security in lieu of surety bond (Section II B). [M.S. 90.161, 90.173]

22. **ADDITIONAL REQUIREMENTS** - This permit is subject to such additional requirements as may be indicated in the attached Timber Appraisal Report and to any alternate landing or consumer scale agreement involving this permit.

23. **ACTIONS** - The state may bring an action to restrain the further cutting or removal of timber or the further entry of the permittee upon any of the lands described above when in the opinion of the attorney general any terms of the permit have been violated. Such action shall be without prejudice to any other action or proceeding on behalf of the state. [M.S. 90.151 (10)]

24. **ASSIGNMENTS** - No assignment of this permit shall be valid or of any force or effect unless made, filed, and approved in the form and manner required by law. [M.S. 90.171]

Date Sept. 14, 1981

(Seal--if applicant in corporation)

Applicant

By _____

By _____

II. SECURITY
A. SURETY BOND

KNOW ALL MEN BY THESE PRESENTS, that we, Oscar Swendberd of Cohasset, MN 55721
(applicant)

as principal, and _____

as surety, are jointly and severally bound to the State of Minnesota in the sum of \$4,491.65 dollars.

To the payment of this well and truly to be made we bind ourselves, our representatives and successors, respectively, firmly by these presents.

Sealed with our seals and dated this _____ day of _____, 19____.

The condition of this obligation is such that whereas, under the provisions of the statute in such case made and provided, the state has granted a permit for the cutting and removal by the principal of certain timber from the above described premises.

Now, if the principal and his or its successors in interest shall faithfully comply with all the terms and conditions of said permit, and any duly granted extensions thereof, and shall fully perform the terms thereof, and shall keep, perform and obey all the requirements of law in respect to such timber sales and shall pay to the state all such sums of money as shall accrue to it under said permit, then this obligation shall be void, but otherwise shall remain in full force and effect.

Principal (Applicant)

By _____

(Seal--if principal is a corporation).

Surety _____

(Seal)

ACKNOWLEDGMENT BY ATTORNEY-IN-FACT

STATE OF MINNESOTA)
) ss.
COUNTY OF _____)

On this _____ day of _____, 19____, before me appeared _____

_____ to me personally known who being duly sworn did say that ___ he ___ is (are) the Attorney(s)-in-fact of the _____, corporation duly licensed to conduct its business in the State of Minnesota; that the attached power of attorney is a valid, and effective instrument; that the seal affixed to the foregoing surety bond is the corporate seal of the corporation, and that said surety bond was executed in behalf of the corporation by authority of its Board of Directors and affiant(s) acknowledge(s) said surety bond to be the free act and deed of the corporation.

Notary Public

_____ County, Minnesota

My commission expires _____

B. SECURITY IN LIEU OF SURETY BOND

Receipt is hereby acknowledged of the amount of _____ tendered by applicant in the form of cash, a certified check, or a cashier's check No. _____ dated _____, 19____, to be deposited with the State Treasurer in lieu of a bond.

Commissioner of Natural Resources
By _____
Forest Officer

III. CERTIFICATION

A. ACKNOWLEDGMENT - CORPORATE APPLICANT

STATE OF MINNESOTA)
COUNTY OF _____) ss.

On this _____ day of _____, 19____, before me appeared _____ and _____ to me personally known, who, being by me duly sworn did say that the said _____ is president, and the said _____ is secretary of the corporation; that the seal affixed to the foregoing application and surety bond is the corporate seal of the corporation, and that the foregoing were executed in its behalf by authority of its board of directors; and they also acknowledged the foregoing to be the free act and deed of the corporation.

Notary Public

County, Minnesota
My commission expires: _____

B. ACKNOWLEDGMENT - INDIVIDUAL APPLICANT

STATE OF MINNESOTA)
COUNTY OF _____) ss.

On this _____ day of _____, 19____, before me personally appeared _____ to me known to be the person described in and who executed the foregoing application and surety bond, and acknowledged that he executed the same as his free act and deed.

Notary Public

County, Minnesota
My commission expires _____

IV. COMMISSIONER'S APPROVAL

The Commissioner of Natural Resources herewith approves and grants a permit to the applicant to cut such timber upon such lands and subject to such conditions as set forth in the above permit.

Dated this _____ day of _____, 19____.

Commissioner of Natural Resources
By _____

Approved as to form and execution

Attorney General
By _____
Special Assistant Attorney General
Department of Natural Resources

Date _____

REGULAR AUCTION



STATE OF
MINNESOTA

DEPARTMENT OF NATURAL RESOURCES

BOX , CENTENNIAL OFFICE BUILDING • ST. PAUL, MINNESOTA • 55155

DNR INFORMATION
(612) 296-6157

DIVISION OF FORESTRY

FILE NO. _____

Date :

To:

Dear Sir:

Attached are your copies of the following State Timber Permits.
The Surety furnished has been approved, and it is now in effect.

Prior to any cutting, please notify the Area Forest Supervisor,
_____ and secure clearance
for any necessary roads, campsites, and/or landings.

Very truly yours,

William A. Berndt, Forester
Timber Sales

WAB:jg
Attachment

cc: Area
E.A. Jamrock
Region

REGULAR AUCTION

7. EXTENSIONS

Regular auction permits can be issued for periods of up to two years. If additional time is needed to complete the permit, the Commissioner may grant extensions for periods of one year or less. Any number of extensions can be granted, but the total of the extensions cannot exceed three years. The total life of a permit including extension cannot exceed five years. Eight percent simple interest is charged on the unpaid balance during the extension periods.

The Area will notify the permit holder well in advance of the expiration date, listing the permit(s) which will expire. (page C-7.3 and C-7.4) If an extension is needed, the permit holder must request the extension by letter giving the reason for the extension prior to the expiration date.

The permit holder is advised by letter from St. Paul of the action taken by the Commissioner regarding his request for an extension.

Expiring permits for which no request for extension is received from the permittee or recommended by the Area will be closed. A final Timber Scale Report is completed and submitted to St. Paul immediately after the expiration date.

The District Forester will make the recommendations as to whether or not a permit should be extended. It is important to consider the permittee's problems, but it is even more important to protect the State's interest. Extensions are not to be granted automatically. The permittee must justify the need and the District Forester must make a determination of the need considering the factors listed below.

a. Factors to consider in granting an extension:

- 1) The effects of the extension on management of the permit area.
- 2) Possible loss of timber volume if not extended.
- 3) Possible loss of timber volume if extended.
- 4) The permittee's reason for needing the extension.
- 5) The permittee's ability to complete the permit if granted the extension.
- 6) Delinquent accounts. All delinquent accounts must be paid prior to the expiration date before an extension can be granted.

b. Extension Procedures:

- 1) On the first of each month, St. Paul will send each Area a list of those permits which will expire in two months. (Copy to Region)

REGULAR AUCTION

- 2) The District will be requested to check these permits and advise the Area whether or not the permits should be extended, and if so, how long. If extensions are for less than one year no additional extensions will be granted.
- 3) The Area and/or District shall contact the permit holder so all extension problems can be worked out before letters are sent.
- 4) The Area will notify the permit holder by letter which permits will be expiring and are eligible for an extension. (C-7.3 and C-7.4)
- 5) The Area will notify the permit holder by letter if the permit will not be extended (C-7.6). A final Timber Scale Report will be completed and submitted to St. Paul immediately after the expiration date of the permit.
- 6) The Area will notify St. Paul what permits should be extended and for how long.
- 7) The actual extension will be granted by St. Paul after the extension request is received from the Area. (See page C-7.5) Copies of the extension will be sent to the Region, Area, Scaling Specialist and Bonding Co.

c. Scaling Extensions

When it is not possible to scale the cut products before the permit expires an extension should be granted for scaling only. The extension cannot exceed the time allowed for removal of cut products, building and equipment and should clearly state that no more timber can be cut. (See G-6.1, G-6.2)



STATE OF
MINNESOTA
DEPARTMENT OF NATURAL RESOURCES

CENTENNIAL OFFICE BUILDING • ST. PAUL, MINNESOTA • 55155

DNR INFORMATION
(612) 296-6157

File No. _____

Date:

To:

Dear _____:

Listed below is the State Timber Permit(s) in your name that will expire on _____.

If you wish to extend any of these permits it will be necessary to request an extension before the expiration date. All requests for extensions must be in written form and state the reasons for the extension.

An interest rate of 8 percent per year is charged on the uncut balance during the extension period.

Very truly yours,

Chuck Spoden,
Area Forester



REGULAR AUCTION

STATE OF
MINNESOTA

DEPARTMENT OF NATURAL RESOURCES

BOX , CENTENNIAL OFFICE BUILDING • ST. PAUL, MINNESOTA • 55155

DNR INFORMATION
(612) 296-6157

DIVISION OF FORESTRY

FILE NO. _____

Date:

To:

Dear _____:

Listed below are the State Timber Permits in your name that will expire on:

In checking our records we find the following unpaid balances including interest:

<u>Permit #</u>	<u>Balance Due</u>
-----------------	--------------------

If you will be unable to complete any of these permits before the expiration date, you may request an extension of one year Provided the above amount is paid in full prior to the expiration date. All requests for extensions must state the reason for the request and must be submitted before the expiration date.

An interest rate of eight percent per year is charged on the uncut balance during the extension period.

Very truly yours,

Chuck Spoden
Area Forester

cc: Region
Bonding Company
St. Paul

REGULAR AUCTION



STATE OF
MINNESOTA
DEPARTMENT OF NATURAL RESOURCES

BOX , CENTENNIAL OFFICE BUILDING • ST. PAUL, MINNESOTA • 55155

DNR INFORMATION
(612) 296-6157

DIVISION OF FORESTRY

FILE NO. _____

Date:

To:

Dear _____:

This is to advise that the Commissioner of Natural Resources has granted an extension of time on the following State Timber Permits for the period of one year. These permits will remain in effect until _____, unless completed earlier.

An interest rate of 8 percent will be charged on the unpaid balance during the extension period.

Very truly yours,

William A. Berndt, Forester
Timber Sales

WAB:jg

cc: Area
Bonding Company
Region
Scaling Specialist

C-7.5

AN EQUAL OPPORTUNITY EMPLOYER

REGULAR AUCTION



STATE OF
MINNESOTA

DEPARTMENT OF NATURAL RESOURCES

BOX , CENTENNIAL OFFICE BUILDING • ST. PAUL, MINNESOTA • 55155

DNR INFORMATION
(612) 296-6157

DIVISION OF FORESTRY

FILE NO. _____

Date:

To:

Dear _____:

Auction permit # _____ will have been in effect
for the full term of the permit on _____.
No more extensions can be granted.

In reviewing the permit, we find that a portion of the timber
remains to be cut. Whatever remains to be cut when the permit
expires is charged against the permit holder on the final billing.
Therefore, it will be in your interest to cut all, or as much as
possible, before that time. You have an additional 90 days to
remove the cut products from the permit area after the expiration
date.

Very truly yours,

Chuck Spoden
Area Forester

WAB:jg

cc: Region
St. Paul

REGULAR AUCTION

8. ANNUAL AND FINAL TIMBER SCALE REPORTS (F-116)

- a. An Annual Scale Report of cutting (see page C-8.2) will be prepared for auction permits immediately after the anniversary date of the permit and sent to St. Paul. The report is a summary of all timber cut during the past year up to the anniversary date. If there was no activity, "No Cutting" should be written across the face of the form.

The percent of the permit remaining uncut must be shown on all annual reports. Page G-3.2 of the scaling manual describes the method of determining this percent. If the permit is bonded by a cash bond, sufficient bonding must be maintained to cover the value of the remaining uncut timber. This will require a more accurate appraisal of the uncut timber than permits which have other forms of bonding, but in all cases, care must be taken to insure that the value of timber already cut but not paid for and the value of the timber remaining to be cut does not exceed the amount of the bond. For a cash bond, the actual value of the remaining uncut timber will be calculated and inserted in the "value uncut" space.

Annual reports for "Sold on Appraised Volume" auction permits will be submitted with the phrase "sold on appraised volume" written or typed across the face of the report. An estimate of the percent uncut will be shown on the scale report as the permittee is charged for what was cut. When security is a cash bond, the amount due (based on the percentage cut) will be deducted from the cash bond (for record purposes only and will be kept in the permit file). No billing will be sent to the permit holder. When security is other than a cash bond, a billing will be sent to the permit holder based upon the percentage of the volume cut.

- b. A final scale report (page C-8.3) will be prepared and sent to St. Paul as soon as possible after completion of the permit. All products cut since the last annual report are included in the final report. A large over or under run requires an explanation in the remarks section or by separate memo.
- c. Both the annual and final reports must use the same units of measurement as designated in the permit. If the scale was made by some other unit of measurement, the volume should have been converted in the scale report to the unit listed on the permit.
- d. Filling out the F-116
See Scaling Manual, pages G-3.1 and G-3.2.

REGULAR AUCTION

9. ACCOUNTS

a. Billing - Timber Permit Invoice (F-123)

- 1) A Timber Permit Invoice is prepared in St. Paul at least annually on the anniversary date of the permit or when the permit is completed. The invoice can be prepared more often and this may be advisable if the permit appears to be over-running the estimate. (See page H-1.1)
- 2) Five copies of the Invoice are prepared from the annual or final Timber Scale Report submitted by the Area. Two copies are sent to the permit holder, one to the appropriate Area, one is filed in the permit folder, and one in the Auditor's file (chronologically).
- 3) The permittee retains one copy and returns the other with his payment.
- 4) A list is maintained by St. Paul showing the permit number, permittee, date billed, and amount due. The list is continually checked to note any past due (30 days) accounts. If not paid within 30 days (see Delinquent Accounts below), a reminder letter is sent to permittee with a copy to the Area. A second reminder is sent in 60 days with a copy to the Area and to the bonding company involved, if bonded. After 90 days without payment, the account is considered delinquent and is turned over to the Attorney General's Office for collection. (See H-3.1)
- 5) In case of default in payment of any of the money due, the bond (or whatever security was furnished) is seized and the full amount due deducted from the cash bond or collected from the security.
- 6) When the correct payment has been received, the information regarding the invoice is removed from the list. Notice of payment is sent to the bonding company with copies to the permit holder and the Area. (See page C-9.3)

b. Delinquent Accounts

An account becomes "past due" if not paid in 30 days. If not paid in 90 days, it is considered delinquent and is turned over to the Attorney General for collection.

Even though auctions are bonded, there is still a possibility that the bond may not be sufficient to cover all timber cut on the permit. Permits secured with a cash bond have a greater potential for becoming delinquent. If care is used in calculating the value of the standing timber for each annual report so enough cash bond can be retained to secure the remaining timber, the potential for a delinquent account will be greatly reduced. (See page H-3.1 for procedure)

REGULAR AUCTION

NA-02138-02
(F-123) Rev. 9/81



TIMBER PERMIT INVOICE

Permit Number	A1234
Type of Sale	2
Type of Land	1
Date of Invoice	10/1/83

TO:
Mr. Oscar Swendberg
Cohasset, MN 55721

REMIT PAYMENT TO:
DNR - Div. of Forestry
Box 44, Centennial Bldg.
658 Cedar Street
St. Paul, MN 55155

Following is a statement of timber cut under State Timber Permit described below. Please submit the total value due, by check, payable to the MINNESOTA STATE TREASURER, to THIS OFFICE. 13 percent per annum penalty must be charged on all accounts not paid within thirty (30) days if such interest exceeds \$1.00. If payment is not received within ninety (90) days, your account will be forwarded to the Attorney General for collection.

Section	Township	Range	County	Region, Area and District Number
26	065	24W	36 Koochiching	261

Kind of Timber	Log Pieces	Size	Quantity	Unit	Unit Price	Total Value
Norway & White Pine Logs			15.37	MBF	73.92	1,136.15
Aspen Pulp & Bolts			181.31	Cds.	3.41	618.27
Balm/Gilead Pulpwood			45.29	Cds.	2.92	132.25
Balsam Pulpwood			11.06	Cds.	4.35	48.11
Norway & White Pine Pulpwood			3.92	Cds.	10.40	40.77

Final Billing
 Annual Billing

Value Uncut Timber
\$

CASH BOND ONLY	
Cash Bond remaining after last invoice	\$
Cash Bond required after this invoice	\$
Amount of Bond for credit to this invoice	\$

Value of Timber Cut \$ 1,975.55
 Credit for Advance Payment 1,021.00
 Sub-Total 954.55
 Taxable Value _____ X 5% _____
 Interest for Ext. _____ Yrs. _____ Da. _____
 Sub-Total _____
 Credit Cash Bond _____
 Sub-Total _____
 Previous Balance Due _____
 Interest on Previous Balance _____
 Total Amount Due This Statement \$ 954.55

Area Forest Supervisor Signature
Charles J. Spoden

SUBMIT ONE COPY OF INVOICE WITH PAYMENT AND RETAIN ONE COPY FOR YOUR RECORD

STATE OF MINNESOTA
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY

Date: Dec. 2, 1981

To: Western Surety Co.
908 West Ave. No.
Sioux Falls, So. Dakota 57101

Gentlemen:

This is to advise that final payment has been received for the following State Timber permits on the dates indicated. Will you please notify your agent that these permits have been completed and bond is no longer required. These permits are now closed in our records:

<u>Permit No.</u>	<u>Permit Holder</u>	<u>Date Completed</u>	<u>Bond Number</u>
A-4197	Boise Cascade	11-10-81	06530017563
A-4198	Boise Cascade	11-12-81	06630027649

This is to advise that seasonal payment has been received for the following permits, and the status of these permits is as indicated:

<u>Permit No.</u>	<u>Permit Holder</u>	<u>Percent Remaining</u>	<u>Bond Number</u>
A-4196	Boise Cascade	25%	07106010561

Very truly yours,

For the Director
DIVISION OF FORESTRY

BY: _____
Staff Forester
Timber Sales

cc: Area 25
Permittee

REGULAR AUCTION

c. Refunds

Refunds can occur when a cash bond is used. (See page H-2.1 for procedures)

10. ASSIGNMENT OF STATE TIMBER SALE PERMIT (F-112)

Minnesota Statutes, Section 90.171, state that "Any permit sold at Public Auction may be assigned upon written approval of the Commissioner". Before a permit can become effective for any purpose, good and valid security must be furnished to the State of Minnesota (See page C-6.1).

Assignments of auction sale timber permits are initiated by the permit holder with a letter to St. Paul. The request must include the name and address of the assignee and the date such assignment is to take place.

Upon receipt of the request, the Assignment will be prepared by St. Paul and sent to the permit holder for signature and acknowledgment of the permittee. The Assignment cannot be approved by the Commissioner until the assignee has given to the State a bond required of the original purchaser. There is a possibility that the original permittee may not be fully released from liability unless the same bonding company is used. The Assignment is then returned to St. Paul by the permittee for approval.

After approval by the Commissioner and Attorney General, one copy is sent to the assignee. Copies of the letter of transmittal are sent to the original permittee, Area Forest Supervisor, and the Scaling Specialist. Upon receipt of the letter, all records in St. Paul, the Area, and District offices are to be changed to show the assignee's name and address instead of the purchaser's name and address. The original copy is stapled to the original permit on file in St. Paul.

REGULAR AUCTION

F-112
Rev. 3/75

MINNESOTA DEPARTMENT OF NATURAL RESOURCES

ASSIGNMENT OF STATE TIMBER SALE PERMIT

KNOW ALL MEN BY THESE PRESENTS, That _____

_____ the purchaser of certain timber upon the following state lands, situated in the county of _____ known and described as follows, to wit: _____

Section _____ in Township _____ of Range _____ and described in State Timber Sale Permit No. _____,

for and in consideration of the sum of One and no/100 (\$1.00) dollar, and other good and valuable consideration, the receipt whereof is hereby acknowledged, and in accordance with the provisions of the statute referred to in paragraph twenty-four (24) of the said Permit, hereby assign and transfer said Permit and all of _____ rights and obligations thereunder to _____

_____ of _____ in the State of _____, subject to the approval of the Commissioner of Natural Resources as provided by law.

Dated this _____ day of _____, 19__.

(SEAL)

Assignor

BY _____

Title _____

INDIVIDUAL ASSIGNOR

STATE OF MINNESOTA)
) ss.
COUNTY OF _____)

On this _____ day of _____, 19__, before me appeared

_____ to me personally known to be the identical person described in and who executed the foregoing obligation and acknowledged that he executed the same as _____ free act and deed.

Notary Public, _____ County, MN

My commission expires _____

REGULAR AUCTION
CORPORATE ASSIGNOR

STATE OF MINNESOTA)
) ss.
COUNTY OF _____)

On this _____ day of _____, 19____, before me appeared

_____ to me personally known, who being by me duly sworn, did say that the said _____ is president and the said _____ is secretary of the corporation; that the seal affixed to the foregoing instrument is the corporate seal of said corporation, and that the said instrument was executed in its behalf by authority of its board of directors and they also acknowledged said instrument to be the free act and deed of said corporation.

Notary Public, _____ County, MN
My commission expires _____

KNOW ALL MEN BY THESE PRESENTS, that Whereas Timber Sale Permit No. _____ was originally issued by the State of Minnesota to _____, and whereas _____, 19____, assigned _____ interest in said permit to _____ of

_____, said assignee or successor in interest, hereby agrees to undertake and abide by all of the obligations and conditions of the original Timber Sale Permit No. _____ as though such Permit had originally been issued by the State to said assignee.

Dated this _____ day of _____, 19____.

(SEAL)

Assignee

BY _____

Title _____

SECURITY

KNOW ALL MEN BY THESE PRESENTS, that we, _____ as principal, and _____ as surety, are jointly and severally bound to the State of Minnesota in the sum of _____ dollars.

To the payment of this well and truly to be made, we bind ourselves, our representatives and successors, respectively, firmly by these presents.

Sealed with our seals dated this _____ day of _____, 19____.

The condition of this obligation is such that whereas, under the provisions of the statutes in such case made and provided, the state has granted a permit for the cutting and removal by the principal of certain timber from the above described premises.

SECTION D
AUCTION SALE OF STATE TIMBER
INTERMEDIATE-AUCTION

INTERMEDIATE AUCTION

1. GENERAL REGULATIONS

a. Legislation

The 1981 Legislature amended the Timber Sale Laws to facilitate the sale of state timber and to make it more available to small businesses and independent timber operators. A major part of this legislation was the addition of a second type of auction sale. This sale was specifically designed to enable independent timber operators to compete more successfully in the auction process, and thereby reduce their dependence on informal permits. This is done by preventing large companies from bidding, and limiting the number of tracts anyone may hold at one time.

All provisions of the regular auction apply unless otherwise specified under Section 90.121 of the state statutes. Any conditions not specified on page D-2.1 are covered on page C-2.1.

- b. The intermediate auction statute provides that the Commissioner may sell the timber on any tract of state land in lots not exceeding \$7,000 in appraised value, in the same manner as timber sold at public auction under Section 90.101, and related laws, subject to the following special exceptions and limitations:

- 1) Sales shall be at the forest office or other public facility most accessible to potential bidders or close to where the tract is located;
- 2) The Commissioner's list describing the tract, quantity of timber, and appraised price shall be compiled not less than 30 days before the date of the sale;
- 3) Notice of the sale shall be published at least once, not less than one week before the date of the sale;
- 4) No bidder may be awarded more than 25 percent of the total tracts offered at the first round of bidding unless fewer than four tracts are offered, in which case, not more than one tract shall be awarded to one bidder. Any tract not sold shall be available for a period of 90 days for purchase by persons eligible under this section at the appraised value;
- 5) No person may hold more than four permits issued under this section and no sale may be made to a person holding four permits which are still in effect or to a person having more than 20 employees.

INTERMEDIATE AUCTION

c. Procedures

- 1) An auction sale may be made by either an oral or sealed bid process. Oral bids are in increments of 5 percent of the appraised value of all products subject to bidding. The sealed bid process allows separate bids for each species or product with the highest total bid for all species and products determining the successful bidder. The successful bidder must pay 25 percent of the appraised value at the time of the sale. Within 9 months of the sale, he must also supply security equal to the difference between the advance payment and the total bid value. Harvesting may not begin until security is approved.
- 2) Unsold tracts will be made available at the Area Headquarters for 90 days from the date of sale and will be sold on a first come, first served basis at the appraised value.
- 3) Permits are issued for up to one (1) year. A one year extension may be allowed without interest. A second one year extension may be granted with 8% interest on the unpaid balance.
- 4) There is no legal minimum value for an individual tract to be offered at an auction sale. The maximum appraised value of a tract that may be offered is \$7,000. Bidding may increase the sold price of a tract beyond the maximum appraised value.
- 5) The description, appraisal, and required advance payment of all tracts included in each sale will be filed in the Timber Sales Book in St. Paul before the sale. The name, address, and bid of each successful bidder is added after the sale.
- 6) After the sale is completed, the Area will list by tract number on the Notice of Sale the permit number, name of the successful bidder, the bidder's address, and the bid price. The Notice of Sale will then be sent to St. Paul where a copy will be filed in the Timber Sales Book.

INTERMEDIATE AUCTION

2. SPECIFIC CONDITIONS

- a. Intermediate Auction Sales include tracts located within the District or Area, but are not limited to one county.
- b. The sale is to be held at a forestry office or other public facility most accessible to potential bidders or close to where the tracts are located. It need not be in the county the tracts are located.
- c. Sale shall be advertised in a newspaper available to prospective bidders at least one week prior to the sale. It may be in more than one paper if you wish.
- d. A copy of the sale list shall be posted for at least 30 days prior to the sale. The law does not specify where, but you should post it where interested people will find it (Area, District, Region, St. Paul office, etc.).
- e. Sale is limited to individuals or businesses having 20 or fewer employees.
- f. Tracts are limited to a maximum appraised value of \$7,000.
- g. A bidder may purchase no more than 25% of tracts offered on the first round of bidding. If fewer than four tracts offered, bidder may purchase one.
- h. A person or business may hold a maximum of four permits at any one time.
- i. A security or cash bond for the remainder of the total bid value must be supplied within 9 months from the "date of sale", regardless of when it was purchased. Harvesting may not begin until security is approved.
- j. Permits are issued for up to one year with a maximum life of three years, including extensions.
- k. Eight percent (8%) simple interest per annum will be applied to the unpaid balance during the second extension.
- l. Unsold tracts will be available for over the counter sale at appraised value for a period of 90 days from the "date of sale".
- m. The anniversary date of the permit is the "date of sale" regardless of when the permit was purchased or approved by the Regional Forester.

INTERMEDIATE AUCTION

3. INTERMEDIATE AUCTION SALE PROCEDURES

a. District Responsibilities

- 1) Before the sale:
 - a) Appraise tracts from planned cut list and prepare F-121, Timber Appraisal Report (see Section B).
 - b) Identify boundaries of state area and cutting lines with the appropriate color.
 - c) Arrange in order by range, township, section, forty.
 - d) Submit to Area with a memo requesting intermediate auction. Area needs three copies of the appraisal report.
 - e) Prior to sale, have "Notice of Sale", bid forms, and envelopes (if sealed bid) for prospective bidders.
- 2) After the sale:
 - a) Scale cut products as per scaling manual.
 - b) Supervise the sale (see Section G).
 - c) At least 30 days before the expiration date, determine the need for extension. Notify Area.
 - d) At the anniversary date, scale all cut products (check lock box for load tickets) and submit report as per scaling manual. Include value of uncut volume to Area to be used for bond requirement calculations.

b. AREA RESPONSIBILITIES

- 1) Before the Sale:
 - a) Combine appraisals from Districts and arrange in order by range, township, section, forty.
 - b) Thoroughly check Appraisals and approve. Prepare Auction Data Record.
 - c) Submit Appraisals and Auction Data Record to Region with tentative date(s) and location for the sale.
 - d) Prior to sale, have "Notice of Sale", bid forms, and envelopes (if sealed bid) for prospective bidders.
 - e) Have prepared permits (F-133) at location of sale.

INTERMEDIATE AUCTION

- 2) After the Sale:
 - a) Type on permit: Purchaser's name and address, and bid price information.
 - b) Forest Officer signs permit to acknowledge receipt of advance payment.
 - c) Purchaser signs all copies of permit. If sealed bid, contact successful bidders to have them sign as soon as possible.
 - d) Send "Notice of Sale" to St. Paul showing purchaser's name and address, and the bid price information.
 - e) Send all signed permits with advance payments, and all bids to Region. Keep a copy of the successful bid.
 - f) For permits sold over the counter after day of sale, notify St. Paul by memo and send signed permits to Region as above.
 - g) After 90 days, cancel all unsold permits and distribute copies to District, Region, and St. Paul.
 - h) Permittee brings his copy of permit to Area with security within 9 months from "date of sale". Area Supervisor approves security and signs permit. Permittee retains his copy, Area sends copies to District, Region, St. Paul, and Scaling Specialist. Original of security goes to Region, with copies to Area and St. Paul. Harvesting may begin at this time. Distribute appraisal reports (F-121) to District, Area, and Scaling Specialist. (The District and Scaling Specialist's copy must include the reverse side.)
 - i) Advise permittee by letter at least 30 days prior to expiration. (See sample letters)
 - j) Notify Region if an extension is to be granted.
 - k) Shortly after anniversary date, clear all scale reports and consumer scale tickets through that date.
 - l) Prepare billing as often as necessary to prevent an overrun of the bond and at least annually.
 - m) Notify bonding company when payment has been received.

INTERMEDIATE AUCTION

c. Region Responsibilities

- 1) Before the Sale:
 - a) Thoroughly check Timber Appraisal Reports from Area.
 - b) Set time, date, and location of sale in consultation with St. Paul and Area.
 - c) Prepare "Notice of Sale", including terms of sale. Any special regulations should follow each tract. Proof-read the notice!! Region Forester will approve and sign the notice.
 - d) Prepare permits (F-133) and bid forms (F-132). The appraisal may be copied on the reverse of the bid form as an aid to prospective bidders.
 - e) Print Notice of Sale and distribute copies as follows: as many as Area requests, 10 for preparing Region, 2 to Scaling Specialist, 1 to each of the other Regions, 2 to St. Paul. Remember, this must be posted at least 30 days prior to the date of sale.
 - f) Print or copy bid forms and send to forestry offices as needed.
 - g) Prepare newspaper advertisement and send to paper(s) with cover letter. This ad must appear at least one week prior to the date of sale. Region pays for advertisement. See page D-4.12, D-4.13.
 - h) Shortly before date of sale, obtain permit numbers from St. Paul and add to permits. Make arrangements to have prepared permits at time and place of sale. Retain appraisals (F-121) until permit approved by Region.
- 2) After the Sale:
 - a) Complete Auction Data Record (F-130), and send to St. Paul with a copy of Appraisal Report and advance payment for sold permits.
 - b) Region Forester approves and signs permit. Send one copy to permittee with appraisal and cover letter explaining bonding (see example). Send remaining copies of permit to Area with 3 copies of appraisal. Retain one copy of appraisal for Region file.
 - c) Maintain file of sale information including Notice of Sale, Registration Ledger, and copies of all bids. Maintain permit file including permit, security, appraisal, successful bid, etc. Maintain a file of unsold tracts.

INTERMEDIATE AUCTION.

- d) Notify Area as 9 month bonding deadline approaches.
- e) Grant extensions upon recommendation by Area.

d. St. Paul Responsibilities

1) Before the Sale:

- a) Coordinate scheduling of auction sales.
- b) Prepare and maintain file for Intermediate Auction Sale.
- c) Insert Notice of Sale in Intermediate Auction Sale Book.
- d) Assign numbers to permits just prior to sale date.

2) After the Sale:

- a) Receive Notice of Sale with results from Area and insert in Intermediate Auction Sale Book. This notice will supersede the one inserted prior to the sale.
- b) Enter permit number, legal description, name and address in file (word processor).
- c) Update sales information for over the counter sales.
- d) File all sales information during the life of the permit.
- e) Send list of permits that will expire to the Area (copy to Region) 60 days prior to expiration date.

INTERMEDIATE AUCTION

4. PREPARING THE INTERMEDIATE AUCTION SALE

- a. During the planning of the annual cutting list, District and Area confer and agree on tracts to be offered as intermediate auctions.
- b. District appraises tracts and completes Timber Appraisal Reports (F-121). The appraisals are arranged in order by range, township, section, and forty, and sent to the Area with a memo requesting an intermediate auction sale. Area needs 3 copies of each appraisal. Boundary lines are put in at this time.
- c. Area combines appraisals from the Districts and arranges them in order by range, township, section, and forty.
- d. Area checks appraisals completely including, but not limited to: land ownership, prices, calculations, cutting regulations, regeneration plans, etc.
- e. Area prepares the Auction Data Record.
- f. Area submits approved appraisals and Auction Data Records to Region with tentative date(s) of sale.
- g. Region combines appraisals from Areas (although this is intended to be an Area auction, there is nothing to prevent two Areas from combining on the same sale if conditions warrant) and re-arranges order as before. Check for accuracy and assign tract number.
- h. Region sets date of sale in consultation with St. Paul and the Area(s).
- i. Region prepares permits (F-133), bid forms (F-132) (if sealed bids are to be used), and Notice of Sale. The appraisal may be copied on the reverse of the bid form as an aide to prospective bidders who wish to view the tract.
- j. Region prints Notice of Sale and distributes copies as follows: as many as Area(s) request, 10 for preparing Region, 2 to Scaling Specialist, 1 to each of the other Regions, and 2 to St. Paul. Remember, this must be posted in appropriate locations at least 30 days prior to the date of sale.
- k. Notice of Sale will be posted in St. Paul, Region, and Area offices.
- l. Region prints or copies bid forms and sends to forestry offices as needed.
- m. Region prepares newspaper ad and sends to paper(s) with a cover letter. This ad must appear at least one week prior to the date of sale. Region will pay for ads.

INTERMEDIATE AUCTION

- n. St. Paul will enter the Notice of Sale in the intermediate auction sale notebook. Permit numbers will be added at appropriate time.
- o. Region will obtain permit numbers and add them to the permits. All permits will be numbered before the sale. Region will make sure the prepared permits are brought to the sale.

INTERMEDIATE AUCTION

STATE OF MINNESOTA

DEPARTMENT Natural Resources - Forestry

Office Memorandum

TO : Area Forest Supervisor - Hill City
Regional Administrator - Region II
Timber Sales - St. Paul

DATE: July 2, 1981

FROM : Dennis Ingvaldson
Region Forest Supervisor

PHONE: 327-1718

SUBJECT: Hill City Area Intermediate Auction Sale

The Hill City Area Intermediate Auction Sale has been set as follows:

Three tracts to be offered at the
Hill City DNR Forestry Office
at 10 a.m. on August 4, 1981.

Copies of the NOTICE OF SALE OF STUMPAGE ON STATE LANDS IN
HILL CITY are enclosed.

DAI:ph

Enclosure

cc: Scaling Specialist
Region Forest Supervisors

INTERMEDIATE AUCTION
MINNESOTA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY

NOTICE OF SALE OF STUMPAGE ON STATE LANDS IN
THE HILL CITY AREA
INTERMEDIATE AUCTION

(Sealed Bid)

Notice is hereby given that I will offer for sale at public auction in Hill City at 10:00 a.m. on Tuesday, August 4, 1981, timber belonging to the State of Minnesota. All tracts will be offered at the Area Forestry Office in Hill City, Minnesota.

Following is the list of lands upon which the timber is located, the estimated quantities of timber that will be offered and the appraised prices:

TRACT NO. 1 Aitkin County

Purchased by: _____ Permit # _____

Gov. Lot 8 of Sec. 31, Twp. 50, Rge. 22:

APPRAISED

<u>Species/Product</u>	<u>Volume Unit</u>	<u>Unit Price</u>	<u>Value</u>	<u>Unit Price</u>	<u>Value</u>
Aspen Pulp & Bolts	525 Cords	@ \$ 3.25	1706.25		
Birch Pulpwood	10 Cords	@ \$ 2.75	27.50		
Balsam Pulpwood	5 Cords	@ \$ 4.15	20.75		

Total Value = \$1754.50
Advance Payment = \$439.00

Bid Total = _____

TRACT NO. 2 Aitkin County

Purchased by: _____ Permit # _____

S $\frac{1}{2}$ -NE $\frac{1}{4}$, SE $\frac{1}{4}$ -NW $\frac{1}{4}$ of Sec. 23, Twp. 50, Rge. 23:

APPRAISED

<u>Species/Product</u>	<u>Volume Unit</u>	<u>Unit Price</u>	<u>Value</u>	<u>Unit Price</u>	<u>Value</u>
Mixed Hardwood Bolts	70 Cords	@ \$10.80	756.00		
White Spruce Bolts	1 Cord	@ \$14.40	14.40		
Aspen Bolts (Sold as Appraised)	1 Cord	@ \$ 5.05	5.05		
Mixed Fuelwood (Sold as Appraised)	40 Cords	@ \$ 2.25	90.00		

Total Value = \$ 865.45
Advance Payment = \$217.00

Bid Total = _____

Cutting and hauling must be carried out between May 1st and November 1st of each year.

TRACT NO. 3 Aitkin County

Purchased by: _____ Permit # _____

APPRAISED

<u>Species/Product</u>	<u>Volume Unit</u>	<u>Unit Price</u>	<u>Value</u>	<u>Unit Price</u>	<u>Value</u>
White Pine Sawlogs	18.8 MBF	@ \$85.12	1600.26		
White Pine Pulpwood	4 Cords	@ \$12.00	48.00		

Total Value = \$ 1648.26
Advance Payment: = \$413.00

Bid Total = _____

INTERMEDIATE AUCTION

Sale terms are attached. Cutting regulations and additional information may be obtained upon request from Hill City Area DNR - Forestry Office.

The right is reserved to reject any and all bids.

MINNESOTA DEPARTMENT OF NATURAL RESOURCES

Joseph N. Alexander, Commissioner

by: DENNIS A. INGVALDSON
Region Forest Supervisor
Division of Forestry

Dated at Grand Rapids, Minnesota, this 1st day of July, 1981.

INTERMEDIATE AUCTION

MINNESOTA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY

INTERMEDIATE AUCTION
SEALED BID TIMBER SALE

_____ AREA

_____ DATE

TERMS OF SALE

This sale is to be held pursuant to the provisions of Minnesota Statutes, Section 90.121. Timber shall be offered and sold by the same units of measurement as it was appraised. None of the timber can be sold for less than the appraised prices per species as given herein. Bids for individual tracts must be submitted on bid forms to be provided, each bid sealed in a separate envelope clearly marked with the tract number and bidder's name on the outside of the envelope. Bid forms may be obtained upon request from _____. No bid shall be accepted from any bidder having a delinquent timber sale account with the State, or from any bidder involved in a pending timber trespass case with the State.

Bids for any specific offered tract may be submitted by mail or in person prior to the public opening of bids. The person submitting the bid assumes the responsibility of seeing that the bid is delivered to the appropriate forest officer prior to the sale.

ELIGIBILITY

Purchase is limited to persons or companies with 20 or fewer employees. No person may hold more than four (4) intermediate auction permits at any one time. Purchase is limited to no more than 25% of the tracts offered on the first round of bidding. Purchases, or attempts to purchase tracts beyond the limits set forth in the terms of this sale may result in the forfeiture of the advance payment.

ADVANCE PAYMENT

Each bid must be accompanied by the advance payment for that tract. The advance payment is listed on the notice of sale which is twenty-five (25) percent of the value of the timber purchased, based on the estimated quantity and appraised price. Any bid submitted without the advance payment will be rejected. Advance payments submitted by unsuccessful bidders will be returned.

The advance payment will be kept on deposit by the State and applied against the billings for timber cut. It is not part of the security. If security is not furnished within the specified time, the 25% advance payment will forfeit to the State.

SECURITY

The purchaser must furnish security in the form of a corporate surety bond, cash, certified check, cashier's check, money order, assignable bonds or notes of the United States, an assignment of a bank savings account or investment certificate or an irrevocable bank letter of credit within nine (9) months from the date of the sale, equal to the total bid value of the permit, LESS the amount paid as advance payment. No harvesting is permitted until the security has been furnished. If security is not furnished within the specified time, the 25% advance payment will forfeit to the State.

INTERMEDIATE AUCTION

FIRST OFFERING

The bid form will satisfy eligibility requirements for bidder registration. Bid price will be made on a monetary value per unit of measure for each product and species. The sale is to be awarded on the highest total offer for all such products and species. If two or more bidders tie on total bid value, the tract will be awarded by an unimpeded toss of a coin. In case of a multiple tie, the odd call of the coin will be awarded the sale. All bids will be opened and the tract awarded prior to proceeding to the following listed tracts of timber on the sale. A successful bidder may at any time withdraw any or all of his unopened bids. If bidder is not present the forest officer in charge of the sale will withdraw bids outside the 25% and four tract limitation. Advance payments submitted by unsuccessful bidders will be returned.

SECOND OFFERING

Individual tracts not awarded on the first offering will be offered orally at a second round of bidding. Interested persons will register prior to oral bidding. Bidding above the appraised prices shall be by percentages divisible by five (5) percent and added to the appraised price of each of the different kinds of timber advertised.

PERMIT

A permit to cut and remove the timber from the lands will be issued to the purchaser. No permit shall be issued to any person other than the purchaser in whose name the bid is made. The permit will be issued for a period of no more than one (1) year. All the timber purchased by the permit must be cut within that time unless the Commissioner extends the permit beyond the expiration date. Extensions may be granted for, "good and sufficient reason", and in that event no more than two (2) extensions shall be granted for up to one (1) year each. A condition of the second year extension shall be that the purchaser shall be liable to the State for interest on the entire unpaid purchase price at the rate of eight (8) percent per annum during the whole time of such extension. In no case shall any permit, including extensions, be in effect more than three (3) years from the date of issuance.

UNSOLD TRACTS

On the next regular business day from the date of sale, unsold tracts will be available for over the counter purchase at the appraised price for a period of 90 days. Those permits will be available at the _____ Area Headquarters.

Please note special regulations for certain tracts.

INTERMEDIATE AUCTION

MINNESOTA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY

INTERMEDIATE AUCTION
ORAL BID TIMBER SALE

_____ AREA

_____ DATE

TERMS OF SALE

This sale is to be held pursuant to the provisions of the Minnesota Statutes, Section 90.121. Timber shall be offered and sold by the same unit of measurement as it was appraised. The sale shall be made to the party who shall bid the highest price for all of the several kinds of timber advertised on each tract. None of the timber can be sold for less than the appraised prices as given herein, and any bidding over and above the appraised prices shall be by percentage in increases divisible by five (5), the percent bid to be added to the appraised price of each of the different kinds of timber advertised. No bid shall be accepted from any bidder having a delinquent timber sale account with the State, or from any bidder involved in a pending timber trespass case with the State.

ELIGIBILITY

Purchase is limited to persons or companies with 20 or fewer employees. No person may hold more than four (4) intermediate auction permits at any one time. Interested persons must register prior to bidding to determine purchase eligibility. Purchase is limited to no more than 25% of the tracts offered on the first round of bidding. Purchases, or attempts to purchase tracts beyond the limits set forth in the terms of this sale may result in the forfeiture of the advance payment.

ADVANCE PAYMENT

Purchasers of timber at this sale must pay, at the time of sale, twenty-five (25) percent of the value of the timber purchased based on the estimated quantity and appraised price. The advance payment is listed after each tract. The advance payment will be kept on deposit by the State and applied against the billings for timber cut. It is not part of the security. If security is not furnished within the specified time, the 25% advance payment will forfeit to the State.

SECURITY

The purchaser must furnish security in the form of a corporate surety bond, cash, certified check, cashier's check, money order, assignable bonds or notes of the United States, an assignment of a bank savings account or investment certificate or an irrevocable bank letter of credit within nine (9) months from the date of the sale, equal to the total bid value of the permit, LESS the amount paid as advance payment. No harvesting is permitted until the security has been furnished. If security is not furnished within the specified time, the 25% advance payment will forfeit to the State.

INTERMEDIATE AUCTION

PERMIT

A permit to cut and remove the timber from the lands will be issued to the purchaser. No permit shall be issued to any person other than the purchaser in whose name the bid is made. The permit will be issued for a period of no more than one (1) year. All the timber purchased by the permit must be cut within that time unless the Commissioner extends the permit beyond the expiration date. Extensions may be granted for, "good and sufficient reason", and in that event no more than two (2) extensions shall be granted for up to one (1) year each. A condition of the second year extension shall be that the purchaser shall be liable to the State for interest on the entire unpaid purchase price at the rate of eight (8) percent per annum during the whole time of such extension. In no case shall any permit, including extensions, be in effect more than three (3) years from the date of issuance.

UNSOLD TRACTS

On the next regular business day from the date of sale, unsold tracts will be available for over the counter purchase at the appraised price for a period of 90 days. Those permits will be available at the _____ Area Headquarters.

Please note special regulations for certain tracts.

INTERMEDIATE AUCTION

ORAL BIDDING

REGISTRATION LEDGER

Area _____ Date _____

Intermediate auction sales are limited to individuals or businesses having 20 or fewer employees. You or your business can hold a maximum of four (4) permits at any one time. You are limited to the purchase of no more than 25% of the tracts offered on the first round of bidding. Please register in whose name the permit will be purchased and indicate the number of intermediate auction permits currently held.

Name	Address	No. of Permits
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		
11.		
12.		
13.		
14.		
15.		
16.		

INTERMEDIATE AUCTION



STATE OF
MINNESOTA
DEPARTMENT OF NATURAL RESOURCES

BOX , CENTENNIAL OFFICE BUILDING • ST. PAUL, MINNESOTA • 55155

DNR INFORMATION
(612) 296-6157

FILE NO. 3460

September 4, 1981

The Blackduck American
Blackduck, MN 56630

Gentlemen:

Enclosed please find a Notice of State Timber Sale for Blackduck
area. This notice is to be published at least one week prior to the date
of sale. Perhaps September 8, 1981.

Please display the notice in the approximate overall size, but same format
as the attached copy using 24 point bold face caps for the headline (NOTICE
OF STATE TIMBER SALE), 12 point bold face caps for the county and name of town,
and 12 point bold face for the remainder of the notice.

After publication would you forward two copies of the affidavit of publication
and three copies of your invoice to: DNR Forestry, Route 5, Box 41A, Bemidji,
MN. 56601, Attn: Dale Peterson. When we receive your invoice, we will complete
processing for payment.

If for any reason you cannot comply with the publication date, or any other
unforeseen problems arise, please do not hesitate to contact us at (218) 755-2891.

Very truly yours,

Dale Peterson
Regional Staff Forester

DP:my

Enclosure

cc: Area

INTERMEDIATE AUCTION

NOTICE OF STATE TIMBER SALE
INTERMEDIATE AUCTION - ORAL BIDS
BLACKDUCK AREA

10:00 a.m. Tuesday, September 15, 1981
Blackduck Area DNR Forestry Office

Complete information may be obtained
From DNR Forestry Offices in
BLACKDUCK AND KELLIHER, MN.

NOTICE OF STATE TIMBER SALE
INTERMEDIATE AUCTION - SEALED BIDS
BLACKDUCK AREA

10:00 a.m. Tuesday, September 15, 1981
Blackduck Area DNR Forestry Office

Complete information may be obtained
From DNR Forestry Offices in
BLACKDUCK AND KELLIHER, MN.

INTERMEDIATE AUCTION

5. CONDUCTING AN INTERMEDIATE AUCTION SALE

a. For All Intermediate Auction Sales

- 1) Start at the designated time.
- 2) Read the Notice of Sale except for the individual tract listings. Be sure to cover all the special procedures for this type of sale.
- 3) Review the bidding procedure, remind the bidders of the four sale rule (statewide) limit and the 25% first round rule. If sealed bid sale, tell them how and when they may withdraw bid.
- 4) When all tracts have been sold, or at the completion of the second round of bidding, announce the sale closed. No more tracts can be sold that day.

b. For Sealed Bid Sales

- 1) Do not accept bids after the designated starting time. Make sure bids have been marked with the bidder's name and tract number on the outside of the envelope. Place all envelopes containing bids for tract number 1 in a large manila envelope or similar container marked with the tract number. Do the same for all tracts in separate manila envelopes. Do not allow bidders to see how many bids there are for any particular tract.
- 2) Open the bids for tract number 1. Check the math on all bids. Any math errors in calculating the "bid value" or "total bid" must be corrected. The "unit bid price" cannot be changed. Reject any unsigned bids, those without advance payment or any with omissions in the "unit bid price" column. The tract will be awarded to the bidder having the highest "bid total". After all the bids have been opened and checked, announce the successful bidder.
- 3) Ties will be broken by the toss of a coin.
- 4) A successful bidder may withdraw any or all of his remaining bids unopened. Just prior to opening the manila envelope containing the bids for a tract, ask if any of the successful bidders wish to withdraw their bids. Unsuccessful bidders may NOT withdraw their bids.
- 5) No more than 25% of the tracts offered may be awarded to the same bidder in the first round. Also, remember the four sale limit, including those from other districts or those awaiting bonding. If the bidder is not present, it shall be the Forest Officers' duty to withdraw bids beyond these limits.

INTERMEDIATE AUCTION

- 6) Continue opening bids and awarding tracts until the first round is complete. Return any unneeded advance payments, but retain all bids for Region file.
- 7) When the first round is complete, have a short recess (if needed) to register bidders for the second round (oral bidding). Any tracts not awarded during the first round will be offered in the second round, (see oral bidding procedures). During this recess, successful bidders may sign their permits. If a successful bidder is not present, contact him as soon as possible to sign the permit.

c. For Oral Bid Sales (or second round of sealed bid sales)

- 1) Register bidders and check their eligibility (see sample ledger). Issue bidding numbers (to help identify the bids).
- 2) Read the Notice of Sale and review procedures of the first round.
- 3) Offer tracts in numerical order.
- 4) Bids may be at appraised value, or increased in 5% increments.
- 5) Remember to watch for the 25% limit on the first round and the 4 permit limit.
- 6) After first round of bidding (oral or sealed), offer the unsold tracts a second time orally.
- 7) After bidding is completed, announce the sale closed.
- 8) Any permits which remain unsold after the second round may be purchased over the counter at appraised value from 8:00 a.m. the next regular business day until 90 days from the "date of sale" at the Area office.

d. After Bidding Closes

- 1) Type purchaser's name and address, and bid price information on permit (F-133).
- 2) Successful bidders must make the advance payment and sign their permit. (Original signatures must appear on all copies of the permit.) A Forest Officer signs to acknowledge receipt of the payment. Contact successful bidders who are not present to have them sign as soon as possible.
- 3) Send Notice of Sale to St. Paul with the purchaser's name and address, and bid price information filled in.

INTERMEDIATE AUCTION

- 4) Send signed permits with advance payments for approval to the Region. Send unsold permits to Area.
- 5) Region completes the Auction Data Record (F-130) and sends it to St. Paul with the advance payment and appraisal report.
- 6) Region Forester approves and signs permit. Send one copy to permittee with appraisal and cover letter explaining bonding (see example). Send remaining copies of permit to Area with 3 copies of appraisal. Retain one copy of appraisal for Region file.
- 7) St. Paul enters new Notice of Sale in Intermediate Auction Sale book, and permit data in file.
- 8) The permittee must, within 9 months from the "date of sale", bring his copy of the permit and his security to the Area for approval. Area Forester approves security and signs permit. Permittee retains his copy, Area sends copies to District, Region, St. Paul and Scaling Specialist. Original of security goes to Region with copies to Area and St. Paul. Cash bond goes to St. Paul with permit. Distribute appraisal reports to District, Area, and Scaling Specialist.
- 9) Area offers permits over the counter for 90 days. When a permit is sold, notify St. Paul by memo to update file. Send signed permit with advance payment to Region. From there routing is the same as permits sold on "date of sale".
- 10) After 90 days for any permit not sold, the Area will write "unsold" across the permit and send copies to Districts, Region and St. Paul.
- 11) Region notifies Area prior to the nine (9) month bonding deadline approaches.
- 12) Area cancels permits not bonded by deadline.
- 13) Any tract awarded erroneously shall be voided and may not be offered again under the assigned permit number.

INTERMEDIATE AUCTION
MINNESOTA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY

NOTICE OF SALE OF STUMPAGE ON STATE LANDS IN
THE HILL CITY AREA
INTERMEDIATE AUCTION (Sealed Bid)

Notice is hereby given that I will offer for sale at public auction in Hill City at 10:00 a.m. on Tuesday, August 4, 1981, timber belonging to the State of Minnesota. All tracts will be offered at the Area Forestry Office in Hill City, Minnesota.

Following is the list of lands upon which the timber is located, the estimated quantities of timber that will be offered and the appraised prices:

TRACT NO. 1 Aitkin County

Purchased by: Steven Kingsley, Palisade, MN 56469 Permit # Y-0248

Gov. Lot 8 of Sec. 31, Twp. 50, Rge. 22:

APPRAISED

<u>Species/Product</u>	<u>Volume Unit</u>	<u>Unit Price</u>	<u>Value</u>	<u>Unit Price</u>	<u>Value</u>
Aspen Pulp & Bolts	525 Cords	@ \$ 3.25	1706.25	4.55	2388.75
Birch Pulpwood	10 Cords	@ \$ 2.75	27.50	2.75	27.50
Balsam Pulpwood	5 Cords	@ \$ 4.15	20.75	4.15	20.75

Total Value = \$1754.50 Bid Total = 2437.00
Advance Payment: = 439.00

TRACT NO. 2. Aitkin County

Purchased by: Johnson Brothers, Hill city, MN 55748 Permit # Y--0249

S $\frac{1}{2}$ -NE $\frac{1}{4}$, SE $\frac{1}{4}$ -NW $\frac{1}{4}$ of Sec. 23, Twp. 50, Rge. 23:

APPRAISED

<u>Species/Product</u>	<u>Volume Unit</u>	<u>Unit Price</u>	<u>Value</u>	<u>Unit Price</u>	<u>Value</u>
Mixed Hardwood Bolts	70 Cords	@ \$10.80	756.00	11.88	831.60
White Spruce Bolts	1 Cords	@ \$14.40	14.40	15.84	15.84
Aspen Bolts (Sold as Appraised)	1 Cords	@ \$ 5.05	5.05	5.56	5.56
Mixed Fuelwood (Sold as Appraised)	40 Cords	@ \$ 2.25	90.00	2.48	99.20

Total Value = \$865.45 Bid Total = 952.20
Advance Payment: = \$217.00

Cutting and hauling must be carried out between May 1st and November 1st of each year.

TRACT NO. 3. Aitkin County

Purchased by: _____ Permit # Y-0250

Gov. Lots 2 & 3 of Sec. 30, Twp. 52, Rge. 24:

APPRAISED

<u>Species/Product</u>	<u>Volume Unit</u>	<u>Unit Price</u>	<u>Value</u>	<u>Unit Price</u>	<u>Value</u>
White Pine Sawlogs	18.8 MBF	@ \$ 85.12	1600.26		
White Pine Pulpwood	4 Cords	@ \$ 12.00	48.00		

Total Value = \$ 1648.26 Bid Total =
Advance Payment: = \$ 413.00

INTERMEDIATE AUCTION

Sale terms are attached. Cutting regulations and additional information may be obtained upon request from Hill City Area DNR - Forestry Office.

The right is reserved to reject any and all bids.

MINNESOTA DEPARTMENT OF NATURAL RESOURCES

Joseph N. Alexander, Commissioner

by: DENNIS A. INGVALDSON
Region Forest Supervisor
Division of Forestry

Dated at Grand Rapids, Minnesota, this 1st day of July, 1981.

INTERMEDIATE AUCTION

6. TIMBER SALE PERMIT F-133

a. Timber Sale Permit (F-133):

The Timber Sale Permit is a multiple copy form used for the intermediate auction sale of state timber. This form is prepared by the Region before the sale.

b. Distribution of each is as follows:

- (1) Permittee ----- white original
- (2) St. Paul ----- yellow copy
- (3) Area ----- white copy
- (4) Region ----- pink copy
- (5) Scaling Specialist -- yellow copy
- (6) District ----- blue copy

c. There are four (4) parts or sections to the permit:

(1) Provisions of Timber Permit:

This section contains the information about the permittee, the timber which was sold, the legal description, expiration date, and the regulations and conditions of the sale.

(2) Receipt of Advance Payment:

This section contains the acknowledgement by the Department of the advance payment.

(3) Commissioners approval:

The permit becomes effective when the Regional Forester, acting for the Commissioner, signs the permit. While the permit is effective no harvesting can start until the security is provided.

(4) Security - Purchasers Bond

This section contains the bonding requirements of the permit. No harvesting can begin until this section is completed. The purchaser of an Intermediate Auction Permit is required to provide security to the State of Minnesota equal to the bid value, minus the advance payment, of all timber covered by the permit. This security must be furnished in the form of a cash bond, surety bond, irrevocable letter of credit, assignable bonds or notes of the United States Government, assignment of a savings account, or investment certificates within nine (9) months of the date of the auction sale and before harvest begins. Personal checks shall not be accepted.

The security is conditioned upon the faithful performance by the purchaser and his successors in interest of all the terms and conditions of the permit and all requirements of the permit and must be approved by the Commissioner. Cash securities are deposited with the State Treasurer.

INTERMEDIATE AUCTION

All securities remain with the State until the logging is completed and all the terms of the permit have been fulfilled by the purchaser. Authorization for the release of the securities will then be given by the Director. Failure by the purchaser to fulfill the terms of the permit can result in the security being seized by the State.

d. Completing the permit:

- (1) Before the date of sale the Region types in all the information that is available concerning the tract such as permit number, date, location, species, values appraised price, advance payment etc. The expiration date is one year from the date of sale. Bonding date is 9 months after the sale.
- (2) After the sale:
 - a) Complete typing the permit.
 - b) Acknowledge receipt of advance payment. Fill in required information and sign.
 - c) The permittee signs all copies of the permit if, at the sale. If not at the sale, send all except the District copy to him for signature. All copies are to be returned.
 - d) After the permittee has signed all copies, the Commissioner grants approval by the Regional Foresters signature. One copy is sent to the permittee with a letter concerning security requirements and the other copies remain at the area office until the security is received from the permittee.
 - e) When the security is received from the permittee the Area fills in the required information and grants approval by the Area Foresters signature. Copies of the completed permit are sent to the Region, St. Paul, Permittee and Scaling Specialist. If security other than a cash bond is used, the original is attached to the Region permit and copies attached to the Permittee, St. Paul and Area Permits.



STATE OF
MINNESOTA
DEPARTMENT OF NATURAL RESOURCES

INTERMEDIATE AUCTION

CENTENNIAL OFFICE BUILDING • ST. PAUL, MINNESOTA • 55155

DNR INFORMATION
(612) 296-6157

Hill City Area
Box 9
Hill City, MN 55748

File No. _____

August 11, 1981

Steven Kingsley
Palisade, MN 56469

Dear Mr. Kingsley:

Attached is your intermediate auction permit # Y-0248, with appraisal report, which you purchased on August 4, 1981.

No harvesting is permitted on this permit until bonding requirements have been met and approved by the Hill City Area Forester. Such security in the amount of \$1,998.00 must be provided no later than May 4, 1982. After you have arranged bonding, take it, along with your copy of this permit, to the Hill City Area Forest Office for signature.

Very truly yours,

Dennis A. Ingvaldson
Region Forest Supervisor

DAI:ph



INTERMEDIATE AUCTION TIMBER SALE PERMIT

Date of Sale Aug. 4, 1981	Permit Number Y 0248
County Aitkin	District Sandy Lake

I. PROVISIONS OF TIMBER PERMIT

Name of Permittee Steven Kingsley	Address (Street, RFD, Box #, City, State, Zip Code) Palisade, MN 56469
--------------------------------------	---

Having submitted the highest bid for certain timber offered at public sale in accordance with law, the above named person is awarded this permit to enter upon the following state lands; Govt. Lot 8 of Sec. 31, Twp. 050, Rge. 22W and harvest only from that portion of the described land designated on the attached appraisal map the timber growing or being thereon which has been appraised as follows:

SPECIES/PRODUCT	APPRAISED				BID		
	Volume	Unit	Unit Price	Value	Unit Price	Value	
Aspen pulp & bolts	525	cords	3.25	1706.25	4.55	2388.75	
Birch pulpwood	10	cords	2.75	27.50	2.75	27.50	
Balsam pulpwood	5	cords	4.15	20.75	4.15	20.75	
TOTAL APPRAISED VALUE				\$ 1754.50	BID TOTAL	\$ 2432.00	
				ADVANCE PAYMENT	\$ 439.00	SECURITY	\$ 1998.00

SPECIAL CONDITIONS:

This permit becomes effective on the date of Commissioner's approval and will expire August 4, 1982 unless extended. It shall be subject to the provisions of Minnesota Statutes, Chapters 88 and 90, and to the following conditions:

1. **PERSON AFFECTED** - The provisions of this permit shall apply to the holder of this permit, his agents, and every successor in interest or assignee of the permittee.
2. **TITLE** - Title to all timber described in this permit shall remain in the State until scaled. [M.S. 90.181 (2)]
3. **LIABILITY** - The permittee shall be liable to the State for the full permit price of all timber covered hereby including timber which he fails to cut or remove within the time and in the manner provided in this permit. The actual amount of timber sold under this permit is not limited to the above estimate and all such timber on the designated cutting area shall be removed according to the cutting regulations furnished the purchaser. This liability shall continue notwithstanding injury to the timber from natural causes, Acts of God, or human acts including vandalism, trespass, or theft, and without prejudice to the right of the State to pursue such timber and recover the value thereof anywhere prior to payment therefor in full to the State. [M.S. 90.151 (3) (4)]
4. **EFFECTIVE DATE** - Permittee shall not commence any operations pursuant to this permit, including clearing landings and/or logging roads, until this permit is approved pursuant to section III of this permit. Harvesting shall not be allowed until bonding requirements have been met pursuant to section IV of this permit.
5. **SCALING** - All timber shall be scaled, except as otherwise provided in this permit. Such scaling shall be conducted by a person authorized by the Commissioner. All such products shall be scaled upon the lands above described before being removed or at such other point as is designated in writing by the Commissioner. The report rendered pursuant to such scale shall be conclusive between the State and the permittee unless a rescale thereof shall be made by direction of the Commissioner in the manner provided by statute, and when so made, said rescale shall be conclusive upon both parties hereto. All scaled volumes shall be converted to the units in which they were sold. [M.S. 90.251, 90.252, 90.281]

6. IDENTIFICATION - The permittee shall provide continuous identification of the cut timber until it is scaled. In case of failure to identify the cut timber as specified in this permit, the state has the right to take possession of the cut timber. [M.S. 90.151 (2)]
7. ADDED TIMBER - If after this sale is made, the Commissioner deems it advisable to salvage or remove for proper forest management certain unsold timber within the permit area, he may, with the written consent of the permittee, cause such timber to be appraised and added to the permit. Such timber shall be accounted for in the same manner as the timber originally sold. [M.S. 90.151 (12)]
8. TRESPASS - Any timber damaged or removed without the authority of or in violation of the terms of this permit or of any law shall constitute a timber trespass as defined in Minnesota Statutes. [M.S. 90.301, 90.151 (8)]
9. OTHER PERMITS - If the permittee at any time fails to pay any obligations under this or any other permit, any or all of his permits may be cancelled. [M.S. 90.151 (8)]
10. REMOVAL OF EQUIPMENT - All cut timber, buildings, and equipment must be removed from the land within ninety (90) days after termination of this permit, or it shall become the property of the State. The Commissioner may grant two (2) additional periods of time not to exceed one hundred twenty (120) days each for the removal of cut timber, equipment, and buildings, upon request by the permittee for good and sufficient reasons. [M.S. 90.151 (1) (8)]
11. EXTENSIONS - No application for extension of this permit shall be considered unless received prior to the expiration date of this permit. A one (1) year extension may be allowed without interest. A second one (1) year extension may be granted with 8% interest on the unpaid balance.
12. ADDITIONAL REQUIREMENTS - This permit is subject to the additional requirements as indicated in the attached Timber Appraisal Report and to any alternate landing or consumer scale agreement, sureties, or assignments involving this permit.
13. ACTIONS - The State may bring an action to restrain the further cutting or removal of timber or the further entry of the permittee upon any of the lands described above when in the opinion of the attorney general any terms of the permit have been violated. Such action shall be without prejudice to any other action or proceeding on behalf of the State. [M.S. 90.151 (10)]
14. CANCELLATION - The Commissioner may order suspension of all operations under this permit or cancellation of the permit when in his judgement the conditions hereof have been violated. The Commissioner may, at his election, repossess the timber cut. Any timber cut during suspension or after cancellation shall be deemed to have been cut in trespass. [M.S. 90.151 (8)]
15. ASSIGNMENTS - Any assignment of this permit must be approved by the Commissioner. [M.S. 90.171]

Name of Permittee (Print or Type)	Date
Steven Kingsley	August 4, 1981
Signature of Permittee	Title

II. RECEIPT OF ADVANCE PAYMENT

Receipt is hereby acknowledged for advance payment of \$ 439.00 tendered by the permittee in the form of Personal check #3472 to be deposited in the state treasury.

Signature of Forest Officer	Date
	August 4, 1981

III. COMMISSIONER'S APPROVAL

The Commissioner of Natural Resources herewith approves and grants this permit to cut such timber upon such lands and subject to conditions as set forth in the above permit.

Joseph N. Alexander : Commissioner of Natural Resources

By:

Region Forest Supervisor Signature	Date
	August 11, 1981

IV. SECURITY

No harvesting is permitted until bonding requirements have been met and approved by the Area Forest Supervisor.

Such bonding must be provided by: (Date) May 4, 1982

Cash bond in the amount of \$ 1998.00 in the form of certified check # 643212

Surety bond (attached)

Irrevocable letter of credit (attached)

Assignment of _____ (attached)

Area Forest Supervisor Signature	Date
	August 17, 1981

INTERMEDIATE AUCTION

7. ADMINISTRATION

a. Annual or Final Timber Scale Report (F-116)

An annual scale report will be completed by the District for each permit on the anniversary date and will include all scaling events during the previous year. The final scale report will be completed by the District when the permit is closed. It will include all scaling events since the last annual report. (See page C-8.1 of the Sales Manual and G-3.2 of the scaling manual.)

b. Billing - Timber Permit Invoice (F-123) - Prepared by Area

- 1) St. Paul will notify the Area two months before the anniversary date of the permit.
- 2) Billings are prepared at least annually on the anniversary date of the permit or when the permit is completed. The billing can be prepared more often and this may be advisable if the permit appears to be over-running the appraisal.
- 3) Area prepares 7 copies of the invoice (2 F-123's and 5 onion-skins) dating the invoice the day it is mailed out.
- 4) Mail the original invoice to the permittee and two onionskins to St. Paul immediately. One onionskin is returned as soon as it is checked by St. Paul indicating that it is correct or in error. If an error is found, the Area must make a corrected billing.
- 5) Maintain a list of permits which have been billed showing permit number, name and date billed. Check the list frequently to note any past due accounts. (30 days)
- 6) When payment is received, submit to St. Paul with copy of F-123. Mark the remaining onionskins "paid" and send one to the District, one to Region and one for the permit file. The St. Paul audited onionskin can be placed in a separate file for monthly reporting purposes. Notify the bonding company by letter when a formal payment has been received for a permit.
- 7) If Permittee fails to pay within 30 days, follow the procedure outlined under Delinquent Accounts. (See page H-3.1)
- 8) Permits that are "Sold on Appraised Volume" are closed by making a copy of the permit and writing across the face of the permit "This permit is now closed" and date. Distribution would be the same as listed above. This is done after the operator has completed cutting and the final inspection has been made.
- 9) Prepare the invoice as follows:
 - a) Fill in heading, quantities, unit price, total value, value of timber cut, and advance payment credit. (See H-1.2 for procedure)

INTERMEDIATE AUCTION

- b) Add tax, if any, and interest due for timber cut or left standing if in second extension. (Note: Because interest during the second extension is only on the "unpaid balance", the advance payment is subtracted prior to this calculation. A cash bond is not payment for timber, but is considered as security when determining extension interest.)
- c) If a cash bond was used, enter "Value Uncut" from the "Timber Scale Report". Fill in "Cash Bond Only" block to obtain the cash bond credit amount and then enter this in the "Credit Cash Bond" column. Subtract credit for the cash bond from the subtotal to determine "Total Due This Statement".

c. Delinquent Accounts

An account becomes "past due" if not paid in 30 days and begins to accrue interest. If not paid in 90 days, it is considered delinquent and is turned over to the Attorney General for collection. Even though intermediate auctions are bonded, there is still a possibility that the bond may not be sufficient to cover all timber cut on the permit. When a cash bond is used for payment, there is a greater potential for the permit to become delinquent.

If care is used in calculating the value of the standing timber for each annual report, the potential for a delinquent account will be greatly reduced. (See page H-3.1 for procedure.)

d. Extensions

An intermediate auction permit expires one year from the "date of sale" regardless of when it was purchased. It may have two extensions of one year per extension for a total life of three years. The first extension is without interest, but the second extension carries 8% simple interest for the length of the extension. Unless the permit has specific limitations regarding the length of the permit, the first extension should be routinely granted. The second extension requires reasonable justification for approval. (See page D-7.3 and D-7.4)

The Region will grant the extensions on the recommendation of the District and Area. Copies of the extension notification will be sent to St. Paul, the bonding company involved, Area, District, and Scaling Specialist.

The extension procedure is the same as that for the regular auction (See C-7.1), except that the extension will be granted by the Region rather than St. Paul.

e. Assignment of Timber Sale Permit (F-112)

Assignment of intermediate auction permits is handled exactly the same way as for regular auction permits. (See page C-10.1)



STATE OF
MINNESOTA

DEPARTMENT OF NATURAL RESOURCES

CENTENNIAL OFFICE BUILDING • ST. PAUL, MINNESOTA • 55155

INTERMEDIATE AUCTION

DNR INFORMATION
(612) 296-6157

Hill City Area
Box 9
Hill City, MN 55748

File No. _____

July 8, 1982

Mr. Steven Kingsley
Palisade, MN 56469

Dear Mr. Kingsley:

Listed below are the State Timber Permits in your name that will expire on

August 4, 1982

Intermediate Auction Permit # Y-0248

If you will be unable to complete any of these permits before the expiration date, you must request an extension in writing from this office. All requests for extensions must state the reason for the request and must be submitted before the expiration date.

No interest is charged on the first extension. An interest rate of eight percent per year is charged on the unpaid balance during the second extension period.

Very truly yours,

Henry Hesse
Area Forest Supervisor

HH:cg

cc: District



STATE OF
MINNESOTA

INTERMEDIATE AUCTION

DEPARTMENT OF NATURAL RESOURCES

CENTENNIAL OFFICE BUILDING • ST. PAUL, MINNESOTA • 55155

NR INFORMATION
(612) 296-6157

Grand Rapids Region
525 E. Itasca St.
Grand Rapids, MN 55744

File No. _____

July 28, 1982

Mr. Steven Kingsley
Palisade, MN 56469

Dear Mr. Kingsley:

This is to advise that the Commissioner of Natural Resources has granted an extension of time on the following State Timber Permit(s) for the period of one year. This permit(s) will remain in effect until August 4, 1983 unless completed earlier.

Intermediate Auction Permit # Y-0248

First extension, no interest is charged.

Second extension, an eight percent simple interest rate is charged.

Very truly yours,

Dennis A. Ingvaldson
Region Forest Supervisor

DAI:ph

cc: District
Area
St. Paul
Scaling Specialist
Bonding Company



STATE OF
MINNESOTA
DEPARTMENT OF NATURAL RESOURCES
CENTENNIAL OFFICE BUILDING • ST. PAUL, MINNESOTA • 55155

INTERMEDIATE AUCTION

DNR INFORMATION
(612) 296-6157

Hill City Area
Box 9
Hill City, MN 55748

File No. _____

July 10, 1984

Mr. Steven Kingsley
Palisade, MN 56469

Dear Mr. Kingsley:

Intermediate Auction Permit # Y-0248 will have been in effect for the full term of the permit on August 4, 1984. NO MORE EXTENSIONS can be granted.

In reviewing the permit, we find that a portion of the timber remains to be cut. Whatever remains to be cut when the permit expires is charged against the permit holder on the final billing. Therefore, it will be in your interest to cut all, or as much as possible, before that time. You have an additional 90 days to remove the cut products from the permit area after the expiration date.

Very truly yours,

Henry Hesse
Area Forest Supervisor

HH:cg

cc: District



SECTION E

INFORMAL SALE OF STATE TIMBER

INFORMAL SALE

1. GENERAL REGULATIONS

The informal sale provides the opportunity to sell small volumes relatively fast and with little formalities. It is easy to prepare and administer but it does not necessarily provide the State its full stumpage value, and the selection of who is to receive a permit, creates many problems.

The informal timber sale statute (section 90.191) was enacted in 1929 to provide the local settlers with an opportunity to obtain wood products for their own use. Since that time the statute has been changed numerous times. These changes have broadened the scope and increased the size of the sale many times.

Presently the statute provides that:

The Commissioner may sell at appraised price tracts of timber not exceeding \$3,000 in value without formalities. No person may hold more than two permits at one time. The permit must be paid in full at the time of sale. Permits are issued for one year but the commissioner may grant an extension, not to exceed one year, without interest.

All cut timber, equipment and buildings must be removed from the permit area within 90 days after the permit expires, but the commissioner may grant two extensions not exceeding 120 days each for their removal.

The commissioner may add additional timber to the permit with the written consent of the permit holder.

Each partner of a partnership is eligible for two permits up to a total of six for the partnership. Each shareholder of a family corporation is eligible for two permits up to a total of six for the corporation.

While the informal permit is designed for small tracts it is desirable to make the permit as large as possible. Care must be used however, to avoid making the sale so large that it is likely to scale out over \$3,000. A public auction should always be considered when there is a large volume of timber involved or when a number of applicants would be interested in purchasing the same tract.

No informal sale will be made to any person who has an account that is past due over 60 days, an account that has been deemed uncollectable by the Attorney General's office, or to any person who has not settled a trespass.

For the purpose of timber sales, a person is defined as "any natural person acting in his own right, or in any representative capacity, and any corporation, firm or association of whatever nature or kind". (Section 90.01 Subdivision 9.) This includes partnerships, companies or groups of people working together.

INFORMAL SALE

The allocation of informal sales in as an impartial manner as possible is essential to the program and requires the close attention of the field personnel. Procedure for accomplishing this is outlined under applications (E-4.1). For the purposes of explanation, informal sales may be divided into two classifications as follows:

- 1) Planned sales that do not involve any special salvage problems. Such permits will be processed in the order that the applications are received to avoid charges of preference to certain individuals.
- 2) Special sales for salvage, road clearing, or other reasons to protect the State from loss. Such sales need not be processed in the order that applications are received when, in the judgment of the Area Forest Supervisor, resulting delays would result in a loss to the State or otherwise detract from good forest management practices.

Minnesota Statutes, Section 90.191, Subdivision 3, and 90.251 Subdivision 1, authorizes the Commissioner to sell timber "on appraisal". Division policy specifies what species and products can be sold under this law. This policy is explained on page B-3.7. It is the responsibility of the Area Forest Supervisor to see that all such sales adhere to this policy unless approval is obtained from the Region to exceed these limitations on a specific permit.

More than one permit can be issued for the same description under the following conditions:

- 1) Changing conditions made it advisable to cut additional timber on the permit area.
- 2) The species or products can be easily separated from those in the other permit.
- 3) The actual cutting area for each permit can be defined within the description. For example: Two permits on the S $\frac{1}{2}$ SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 16-158-28. The appraisal sheet could define one as north of the trail as shown on the map and the other as south of the trail, or the appraisal could define one as being east of the marked cutting line and the other west.

INFORMAL SALE

2. SPECIFIC CONDITIONS OF INFORMAL SALES

- a. Maximum appraised value is \$3,000.
- b. Sold for appraised value without formalities.
- c. Full appraised value of the permit must be paid before the permit is effective.
- d. Permits are issued for a period of one year or less.
- e. Only one extension for a maximum of one year is allowed. Extension is without interest.
- f. Permit can be "Sold on Appraised Volume" without scale.
- g. No person can hold more than two permits at one time.
- h. Each partner of a partnership may hold up to two permits each, with a total of six for the partnership.
- i. Each shareholder of a family corporation may hold two permits each, for a total of six for the corporation.
- j. A wife may be a partner of a partnership or a shareholder of a corporation and thus be eligible for two permits.
- k. Partnerships and corporations must show proof of partnership or incorporation.
- l. Final settlement is determined by the actual scaled volumes unless the permit was "Sold on Appraised Volume".
- m. Additional wood within the permit area may be added to the sale at appraised price with the written consent of the permit holder.
(Note: payment must be received before cutting additional timber.
See G-7.1)
- n. Permittee has 90 days to remove cut timber products, equipment and buildings after the permit expires.
- o. Commissioner may grant an additional period of time not to exceed 120 days to remove the cut timber, equipment and buildings upon written request of the permit holder.
- p. Commissioner may grant a second period of time not to exceed 120 days upon written request of the permit holder for hardship reasons only. For a hardship case the permit holder could have up to 330 days to remove cut products, equipment and buildings. The purpose of this provision is to cover winter logging operations that get caught by spring breakup.

INFORMAL SALE

- q. Products may be scaled by a consumer under a consumer scale agreement.
- r. Permits are issued on a first come first served basis through an application system.
- s. Applicant must qualify under the definition of a person as defined in chapter 90.01 Subdivision 9.

INFORMAL SALE

3. PROCEDURE FOR PROCESSING INFORMAL SALE FORMS

- a. District prepares and submits to the Area for approval and processing.
 - 1) Application for Informal Sale form NA - 02137 (F-122) - original.
 - 2) Timber Appraisal Report form NA - 02136 (F-123) - original and 2 copies.
- b. Area prepares the Permit To Cut Timber form NA - 02139 (F-124), assigns the permit number, and the Area Forester approves the permit.
- c. The auditors copy of the Permit to Cut Timber is sent to St. Paul with the application.
- d. Area completes reverse side of the Area and District copies of the Timber Appraisal Report and returns the District copy to the District.
- e. Area returns to District the Permittee's copy of the Timber Appraisal Report and the approved Permit to Cut Timber.
- f. Notify permittee that the permit is ready for purchase.
- g. Permittee pays the full value of the sale and signs all copies of the Permit to Cut Timber at the District office (Permittee has 30 days to buy sale).
- h. District gives the permittee his copy of the Permit to Cut Timber, a copy of the Timber Appraisal Report, and completed Posting of Permit, form (F-117).
- i. District sends the Area all remaining copies of the Permit to Cut Timber.
- j. Area sends the original copy of the Permit to Cut Timber with the payment and a front side copy of the Timber Appraisal Report to St. Paul and the pink copy to the Region. A copy of the Timber Appraisal Report is sent to the Scaling Specialist. If another state agency is involved, a copy of the permit is provided to that agency.
- k. The District files the Timber Appraisal Report in a field notebook by description and records all the pertinent information concerning the supervision and scales to maintain a complete record of the sale.

INFORMAL SALE

4. APPLICATION FOR INFORMAL SALE OF STATE TIMBER Form NA-02137 (F-122)

Every person who wants a timber sale has the right to apply and should be given an opportunity to fill out an application. This insures that the applicant was considered and documents an interest in obtaining an informal sale.

The District Forester may refuse a timber sale to an applicant for a good and sufficient reason. However, he must first accept the application and then state the reason for refusal on the application. The applicant should be informed of the refusal. Documentation of the reason for the refusal should be kept on file.

No informal sale should be made for less than \$25 of stumpage value unless the sale is for the convenience of the State, such as products to be removed from road sites, site preparation, etc.

All timber sold by informal sales must be appraised in accordance with Section B - Timber Appraisal.

a. Purpose of an Application:

- 1) Assure that timber applications are processed as efficiently as the work load will permit and in accordance with forest management plans and available markets.
- 2) Assure that informal sales are processed in an orderly and impartial manner.
- 3) Indicate why a sale was not made.
- 4) Determine whether the applicant has other informal timber permits and if the proposed sale has the approval of the proper authorities in the field.

b. Filling Out Applications:

All questions should be answered and the applicant must apply at the District office or directly to the District Forester. No application shall be taken through the mail. The name of the applicant should be the person, company, or partnership applying, nick names should not be used. A telephone number is desirable, but not mandatory. The age of the applicant is relevant only if a person is applying. If applicant doesn't want to give his age, "legal" can be used if obviously over 18. A complete address is required, including the zip code.

Further explanations of the numbered questions found on the Application are as follows:

- 1) The applicant should give a second or third choice of species in case the first choice is unavailable when the application is received. When possible, the planned cut number should be used.

INFORMAL SALE

- 2) 'You' means the applicant.
- 3) 'Connection' means an interest in a permit. This can be either direct as would be the case with an employee or partner, or indirect if he financed the permit.
- 4) 'Self-employed' logger means the logger will be logging this permit for himself. He is not cutting the permit for someone else.
- 5) 'Cutting' means the person will be cutting the permit for himself. 'Supervision' can be direct or indirect. If indirect, the agent must be acting for the applicant. Supervision means those working on the permit, either cutting or skidding, are paid by the applicant.
- 6) Applies only to the permit issued from this application. List anyone who has an interest in this permit. This includes business associates, partners, financial interests other than a loan, and contractors. (See E-4.3) Hired cutters, skidders, and truckers should not be included.
- 7) Self explanatory.

The application must be signed by the applicant or his agent. The agent (for a company or partnership) must have signature authority.

c. Accepting Applications

The District will number the applications as they are received, beginning with July 1st, each year and the number will include the fiscal year (1-82, 2-82, etc.). Upon accepting the application, the following review will be made to determine if the application is to be accepted or rejected:

- 1) Only one application per timber operator can be on file in a particular District at one time (the applicant can have applications at other Districts). Additional applications will be rejected. A timber operator is defined as a logging operator with any number of employees; it can be an individual, partnership, company, or corporation, a family operation, or an informal group that logs together.
- 2) If Question 4 is answered 'NO', generally this will be cause for disapproval.
- 3) If Question 5 is answered 'NO', the application is automatically disapproved. No permit should be issued to anyone who is not responsible for the permit.
- 4) If the application is rejected by the District Forester, the reason should be stated on the form and the application sent to the Area office.

INFORMAL SALE

- 5) If in agreement, the Area Forest Supervisor will make a copy of the rejected application and send it to the applicant.
- 6) The applicant may appeal to the Regional Forest Supervisor, who will notify the applicant of his decision and send copies to the Area and St. Paul.

d. Processing Applications for Permits

- 1) Applications should be filled in the order they are received consistent with the species that are appraised and the date permit is desired.
- 2) If the applicant has two permits (regardless of what the application indicates) when the application is ready to be filled, it should be put on hold. The position will be retained until eligible.
- 3) If the connection in Question 3 is direct, such as employer or employee, then the permit listed should be considered the applicants. If the connection is indirect, the District Forester will need to determine by his best judgment if the permit actually belongs to the applicant.
- 4) The names listed under Number 6 should be used to help determine if the applicant is eligible for a permit. Permits they hold as the application is processed should generally be considered the applicants permits.
- 5) If the applicant refuses the permit, the application should go to the bottom of the file. The applicant's position can be held if there is a justifiable reason.
- 6) If the applicant has a past due account, over 60 days it must be paid before the permit can be issued. If not paid within 10 days of notification, either reject the application or place it on the bottom of the file.
- 7) Applications will remain in effect until rejected, voided by applicant, cancelled at applicant's request, or the permit is issued. Applications will continue into the next fiscal year.
- 8) Applications sometimes get separated from the permits, so write the permit number below the application number.

e. Partnerships

Each partner of a partnership is eligible for two permits up to a total of six for the partnership. A spouse may be a partner and therefore eligible for permits. Proof of partnership must be supplied by the applicant and should be in the form of a written document or a copy of a filed income tax form.

Loggers who share time or equipment constitutes a informal partnership and are not eligible for more than 2 permits in total.

INFORMAL SALE

Renting of equipment or exchange of time does not constitute a informal partnership.

f. Family Corporation

Each shareholder of a family corporation is eligible for two permits up to a total of 6 for the corporation. A spouse may be a member of the corporation and therefore eligible for two permits.



Application Number
1-81

2095N

APPLICATION FOR INFORMAL SALE OF STATE TIMBER

Minnesota Statutes 1978, Section 90.191, Subdivision 1, provides as follows: "No (informal) sale shall be made under this section to any person holding two permits issued hereunder which are still in effect."

Failure to provide complete and accurate answers to the following questions may result in the rejection of this application.

Name of Applicant (Print or Type) (First, M.I., Last) <u>John h. Doe</u>	Age <u>legal</u>	(Area Code) Telephone Number <u>218 123 4567</u>
Address (Street, City/Town, State, Zip Code) <u>Box B, Silver Bay, Mn. 55614</u>		

- Species desired, in order of preference:
 (1) Aspen (2) Balsam FIR (3) _____
 Requested Volume: 300 cords Description or planned cut number: 81-6 Date desired: July 1, 1981
- How many informal timber sale permits issued by the State of Minnesota do you presently hold? None
- Do you presently have any connection with the cutting of timber under an informal timber sale permit held by someone other than yourself? No Yes (If Yes, complete a and b)
 - Permit Holder's Name, Address, and Permit Number: _____
 - Is Permit Holder your: (Mark One) Employer Employee Partner Business Associate a Contractor Other (Specify) _____
- With regard to the timber to be cut under this permit, are you a self-employed logger? Yes No
- Will you actually be cutting or supervising the cutting of the timber listed on this permit? Yes No
- List name and address of any other person(s) who will have any connection with this permit.
DO NOT LIST YOUR EMPLOYEES.
None

Are these individuals your:
 Employer Partner Business Associate a Contractor Other (Specify) _____

- Consumer Scale Information:
 (a) Consumer Scale requested: Yes No
 (b) Name of Consumer Superwood Corporation

I HEREBY CERTIFY THAT THE INFORMATION I HAVE PROVIDED ON THIS APPLICATION IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE.

Applicant's Signature (FULL NAME) (First, Middle, Last) <u>John L. Doe</u>	Date <u>July 1, 1981</u>
---	-----------------------------

FOR DEPARTMENT USE ONLY

Sale approved on the following description: N 1/2 SW 1/4 31-057-07W Date Appraised: 6-20-81

Consumer Scale Request: Approved Disapproved (if disapproved, give reason) _____

If timber sale not approved, give reason. _____

REMARKS: _____

Signature of Forest Officer in Charge <u>John Fisher</u>	Date <u>July 7, 1981</u>
---	-----------------------------

INFORMAL SALE

5. PERMIT TO CUT TIMBER (F-124)

a. General

The Permit to Cut Timber multiple-copy form used for the informal sale of state timber. This form is completed by the Area and, when signed by an authorized forest manager and the Permittee and paid in full, the permit becomes valid. No cutting can be authorized before the Permittee receives a valid permit. Distribution of each copy of the F-124 is as follows:

- (1) St. Paul -----White Original
- (2) Permittee -----Pink Copy
- (3) Area -----Yellow Copy
- (4) Region -----Blue Copy
- (5) Auditor (St. Paul) -----Green Copy
- (6) Scaling Specialist -----Salmon Copy

Because of the importance of the permit as both a receipt and a contract, extreme care should go into its preparation. All items on the permit must be complete. The name and address of the permittee must be correct and agree with that shown on the appraisal report with lot numbers preceding forties.

Minnesota Statutes, Section 16A.275, requires that receipts must be deposited daily. The field office should obtain payment from the the applicant as soon as possible after the permit is approved. The payment should then be attached to the St. Paul copy of the permit and sent to St. Paul, all other copies should then be distributed. Do not deliver the permit to the Permittee nor allow any cutting until the permit has been signed and the correct payment is received. The permit must be signed in the presence of the forest officer.

The purchaser of State timber will be made aware of and understand the provisions of the permit and the attached cutting regulations which are part of the permit. This is the responsibility of the forester.

When products are "Sold on Appraised Volume", the permit must clearly state "Sold on Appraised Volume" after the price per unit.

This form can be used as a bill of sale for products which have already been cut. In this case, the permit is merely one to remove the cut products listed. In the first paragraph, strike out the words 'and cut' and place the word 'cut' after each product listed on the face of the permit.

In the event that a permit is cancelled because of errors or nonpayment, the Area will notify those concerned. The word VOID and the reason for cancellation is written across the permit. The original is sent to St. Paul and copies to the Region, and Scaling Specialist. One copy is retained by the Area.

Payment of the permit is to be made by the permittee within 30 days. If not received within this time, return the voided permit to St. Paul with the explanation written on the permit.

INFORMAL SALE

In the event that after a sale is made the forester should find it advisable to salvage or remove for proper forest management certain unsold timber within the permit area, this timber may be added to the permit (See G-7.1).

A good original appraisal will minimize the need for adding timber. However, it is always possible that in the sampling cruise some material may be missed which should be cut. Storms, epidemics, and fire occurring during the life of the permit may leave timber which require salvage. Species that are in poor demand and, therefore, inoperable at the time of the appraisal may become operable during the life of a permit. When these conditions occur additional timber can be added to the permit, but the additional timber, together with the timber originally sold, must not exceed \$3,000.00 in appraised value. Since additional timber becomes part of the permit, all such timber must be accounted for the same as that originally on the permit. Care must be taken to keep overruns at a minimum. (See page G-7.1 for procedure for adding timber to a permit)

There is no legal responsibility for collection of the overrun from other than the permit holder. You must be certain of the financial responsibility of the person to whom the permit is issued or make provisions to hold any overrun until paid for.

Informal sale permits will be issued for one year unless a shorter period is specified on the Permit to Cut Timber. In this case, cross out "within one year from Permit Date" and add 'By '.
DATE

When an alternate landing is made at the time of appraisal, it is designated on the alternate landing form and noted on the back of the Timber Appraisal Report. (See page G-4.1)

b. Preparing the Permit

- 1) The Permit Number consists of four numerical digits and one letter. It is assigned by the Area using the following system:
 - a) The first numeral is the last digit of the fiscal year (e.g. 1982 is 2).
 - b) The second, third, and fourth numeral will be in a chronological sequence for that fiscal year (e.g. Permit #1 that year will be 001).
 - c) The letter will designate the Area the Permit is in. See page L-1.1 of this manual for the appropriate letter to use for your Area. (e.g. the first Warroad Area permit for fiscal year 1982 will be 2001C).
- 2) Permit Date - Use number as shown in example for the date.
- 3) R.A.D. - Use Region, Area, and District number.
- 4) S.F. - Use State Forest number.

INFORMAL SALE

- 5) Land - Under "Type of Land", type in the type of lands involved and the percent of permit value assigned to each type of land.
- 6) Co. - Use county code and type county name.
- 7) Name - Use full name, do not use nickname, it should be the same as the Application.
- 8) Address - Include zip code.
- 9) Legal Description - For the St. Paul copy. If more than one section is involved, circle the section that has the majority of the timber volume.
- 10) Amount of Payment - Use total value of permit.
- 11) Number of Records - Is for St. Paul use only.
- 12) Species & Products - Put two species and/or products in each box.
- 13) Quantity - Type in the actual volume down to 1/100 of a unit. Three hundred cords will be typed as 300.00.
- 14) Unit Price - List to the nearest cent. (\$2.55 will be 2.55)
- 15) Unit - Is the unit of measurement. (e.g. Cds. is 2)
- 16) Species - Use two digit code instead of present 3 digit. Aspen will be listed as 12.
- 17) Product Code - Use two digit code. (e.g. pulp & bolts is 11)
- 18) Prime Code - For St. Paul use. Do not code.
- 19) Purchaser Signature - Same as before.
- 20) Signature of Forest Manager - Will be Area Forester.
- 21) Auditors Copy - To be sent to St. Paul as soon as permit is prepared. Attach application. Does not need signature of Permittee or Forest officer. This copy is used by St. Paul for name & address file.
- 22) St. Paul Copy - This is the original and is to be sent as soon as it is signed and paid for. Attach appraisal sheet and payment.
- 23) Other copies as designated under distribution of copies.

(See Appendix, Section L, for coding information)

NA-02139-02
(F-124) Rev. 6/81

PERMIT TO CUT STATE TIMBER

Record Number **1**



INFORMAL SALE

Permit Number **2095N**

TYPE	GCDE	RAD	SF	LAND
1	1	254	17	1
11	12	13-15	16-17	18

Type of Land
School

CO **38** County **Lake**

Permit Date **07/07/80**

2-6
7-8 9-10

Name of Permittee (Last, First, M.I.) Doe, John L.		Address (Street, RFD, Box #, City, State, Zip Code) Box A, Silver Bay, Mn. 55614		
Legal Description N$\frac{1}{2}$SW$\frac{1}{4}$	Section (21-22) 31	Township (23-25) 057	Range (26-28) 07W	
Amount of Payment (29-36) \$ 1,445.90	(for office use only)			No. of Records 37

The permittee is authorized to enter upon State Land as described, in consideration of payment to the State Treasury which is hereby acknowledged; to cut and remove timber only on that portion of land designated on the attached appraisal map, the following volumes and species, within one (1) year of permit date:

Quantity	Species and Product	Unit Price	Unit	Species	Prod Code	Prime Code
<u>150 00</u> 38-43 44-45	Cords Apen Pulp & Bolts	<u>3 45</u> 46-49 50-51	<u>2</u> 52	<u>12</u> 53-54	<u>11</u> 55-56	<u>57</u>
<u>20 00</u> 58-63 64-65	Cords Paper Birch Bolts	<u>12 30</u> 66-69 70-71	<u>2</u> 72	<u>13</u> 73-74	<u>24</u> 75-76	<u>77</u>
<u>120 00</u> 38-43 44-45	Cords Balsam Pulp	<u>1 50</u> 46-49 50-51	<u>2</u> 52	<u>62</u> 53-54	<u>22</u> 55-56	<u>57</u>
<u>15 00</u> 58-63 64-65	Cords Black Spruce Pulp	<u>15 40</u> 66-69 70-71	<u>2</u> 72	<u>71</u> 73-74	<u>22</u> 75-76	<u>77</u>
<u>10 00</u> 38-43 44-45	Cords White Cedar Posts	<u>8 80</u> 46-49 50-51	<u>2</u> 52	<u>73</u> 53-54	<u>23</u> 55-56	<u>57</u>
<u>25 00</u> 58-63 64-65	Cords Upland Hardwood Fuelwood	<u>1 50</u> 66-69 70-71	<u>2</u> 72	<u>20</u> 73-74	<u>27</u> 75-76	<u>77</u>
<u>2 50</u> 38-43 44-45	MBF White Pine Logs	<u>54 40</u> 46-49 50-51	<u>3</u> 52	<u>51</u> 53-54	<u>21</u> 55-56	<u>57</u>
<u>1 00</u> 58-63 64-65	Cords White Pine Pulp	<u>9 90</u> 66-69 70-71	<u>2</u> 72	<u>51</u> 73-74	<u>22</u> 75-76	<u>77</u>
<u> </u> 38-43 44-45		<u> </u> 46-49 50-51	<u> </u> 52	<u> </u> 53-54	<u> </u> 55-56	<u> </u> 57
<u> </u> 58-63 64-65		<u> </u> 66-69 70-71	<u> </u> 72	<u> </u> 73-74	<u> </u> 75-76	<u> </u> 77
<u> </u> 38-43 44-45		<u> </u> 46-49 50-51	<u> </u> 52	<u> </u> 53-54	<u> </u> 55-56	<u> </u> 57
<u> </u> 58-63 64-65		<u> </u> 66-69 70-71	<u> </u> 72	<u> </u> 73-74	<u> </u> 75-76	<u> </u> 77

I have read, understand, and agree to comply with all the requirements of this permit. Including this permit, I presently have no more than two (2) State of Minnesota Informal Sales of State Timber Permits to cut timber.

Attachments.

Purchaser's Signature <i>John L. Doe</i>	Date 7/7/80
---	-----------------------

This permit is issued and accepted upon the condition and subject to all the terms and limitations contained in the Statutes of the State of Minnesota and all conditions herein specified, to all of which the State and the purchaser severally agree and the permit will expire one (1) year from the permit date or when the final billing is paid, whichever comes first.

This permit is not valid unless dated and signed by the purchaser and a forest manager authorized by the Commissioner of the Department of Natural Resources.

For the Commissioner, DEPARTMENT OF NATURAL RESOURCES

Signature of Authorized Forest Manager <i>Joe Summeron</i>	Date 7/7/80
---	-----------------------

DISTRIBUTION OF COPIES:
Original Copy - St. Paul

INFORMAL SALE

Regulations and Instructions

This permit will expire one year from the permit date or when the final billing is paid, whichever comes first.

All timber shall be scaled prior to the expiration date and before it is removed from the land unless it is indicated in this permit "Sold as Appraised", or an alternate landing is authorized. With the exception of permits "Sold as Appraised", final settlement shall be made on the scale of products harvested; the purchaser shall pay for any overrun at the appraised price; and, if the estimate cuts short, the purchaser shall be reimbursed by the State for the shortage. The purchaser shall pay to the State the permit price for all timber sold under this permit, as listed, which he fails to cut and remove.

All landings and alternate landings of cut products must be legibly marked with the name of the permit holder and the assigned permit number.

The timber sold, or designated for cutting, shall be cut without damage to other timber. The purchaser shall be held liable in trespass for cutting or unnecessarily injuring any trees not included in this permit.

Should the commissioner find it advisable to salvage or remove for proper forest management certain unsold timber within the permit area, this timber may, with written consent of the permit holder, be added at an appraised price to the timber sold. This is then part of the permit.

The State shall have right to reserve any timber which in its judgement will promote sound forestry practices, and the purchaser agrees to carry out all cutting regulations established by the forest officer in charge.

This form fulfills the requirements of "Notice of Cutting of Timber", Section 88.13, State Forest Laws. The purchaser is responsible for disposal of slash and debris resulting from cutting this permit.

Regulations and instructions included on the attached Timber Appraisal Report and cutting regulation map, Form NA-02139-02, are a part of this permit.

All cut timber, buildings, and equipment not removed from the land within ninety (90) days after expiration of this permit shall become the property of the State. An additional period of time not to exceed 120 days, for the removal of cut timber, buildings, and equipment may be granted by the Commissioner upon request by the permit holder for good and sufficient reasons.

The Commissioner of Natural Resources, for good and sufficient reason, may grant one (1) extension of this permit, but such extension may not exceed one (1) year. If an extension is needed, the operator must make the request at least thirty (30) days prior to the expiration date.

The Commissioner shall have the power to order suspension of all operations under this permit, when, in his judgement, the conditions thereof have not been complied with; and any timber cut or removed during such suspension shall be deemed to have been cut in trespass.

Any timber removed in violation of the terms of this permit or of any Law shall constitute trespass.

PERMIT TO CUT STATE TIMBER



INFORMAL SALE

Permit Number 2095N

Permit Date 07/07/80

Name of Permittee (Last, First, M.I.) Doe, John L.		Address (Street, RFD, Box #, City, State, Zip Code) Box A, Silver Bay, Mn. 55614	
Legal Description N$\frac{1}{2}$SW$\frac{1}{4}$	Section 31	Township 057	Range 07W
Amount of Payment \$1,445.90			

The permittee is authorized to enter upon State Land as described, in consideration of payment to the State Treasury which is hereby acknowledged; to cut and remove timber only on that portion of land designated on the attached appraisal map, the following volumes and species, within one (1) year of permit date:

Quantity	Species and Product	Unit Price
150 00	Cords Aspen Pulp & Bolts	\$ 3.45
20 00	Cords Paper Birch Bolts	12.30
120 00	Cords Balsam Pulp	1.50
15 00	Cords Black Spruce Pulp	15.40
10 00	Cords White Cedar Posts	8.80
25 00	Cords Upland Hardwood Fuelwood	1.50
2 50	MBF White Pine Logs	54.40
1 00	Cords White Pine Pulp	9.90

I have read, understand, and agree to comply with all the requirements of this permit. Including this permit, I presently have no more than two (2) State of Minnesota Informal Sales of State Timber Permits to cut timber.

Attachments.

Purchaser's Signature <i>John L. Doe</i>	Date 7/7/80
---	----------------

This permit is issued and accepted upon the condition and subject to all the terms and limitations contained in the Statutes of the State of Minnesota and all conditions herein specified, to all of which the State and the purchaser severally agree and the permit will expire one (1) year from the permit date or when the final billing is paid, whichever comes first.

This permit is not valid unless dated and signed by the purchaser and a forest manager authorized by the Commissioner of the Department of Natural Resources.

For the Commissioner, DEPARTMENT OF NATURAL RESOURCES

Signature of Authorized Forest Manager <i>Joe L. Lumsden</i>	Date 7/7/80
---	----------------

(Permittee's Copy)

INFORMAL SALE

MINNESOTA DEPARTMENT OF NATURAL RESOURCES
FOREST MANAGEMENT PROGRAM

John L. Doe

Box A

Silver Bay, Mn. 55614

Dear Sir:

Your request for timber on State land, in the N $\frac{1}{2}$ of the SW $\frac{1}{4}$ of
Section 31, Township 057, Range 07W
has been approved.

It will be necessary for you to contact District Forester
John Bachar at the Finland Forestry
Office, in order for him to obtain your signature on the timber permit, and your
payment for the appraised value of the wood. This payment should be a Bank Draft
or Money Order, in the amount of \$ 1,445.90 and made payable to
the State Treasurer.

According to State regulations, the timber permit must be signed, and the
payment received within thirty (30) days from the date of this letter, or the permit
must be cancelled, and returned to St. Paul.

Sincerely,

Joe Summerson
Area Forest Supervisor

INFORMAL SALE

6. EXTENSIONS (F-118)

The informal sale timber permit is issued for up to one year. One extension not to exceed one year may be granted for good and sufficient reason by the Commissioner. No interest is charged during the extension of informal sale timber permits.

All informal sale permits expire on the anniversary date of the permit unless completed at an earlier date or extended. The District Forester must keep track of the expiration dates of the timber permits so he can notify the Permittee before the permits expire. This will give the permit holder time to request an extension if one is needed to complete the permit. After A PERMIT EXPIRES, IT IS TOO LATE TO EXTEND IT. Any timber cut after the expiration date without an extension shall be in trespass. The Area office will also keep a record of expiration dates as it is part of their supervisory responsibilities.

Requests for extension of informal sale timber permits are made to the District or Area office by the permit holder. The Area Forest Supervisor, acting for the Commissioner, may grant extension up to one year. He will notify the permit holder on Form F-118, sending a copy to St. Paul, the Scaling Specialist, and to the District.

Occasions may arise where extensions of less than the full year permitted are desirable for one reason or another. The permit may be extended for any fraction of a year requested. Caution should be exercised in such cases as the law permits only one extension, not several extensions, in a one year period.

INFORMAL SALE

MINNESOTA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY

John L. Doe
Box A
Silver Bay, Mn. 55614

Dear Sir:

You have advised us that you will be unable to complete
State Timber Permit # 2095N before the expiration date.

You are hereby granted an extension of time to
7/7/82

This extension applies only to the timber included in the
original permit, and no further extension of time can be granted.

Very truly yours,

For the Director
DIVISION OF FORESTRY

By: Joe Gummeron
Area Forest Manager

cc: St. Paul
cc: Scaling Specialist

INFORMAL SALE

7. ADMINISTRATION

a. Scale Reports

A regular scale report will be prepared by the District for each scaling event and sent through the Area to St. Paul. When the permit is completed, an invoice will be prepared by the Area summarizing all the scale reports. (See Section G-3 of the Scaling Manual.)

b. Billing - Timber Permit Invoice (F-123) - Prepared by Area

- 1) Area prepares 7 copies of the invoice (2 F-123's and 5 onion-skins) dating the invoice the day it is mailed out.
- 2) Mail the original invoice to the permittee and two onionskins to St. Paul immediately. One onionskin is returned as soon as it is checked by St. Paul indicating that it is correct or in error. If an error is found, the Area must make a corrected billing.
- 3) Maintain a list of permits which have been billed showing permit number, name and date billed. Check the list frequently to note any past due accounts. (30 days)
- 4) When payment is received, submit to St. Paul with copy of F-123. Mark the remaining onionskins "paid" and send one to the District, one to Region and one for the permit file. The St. Paul audited onionskin can be placed in a separate file for monthly reporting purposes.
- 5) If Permittee fails to pay within 30 days, follow the procedure outlined under Delinquent Accounts. (See page H-3.1)
- 6) Permits that are "Sold on Appraised Volume" are closed by making a copy of the permit and writing across the face of the face of the permit "this permit is now closed" and date. Distribution would be the same as listed above. This is done after the operator has completed cutting and the final inspection has been made.

c. Refunds

Refunds occur when the permit is over appraised. Since it is impossible to appraise exactly, a certain amount of refunds are to be expected. It is imperative that refunds be processed in a timely manner. See page H-2.1 for processing of refunds.

d. Delinquent Accounts

An account becomes "past due" if not paid in 30 days.

Since an informal permit is not bonded, it is very important to keep overruns at a minimum to avoid delinquent accounts. This is especially critical if the permittees past payment record is poor. (See page H-3.1 for procedure)

INFORMAL SALE

NA-02138-02
(F-123) Rev. 9/81



TIMBER PERMIT INVOICE

TO:

John L. Doe
Box A
Silver Bay, MN 55614

REMIT PAYMENT TO:

DNR - Div. of Forestry
6163 Rice Lake Rd.
Duluth, MN 55803

Permit Number	2095 N
Type of Sale	1
Type of Land	1
Date of Invoice	5/1/82

Following is a statement of timber cut under State Timber Permit described below. Please submit the total value due, by check, payable to the MINNESOTA STATE TREASURER, to THIS OFFICE. _____ percent per annum penalty must be charged on all accounts not paid within thirty (30) days if such interest exceeds \$1.00. If payment is not received within ninety (90) days, your account will be forwarded to the Attorney General for collection.

Section	Township	Range	County	Region, Area and District Number
31	057	07W	38 Lake	254

Kind of Timber	Log Pieces	Size	Quantity	Unit	Unit Price	Total Value
Aspen Pulp & Bolts			130.15	Cds.	\$ 3.45	\$ 449.02
White Birch Bolts			18.38	Cds.	12.30	226.07
Balsam Pulpwood			151.17	Cds.	1.50	226.76
Black Spruce Pulpwood			12.10	Cds.	15.40	186.34
Cedar Posts			10.11	Cds.	8.80	88.97
Upland Hdwd. Fuelwood			37.17	Cds.	1.50	55.76
White Pine Logs			2.73	MBF.	54.40	148.51
White Pine Pulpwood			1.00	Cds.	9.90	9.90

Final Billing
 Annual Billing

Value Uncut Timber
\$

CASH BOND ONLY

Cash Bond remaining after last invoice \$ _____

Cash Bond required after this invoice \$ _____

Amount of Bond for credit to this invoice \$ _____

Value of Timber Cut \$ 1,391.33

Credit for Advance Payment 1,445.90

Refund Due ~~Sub-Total~~ 54.57

Taxable Value _____ X 5% _____

Interest for Ext. _____ Yrs. _____ Da. _____

Sub-Total _____

Credit Cash Bond _____

Sub-Total _____

Previous Balance Due _____

Interest on Previous Balance _____

Total Amount Due This Statement \$ _____

Area Forest Supervisor Signature
Joe Summerson

SUBMIT ONE COPY OF INVOICE WITH PAYMENT AND RETAIN ONE COPY FOR YOUR RECORD

INFORMAL SALE
STATE OF MINNESOTA
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY
Duluth Area OFFICE

May 1, 1982

Mr. John Doe
Box A
Silver Bay, Mn. 55614

Enclosed is the final billing of your Informal State Timber Permit # 2095 N.
Since the permit did not cut out, there is an amount of \$ 54.57
which is due you.

Please indicate below how you wish to have the money disposed of. Then sign this form
and return it to this office for further processing.

I wish to have the money refunded to me.

I wish to have the refund applied to Permit # _____.

Signed _____

If this form is not returned within 10 days of the billing date,
we will assume you do not wish to apply the refund to another permit.
A refund check will then be issued to you.

SECTION F
SPECIAL FUELWOOD PERMIT

SPECIAL PERMITS

1. SPECIAL FUELWOOD PERMIT

a. GENERAL REGULATIONS & POLICY

Minnesota Statutes, Subdivision 90.195, Special Use Permit, provides that the commissioner may issue a permit to salvage or cut not to exceed 12 cords of fuelwood per year for personal use from either or both of the following sources: (1) Dead, down, and diseased trees; (2) Other trees that are of negative value under good forest management practices. Such permits may be issued for a period not to exceed one year. A fee shall be charged for the permit of not less than \$5 nor more than the approximate current market value of fuelwood stumpage of similar species, grade and volume that is being charged in the area.

It is anticipated that most fuelwood sales will be processed under this section of the Law. Fuelwood cut for commercial purposes must be sold under the informal or auction sale method.

Requests for special fuelwood permits shall be kept on a log sheet in the District Office (see page F-1.3). Requests should be processed in the order received. No permits may be issued strictly through telephone calls or correspondence. Either upon application, or when paying for the permit, the permittee must meet with the authorized District or Area personnel so that there is no misunderstanding.

Department policy allows the purchase of one special fuelwood permit per household per year. While the actual volume per permit can be 12 cords it is recommended that the size be limited to a winter's heating needs. Each Area will establish this size. When out-of-state requests constitute a problem in supplying fuelwood, preference should first be given to residents of Minnesota.

The number of individual special fuelwood permits should be kept to a minimum. Special fuelwood areas (multiple sale areas) should be developed to accommodate a number of permittees. This will save time, improve sale administration, and save on paper work.

b. Price Setting Guidelines

- 1) Since fuelwood values vary throughout the state, permit prices are established by each Area and approved by the Region.
- 2) Two general types of permits should be recognized; multiple sale permits and individual permits. Within these two types, prices should be set according to the method of operation (cutting) that will take place. Examples of different operations are:

SPECIAL PERMITS

- a) clean-up of a previous sale area or landing
 - b) thinning operations, timber stand improvement (TSI)
 - c) salvage, dead, and down timber
 - d) standing live trees, fuelwood quality only. Timber that has pulpwood or sawtimber potential should not be sold for fuelwood.
- 3) Individual permits are handled separately and are not involved with other permits. They will be sold at a single price per district for not less than \$30.00 unless made for the convenience of the state.
- 4) One price will be set for all group permits within a permit area.
- 5) All permits will be rounded off to the nearest dollar.
- 6) No permit can be sold for less than \$5.00.
- 7) All permits will expire on March 31st, unless an earlier expiration date is given on the permit.
- 8) Fuelwood permits are exempt from sales tax.

FUELWOOD PERMIT
MINNESOTA DEPARTMENT OF NATURAL RESOURCES

DIVISION OF FORESTRY

FUELWOOD PERMIT REQUESTS

#	DATE	NAME	ADDRESS	PHONE	REMARKS

SPECIAL PERMITS

C. Preparing The Special Fuelwood Permit (NA-02125)

The Special Fuelwood Permit is prepared by the District Forester. Four copies (Permittee, District, Area, and St. Paul) are prepared for each permit. The Permittee and forest officer must sign all the copies. Copies for 'multiple sale' areas should be made at the Area office.

The form is completed in the District. It can be typed or printed in ink. The District will fill in the permit number using three digits, starting with 001 on April 1st of each year. Cutting regulations must be completed in accordance with those given on page B-3.1 and B-3.2. Special fuelwood permits may be made for more than one forty or lot, provided they have the same 'land status'. Separate permits must be made if the 'land status' changes. The District will send the Area and St. Paul copies along with the payments to the Area office. Payment may be made by personal check, certified check, or money order. Cash payment should be avoided.

Fuelwood permits may not exceed a one year period and expire on or before March 31st of each year. Within these two limitations, the Area will determine the length and expiration date of the permits.

All 'multiple sale' areas shall have received prior approval by the Area Forest Supervisor. These should be planned annually as part of the 'planned cutting area' lists.

Any individual special fuelwood permits outside of the approved planned cutting areas will require a short note to the Area Forest Supervisor accompanying the Area copy of the permit and the payment. This note shall offer an explanation of why this individual special fuelwood permit is being sold, although not part of the planned cutting area.

No entry is necessary in the Appraiser's Field Book for Cruising. District and Area Special Fuelwood Permit files must be maintained for administrative purposes. It is highly recommended that the District Permit Book include the fuelwood permits along with the informal and auction permits.

If the 'land status' is questionable, delivery of the permit to the permittee should be delayed until St. Paul has checked its copy. St. Paul will contact the Area immediately if an ownership error is found.

The reverse side of the form includes an 8" map grid for more detail if it's necessary. In most cases only the front side will be needed. When a special map is prepared for 'multiple sale' areas, it can be copied on the back of the permit.

The portion of the Fuelwood Permit under 'State Use Only' will be coded at the Area office before sending to St. Paul.



SPECIAL FUELWOOD PERMIT

75	County Kandiyohi	Permit Number 016
	RAD 544	Permit Date 11-10-87
Land Status Parks		Permit Expiration Date 1-10-88

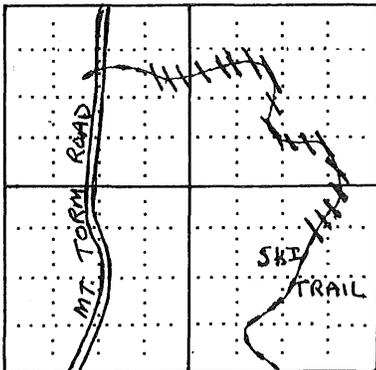
Name of Permittee Richard Clayton	Address (No. & Street, RFD, Box No., City, State, Zip Code) Rt. 2, Box 605, New London, Mn. 56273
--------------------------------------	--

Legal Description NENE	Section 02	Township 121	Range 35
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In consideration of the sum of \$ 12.00 payment of which is hereby acknowledged, you are authorized to enter upon State land described above, to cut and remove not more than 2 cords of fuelwood for personal use as provided in the following cutting regulations:

(Scale 4" or 8" to mile)

Cutting Regulations: ////// Cutting area - remove downed trees



lying adjacent to the newly established ski trail. Slash to be disposed of as designated by the park manager.

All of the fuelwood is hereby sold as appraised and no other timber shall be cut and/or removed.

All Special Fuelwood Permits expire on the expiration date shown above. This permit shall not be extended.

This permit is issued and accepted upon the conditions and subject to all the terms and limitations contained in the Statutes of the State of Minnesota and all conditions herein specified, to all of which the State and the Permittee severally agree.

1. The fuelwood sold, or designated for cutting, shall be cut without damage to other timber. The permittee shall be held liable in trespass for cutting or unnecessarily injuring any trees not included in this permit. The permittee shall remove from State land all fuelwood authorized to be cut under this permit prior to the expiration date.
2. The Commissioner shall have the power to order suspension of all operations under this permit when, in his judgement, the conditions thereof have not been complied with; and any timber cut or removed during such suspension shall be deemed to have been cut in trespass.
3. Any timber removed in violation of the terms of this permit or of any Law shall constitute trespass.
4. The State shall have the right to reserve any timber which in its judgement will promote sound forestry practices, and the permittee agrees to carry out all cutting regulations established by the forest officer in charge.
5. This sale is made in accordance with the provisions of and subject to the restrictions of Minnesota Statutes and is not transferable.
6. This permit is not valid unless numbered, dated, signed by the Forest Officer, and Area Forest Supervisor and by the permittee.

For the Director
DIVISION OF FORESTRY

Signature of Forest Officer <u>/S/ David Anderson</u>	Date <u>11-10-87</u>	Signature of Area Forest Supervisor <u>/S/ Dan Amell</u>	Date <u>11-12-87</u>
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I have read, understand, and agree to comply with all the requirements of this permit. I presently have no other State of Minnesota Special Fuelwood Permit.

THIS PERMIT MUST BE IN POSSESSION WHEN CUTTING OR REMOVING FUELWOOD.

Signature of Permittee <u>/S/ Richard Clayton</u>	Date <u>11-10-87</u>
--	-------------------------

FOR DEPARTMENT USE ONLY

RAD <u>5 4 4</u> (1-3)	Permit No. <u>0 0 1 6</u> (4-7)	County <u>3 4</u> (8-9)	Section <u>0 2</u> (10-11)	Twp. <u>1 2 1</u> (12-14)	Range <u>0 3 5</u> (15-17)
Land Type <u>18</u> (18)	SF <u>0 0</u> (19-20)	Major Species <u>0 0 2</u> (21-23)	Volume <u>0 2</u> (24-25)	Value <u>0 1 2</u> (26-28)	Date <u>1 1 8 7</u> (29-32)

SPECIAL PERMITS

2. SPECIAL PRODUCT PERMIT

a. GENERAL REGULATIONS & POLICY

Commissioner's Delegation Order No. 582 provides that the Area Forest Supervisor may issue permits to use state lands for the purpose of selling small quantities of earth materials, hay and boughs. The minimum fee is \$25.00 and permits may last for any period up to a maximum of 3 months.

b. PROCEDURE FOR SPECIAL PRODUCT PERMIT (for sand, gravel, clay, rock, marl, black dirt, hay, and boughs).

1. The Special Product Permit can be issued for the use of any forest lands under the authority of the Commissioner of Natural Resources. It is a supplement to existing procedures for the leasing of land for sand, gravel, clay, rock, marl, black dirt, and hay and the sale of informal permits for boughs. Existing procedures shall remain in effect for quantities of earth materials over 500 cubic yards; hay over 100 tons; and boughs over 10 tons. The purpose of the Special Product Permit is to be a system to handle emergencies or small quantities of these products and is not intended to be a substitute for existing lease procedures. If larger quantities are needed, the standard lease or informal timber permit should be used.
- 2) Permits equal to or less than the above quantities may be issued by the Area Forest Supervisor using the permit procedure specified in these instructions.
- 3) Area Forest Supervisors shall not approve any permits without using the prescribed form (NA-02116). No removal of any materials covered by the Commissioner's Delegation Order is authorized except by permit.
- 4) Area Forest Supervisors shall collect the payment and sign the permit. Checks or money orders shall be made payable to the Department of Natural Resources. State sales tax must be collected, if applicable.
- 5) The minimum fee is \$25.00. All products shall be sold on appraised volumes and prices. Prices will be those established by the Division of Forestry base stumpage prices for boughs and by the Bureau of Real Estate Management for gravel and hay.
- 6) Permits may last for any period up to a maximum of 3 months. No extensions are permitted.

SPECIAL PERMITS

- 7) Only one permit per permittee or immediate family may be in effect at one time.
- 8) Removal of earth materials shall be permitted only from pits in existence prior to the time a permit is issued. The Area Forest Supervisor may issue more than one permit for an existing pit area at the same time.
- 9) The Area Forest Supervisor may suspend or cancel any permit if the permittee violates its terms. No refund of the permit payment shall be made in the event of suspension or cancellation.
- 10) The Area Forest Supervisor must insure that a materials appraisal system be used which shall adequately protect the public interest. For permits allowing removal of gravel or other earth materials in quantities above 75 cubic yards, measurement of the materials removed must be accomplished by either a) use of a load ticket system or b) physically inspecting the pit before and after the removal. The permit must be marked to show which measurement system will be utilized. Permittees should be asked to specify the carrying capacity of the vehicles they will use to remove the materials, (cubic yard capacity of a truck for example) so that load tickets may be issued accordingly. Areas where special product removal shall be permitted shall be marked or otherwise designated before a permit is issued.
- 11) All checks must be sent to the Timber Sale unit in St. Paul and must be accompanied by a copy of the permit.

SPECIAL PERMITS

C. PREPARING THE SPECIAL PRODUCT PERMIT (NA-02116).

The Special Product Permit is prepared by the District Forester. The form should be typed or printed in ink. The bold number 76 in the upper center of the form is a Bureau of Financial Management number representing Special Product Permit. The permit number should be filled in using three digits, starting with 001 on July 1st of each year. Check the proper box depending upon the product the permit is issued for and enter the amount to be removed; earth material, boughs, or hay. Write in what regulations are necessary and complete the map showing the location of the permit. The permit should be signed by the District Forester and permittee and forwarded, with the proper payment to the Area Forest Supervisor for approval and signature. Payment may be made by personal check, cashiers check or money order. Cash payment should be avoided. Upon approving the permit the Area distributes copies as appropriate; permittee, District, Area and St. Paul.

The reverse side of the form lists the conditions and terms of the permit and should be read, understood and agreed to by the permittee. On the bottom of the form there is a place to code information about the permit. The Area should complete this coding. In the product box the coding would be 412 for earth materials, 413 for boughs, and 414 for hay.



SPECIAL PRODUCT PERMIT

(Sand, Gravel, Clay, Rock, Marl, Black Dirt, Boughs or Hay)

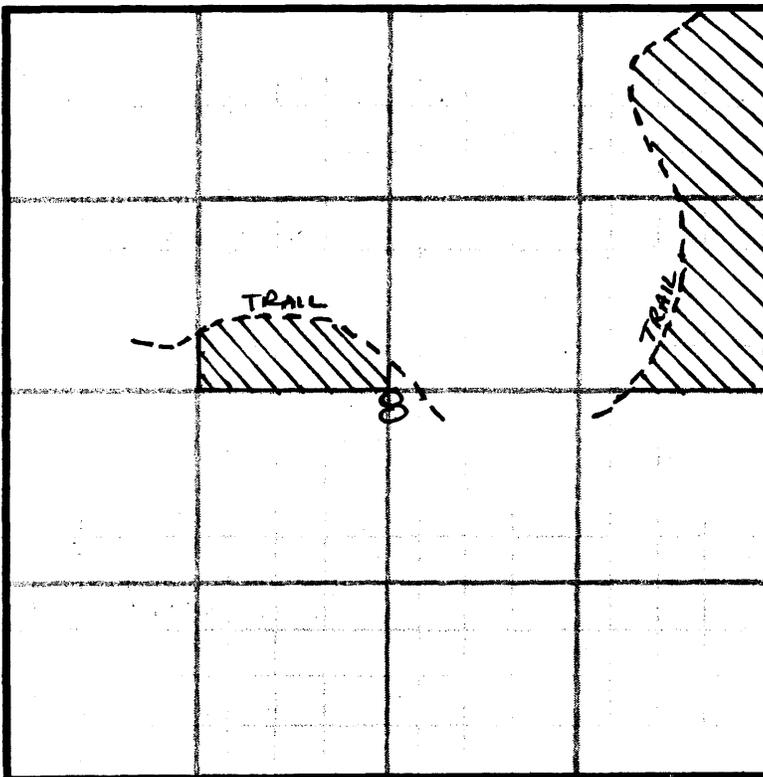
76	County	31 Itasca	Permit Number	001
	Rad	221	Permit Date	Oct. 1, 1987
	Land Status	11 Acq.	Permit Expiration Date	Dec. 31, 1987

Name of Permittee <p style="text-align: center;">Michale Larson</p>		Address (No. & Street, RFD, Box No., City, State Zip Code) <p style="text-align: center;">Box 461, Bigfork, Minnesota 56628</p>		
Legal Description <p style="text-align: center;">E 1/2 NE 1/4 & SENW</p>	Section <p style="text-align: center;">8</p>	Township <p style="text-align: center;">146</p>	Range <p style="text-align: center;">25</p>	

In consideration of the sum of \$ 30.00, payment of which is hereby acknowledged, you are authorized under the provisions of Minnesota Statute 89.17 and other applicable law to enter upon state land described above to:

- 412** Excavate and remove not more than _____ cubic yards of _____;
 - 413** Cut and remove not more than 3 tons of boughs;
 - 414** Cut and remove not more than _____ tons of hay;
- as provided within the following regulations:

SCALE (Mark One) 4" to Mile 8" to Mile



Regulations: / Cut balsam fir boughs
from lower 1/2 of tree only.
Trees may not be felled to obtain
boughs. Permittee must obtain
permission to cross private land
for access.

This permit is issued and accepted upon the conditions and subject to all the terms and limitations contained in the Statutes of the State of Minnesota and all conditions herein specified above and on the reverse side, to all which the State and the permittee severally agree.

For the Director
DIVISION OF FORESTRY

Signature of Forest Officer <p style="text-align: center;">/S/ Glen W. Laginess</p>	Date <p style="text-align: center;">9-23-87</p>	Signature of Area Forest Supervisor <p style="text-align: center;">/S/ Roy Tarbell</p>	Date <p style="text-align: center;">9-30-87</p>
--	--	---	--

I have read, understand, and agree to comply with all the requirements of this permit. I presently have no other State of Minnesota Special Product Permit.

THIS PERMIT MUST BE IN POSSESSION WHEN CUTTING, EXCAVATING OR REMOVING THE PRODUCT LISTED.

Signature of Permittee <p style="text-align: center;">/S/ Michale Larson</p>	Date <p style="text-align: center;">9-23-87</p>
---	--

CONDITIONS AND TERMS FOR SPECIAL PRODUCT PERMIT:

1. This permit is not valid unless numbered, dated and signed by the Forest Officer, Area Forest Supervisor, and the Permittee. It expires on the expiration date shown; whenever the authorized quantity of materials has been removed; upon mutual agreement; or upon violation of any of its terms and conditions; whichever comes first. It shall not be extended. It is not transferable. It does not grant exclusive right to use the premises to the exclusion of others. It does not relieve Permittee of any obligations imposed by law.
2. Unless designated otherwise in this permit, all of the product which is authorized to be excavated, cut, or removed is **sold on appraised volume**. No other product shall be excavated, cut, or removed except as specified in this permit. Any product excavated, cut, or removed in violation of permit terms shall constitute trespass.
3. The Commissioner of Natural Resources shall have the power to suspend or cancel all operations allowed by this permit when in the Commissioner's judgement the permit conditions have not been complied with. Any product removed during a suspension or following cancellation shall be deemed to have been removed in trespass. No refund of permit payment shall be made in the event of suspension or cancellation.
4. Permittee must keep and leave the premises neat, clean and in a safe condition, remove all refuse and debris that may from time to time accumulate and dispose of it in an approved manner.
5. Permittee expressly agrees to assume all risks of personal injury or property damage to any person that may result from Permittee's activities under this permit and not to bring any claim or suit against the State of Minnesota, its officials or employees if such injury or damage occurs.
6. If this permit is for the removal of more than 75 cubic yards of gravel or other listed earth materials, measurement of the quantity of materials removed shall be accomplished by one of the following methods:
 - A. Inspection of the pit before and after removal.
 - B. Use of a load ticket system.

The following load ticket numbers _____ through _____ are assigned.

All load tickets must be processed according to the instructions on the inside cover of the load ticket booklet. The booklet must accompany each load removed from the site. Failure to comply with these provisions shall constitute willful trespass for which charges three times the appraised value of the materials removed will be assessed. Loads of gravel not accountable by the load ticket system may be assessed as an average truck load against the permit.

7. This permit is subject to all previously existing easements, rights of way, licenses, leases and other encumbrances upon the premises.

FOR DEPARTMENT USE ONLY

RAD	<input type="text" value="2"/> <input type="text" value="2"/> <input type="text" value="1"/>	Permit No.	<input type="text" value="0"/> <input type="text" value="0"/> <input type="text" value="0"/> <input type="text" value="1"/>	County	<input type="text" value="3"/> <input type="text" value="1"/>	Section	<input type="text" value="0"/> <input type="text" value="8"/>	Twp.	<input type="text" value="1"/> <input type="text" value="4"/> <input type="text" value="6"/>	Range	<input type="text" value="2"/> <input type="text" value="5"/> <input type="text" value="W"/>
Land Type	<input type="text" value="1"/> <input type="text" value="1"/>	SF	<input type="text" value="0"/> <input type="text" value="9"/>	Product	<input type="text" value="4"/> <input type="text" value="1"/> <input type="text" value="3"/>	Volume	<input type="text" value="0"/> <input type="text" value="0"/> <input type="text" value="3"/>	Value	<input type="text" value="0"/> <input type="text" value="2"/> <input type="text" value="5"/>	Date	<input type="text" value="1"/> <input type="text" value="0"/> <input type="text" value="8"/> <input type="text" value="7"/>

SECTION G
PERMIT SUPERVISION

PERMIT SUPERVISION

1. SUPERVISION

a. General

Proper supervision of timber permits is essential to a good timber sales program. Without good supervision, operators may become careless, cut corners, or move timber products without authorization.

The District Forester has the overall responsibility for supervision of all the timber sales in his district. He may, however, delegate the authority for individual permits to his assistant.

Good supervision begins with a well informed permit holder. All the conditions of the sale - including the cutting regulations, utilization standards, slash disposal, cutting lines, etc. - should be thoroughly reviewed with the permit holder before cutting begins.

No definite number of visits are required for good supervision. This may vary with the permit depending on the operator, type of cutting, the size of the operation, etc. Good permit supervision requires that the forest officer in charge visit the sale area often enough to know what the operator is doing and to take corrective action before a sale gets out of hand. In most cases, this will require visiting active sales at least once a week when cutting or hauling is occurring. This includes consumer scale and "sold on appraised volume" sales, as well as sales which are scaled by the District. The District Forester shall make a final inspection with the permit holder before equipment is removed.

b. Cutting Regulations - Utilization Standards

Each permit shall state the cutting regulations which should include the minimum utilization standards that will be acceptable. Generally, the regulations that must be included in the permit are:

- 1) Minimum merchantable top diameter for each species:
 - a) Conifers
 - (1) 3" top for pulpwood and post material (spruce & cedar)
 - (2) 4" top for pulpwood and post material (other conifers)
 - (3) 7" top for sawtimber and bolts
 - b) Aspen and other Hardwoods
 - (1) 5" top for pulpwood (Aspen)
 - (2) 4" top for pulpwood (other hardwoods)
 - (3) 10" top for sawtimber and bolts
- 2) Which species shall be cut.
- 3) Type of cutting (clearcut, partial cut, etc.).

PERMIT SUPERVISION

- 4) What area shall be cut and which area shall not be cut.
- 5) Utilization standards by species (Sawlog Specifications). (See page B-6.1 of the Scaling Manual)
 - a) Pine, Spruce, Tamarack, and Balsam fir must be at least 50% sound.
 - b) Aspen must be at least 90% sound.
 - c) High value Hardwoods (White Ash, Cherry, Red and White Oak, Hard Maple, and Walnut) must be at least 33 1/3% sound.
 - d) Low value Hardwoods and Cedar must be at least 75% sound.
- 6) Special regulations that specify seasonal limitations of when timber must be cut or hauled, or that require silvicultural treatments as part of the cutting regulations, should be used judiciously. Refer to silvicultural guidelines or policies when dealing with these situations.
- 7) How cutting boundaries are identified.

PERMIT SUPERVISION

2. PERMIT BOUNDARY LINES

a. Designating Boundary Lines

The timber law specifies that the Commissioner shall designate the boundaries of the timber tracts to be sold. This means that the Division of Forestry will establish the boundaries of the cutting area and the permit will specify how the boundary is designated. In most cases, it will be necessary to mark the cutting boundary by the standard marking procedures using paint. Other methods of designating the boundary such as type lines and geographic features can be used when they clearly define the cutting area. This will be specifically stated in the permit. Extreme care should be used to make sure the permit holder completely understands the designation. Remember, a type change may not be as apparent to a logger as it is to the forester.

When the cutting area is adjacent to a land ownership other than state, the boundary lines must be established and clearly marked. Division of Forestry personnel should get together with the other landowner and arrive at a mutually agreed upon boundary. If this cannot be done, we will set the boundary independently.

Great care should be used in establishing the boundary with other landowners. Avoid encroachment on the other landowner, but also avoid establishing a line within our property boundary as a cutting line. It could be confused with the property line at a future date. Where timber and property values are high and it is important that a surveyed line be established, the Bureau of Engineering will provide a surveyor. However, this is extremely costly to the Department and may cause delays.

b. Standard Marking Colors

The following standard colors have been established for use by the Division of Forestry for state timber sales:

- 1) Yellow - Timber marking
- 2) Red - Permit boundary lines (section lines, etc.)
- 3) Blue - Cutting area boundary lines (reserve lines, etc.)
- 4) White - Permanent sample plots (inventory and research)

Paint will be the principle means of identifying a permit area. Other means such as ribbons will generally not be used on Auction permits.

PERMIT SUPERVISION

3. PERMIT SUPERVISION POLICIES

a. Posting of Permits (F-117)

State Timber laws require that the timber be identified until scaled. In order to comply with the requirement and to enable good supervision of timber sales, all permit landings are to be posted by the permit holder with a sign giving the permit number and name of permittee. If there is vandalism because of the name problems just the permit number will be acceptable.

In order to standardize the posting and to insure that it is done properly, tagboard posters (F-117) are available. When a permit is issued, the District Forester will make out one or more F-117's for the operator using a felt pen, scaling crayon, etc.

It is required that the permit holder post all landings with the tagboard permit identification. This can be enforced by refusing to scale or refusing to allow the operator to haul to the consumer until it is posted. (See page G-3.2)

b. Policy Concerning the Suspension of Cutting Operations

Forest officers responsible for permit supervision may recommend to the Area Forest Supervisor that cutting be suspended where such action appears necessary to enforce State Timber Laws and cutting regulations. The Area Forest Supervisor may order suspension of cutting if such action is in the best interest of the State. Whenever cutting is suspended, The Area Forest Supervisor will notify the Regional Forest Supervisor and the St. Paul office immediately of the action taken and the circumstances involved.

c. Slash Disposal

It is the responsibility of the permit holder to treat the slash as required by the permit. The regulations are to be listed on the Timber Appraisal Report and should conform to Minnesota Statutes, Sections 88.13 and 88.14.

The instructions should be clear to the permit holder and should consider timber management, fire control, environmental, and aesthetic impacts.

STATE OF MINNESOTA
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY

PERMIT HOLDER:

John L. Doe

G-3.2

PERMIT NUMBER:

2095 L

PERMIT SUPERVISION

PERMIT SUPERVISION

4. AUTHORIZATION FOR ALTERNATE LANDING OF UNSCALED TIMBER PRODUCTS (F-114)

a. General

Minnesota Statutes, Section 90.251, Subdivision 1, reads in part, "All scaling shall be done on the land from which the timber was cut; provided that the state appraiser, subject to the approval of the Commissioner, may designate in writing to a permit holder another location where such timber may be scaled, counted, or measured".

Under this provision the Area Forest Supervisor, at the request of the permit holder may grant an alternate landing. The Authorization For Alternate Landing will then be completed with copies to the District, St. Paul, and the Scaling Specialist. Do not designate an alternate landing on the permit. Under "Remarks" on the Timber Scale Report, state that timber was scaled on alternate landing and give the legal description of the alternate landing.

Up to two alternate landings per permit may be authorized by the Area Forest Supervisor where there are no consumer scale agreements. One alternate landing is authorized when one or more consumer scale agreements are in effect. Once an alternate landing is authorized, it is effective until cancelled by letter or the permit is closed. When there is a change in alternate landings or a new one granted, the Authorization For Alternate Landing cancels all previous alternate landings. Therefore, it is necessary to list both alternate landings if two are in effect.

b. Skid Landing

A landing off the permit that the wood is skidded or dragged to is a skid landing. If the wood is to be stored temporarily at the skid landing for transport to another location for scaling, it is not considered an alternate landing. If the wood is to be scaled at a skid landing than it is considered an alternate landing.

c. Alternate Landings at Mill Sites

Alternate landings at mill sites are allowed. Approval can be granted by the Area when any of the following conditions are met:

- 1) The mill does not use the specific product being landed (example: pulpwood at a sawmill site)
- 2) The mill is nonoperational during the period of time the wood is landed to when it will be scaled.
- 3) The wood must be sufficiently identified and isolated on the mill site to eliminate any identification problems that would allow it to be processed prior to scaling.

PERMIT SUPERVISION

The approved alternate landing form must include the mill name and the legal description. It is the responsibility of the Area to have all wood that is landed at mill sites to be scaled as soon as possible. The scaling office will inspect alternate landings at mill sites to ensure that the above conditions have been met. If noncompliance is found the alternate landing will be cancelled.

d. Alternate Landings May Be Authorized Only Under The Following Conditions:

- 1) There is a real need for a landing other than on the permit to eliminate extra handling, make transportation of cut products possible, or to greatly expedite scaling.
- 2) There is adequate control so the permit products will not be mixed with other products.
- 3) Adequate control can be maintained by the forest officer.
- 4) Permit holder agrees to mark his loads with the permit number when moving the products by truck.
- 5) Permission of the landowner has been obtained.
- 6) The permit holder agrees to properly mark such a landing as required by law using a tagboard poster (F-117).

St. Paul reserves the right to question or deny a particular location for an alternate landing, but this would be necessary only in unusual circumstances involving a risk to the State.

When the same alternate landing will be used by two or more permit holders, the Authorization For Alternate Landing shall specify the specific location given to each permit holder. Any cut products being moved to an alternate landing must be properly identified by the permit number and name of permit holder.

PERMIT SUPERVISION

MINNESOTA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY

AUTHORIZATION FOR ALTERNATE LANDING
OF UNSCALED TIMBER PRODUCTS

Dear Sir:

Your application to remove unscaled timber products from Permit # 2095L to other locations for scaling has been received. The following description(s) have been approved as alternate landing(s) by the Commissioner of Natural Resources through delegation of authority to the Division of Forestry.

N $\frac{1}{2}$ of the SW $\frac{1}{4}$ of Section 31, Township 057, Range 07W

Only the above field alternate landings may be used for this permit on which the timber will be scaled by State personnel. All other field alternate landings are hereby cancelled. Use of these landing(s) has been approved subject to the following restrictions.

1. Permission of the land owner must be obtained where lands are not under Division of Forestry jurisdiction.
2. The various timber species by products from each permit must be piled separately for accurate scaling, and identified by the Permit number.
3. All timber products being moved by truck to the alternate landing will be identified by marking the permit number on the said products using lettering of at least 4" in height.
4. All State timber laws must be complied with, including the posting of alternate landings with the permit number.

Very truly yours,
For the Director
DIVISION OF FORESTRY

By:


Area Forest Manager

PERMIT SUPERVISION

5. TIMBER SALE INSPECTION (F-126)

Inspection is a vital part of supervision and is especially important to the timber sales program. It is mainly through on the ground inspection that acceptable work standards can be determined. The purpose of inspection is to appraise the District timber sales program and locate any sub-standard work so it can be corrected by training or other methods.

All permits, whether auction or informal, are subject to inspections. Inspections are the responsibility shared by the Area Forester, Regional Forester and the St. Paul staff. The District Forester may be in attendance at a permit inspection, but is is not mandatory. Some of the Regional inspections should be checks of Area inspections. Some St. Paul inspections should also be checks of Area & Regional inspections. All permits to be inspected will be chosen at random.

The Regional Forest Supervisor is responsible for the inspections in that region. The Region will determine the number of inspections that the Area and Region will make with a minimum of at least one inspection per District. The Area will inspect a minimum of 20% of each District's permits, but no less than five. The actual number of inspections in a District will be determined by the experience and training of District personnel and the quality of work as shown by previous inspections. St. Paul will inspect a minimum of one permit per Area.

This form is available for formal inspections of individual permits. A separate report should be made for each sale inspected. The front side of the form is for use by all supervisors engaged in timber sale administration. Both active and completed sales should be inspected to provide a complete picture of the sales in each District. This form should be made out in quadruplicate with one copy for the District, Area, Region, and St. Paul.

The back side of the form will be used for check cruising active timber sales. The Regional Forest Supervisor or St. Paul Forest Management staff may request a check cruise by the Area Forest Supervisor or Regional Forest Supervisor on a desired permit. The cruiser will show his plots, type map, and volumes found on the area sold. This will be mainly used on "Sold on Appraised Volume" sales. A time limit is established for the return of the check cruise so a cruise can be made before cutting can be started. At least one such cruise should be made in a District per year. More may be requested if it is necessary. When a check appraisal shows a difference of 20% or more (of either total volume or total value) from the original appraisal then additional inspections should be made to determine if a trend or pattern exists with an individual appraiser. If it appears that there is a definite problem, then "Sold on Appraised Volume" sales should be discontinued until the problem is corrected, which may mean further appraisal training. Check cruises should consider both volume and value estimates; when checking for value the original price guide factors must be used.

The Area Forest Supervisor is required to check cruise and make timber sale inspections as often as he deems advisable and should use this form in making his report.

PERMIT SUPERVISION
DEPARTMENT OF NATURAL RESOURCES
FOREST MANAGEMENT PROGRAM
TIMBER SALE INSPECTION

Area 27
District 3

Inspected By: H. HESSE
Date: 1-10-81 District Forester LARRY BUNGE
Permit No. 2060 X Location: Forty NENW Sec. 35 Twp. 51 Rge 23
Issued to: JOHN DOE Address Mc GREGOR

A. Complete For All Sales

1. Was field appraisal book used for appraisal?
2. Is the area sold in the planned harvest area?
3. Are price guide factors O.K.?
4. Is utilization satisfactory?
5. Is the sale consistent with Division environmental guidelines?
6. Is permit inspection satisfactory?
7. Are cutting recommendations in accord with policy?
8. Has regeneration of the stand been considered?
9. Are landings well planned, maintained and left in a satisfactory condition?

Yes	Other *
X	
X	#81-6
X	
	X LEFT SCAT. STEMS
X	
X	
X	
X	NATURAL
X	

B. Active Sales Only

1. Is reserve boundary adequately defined?
2. Is operator aware of all permit regulations?
3. Are cutting regulations being followed?
4. Are cutting regulations adequate?
5. Is wood piled satisfactory for scaling?
6. Is wood properly identified?

	X	
	?	SCAT. 5-9' LEFT
X		SOLD AS APP.
		"
		"

C. Completed Sales Only

1. Has type acreage drain been recorded?
2. Has land use card been corrected & the harvest area indicated on blueline prints?
3. Does area cut conform with appraisal?
4. Camp and landing area left clean?
5. Percent scale deviated from the appraisal?
6. Was the first price guide factor O.K.?

*If answer is "No" or "Other", explain under remarks, with footnotes to identify category and question number.

Remarks

- # A-4 SLOPPY GRAPPLE SKIDDING - SHOWED OPERATOR HOW MUCH WAS LEFT IN SE CORNER.
- # B-1 PERMIT LINES SHOULD BE MORE CLEARLY MARKED.
- # B-2+3 SCATTERED MAPLE + BIRCH LEFT IN SE CORNER OF SALE. OPERATOR UNDERSTANDS THEY MUST BE FELLED AFTER TALKING WITH HIM. PLANS TO GET THESE TREES AT SAME TIME AS SKIDDER PICKS UP MISSED WOOD. (PROBLEM WITH HIS HELP)

PERMIT SUPERVISION

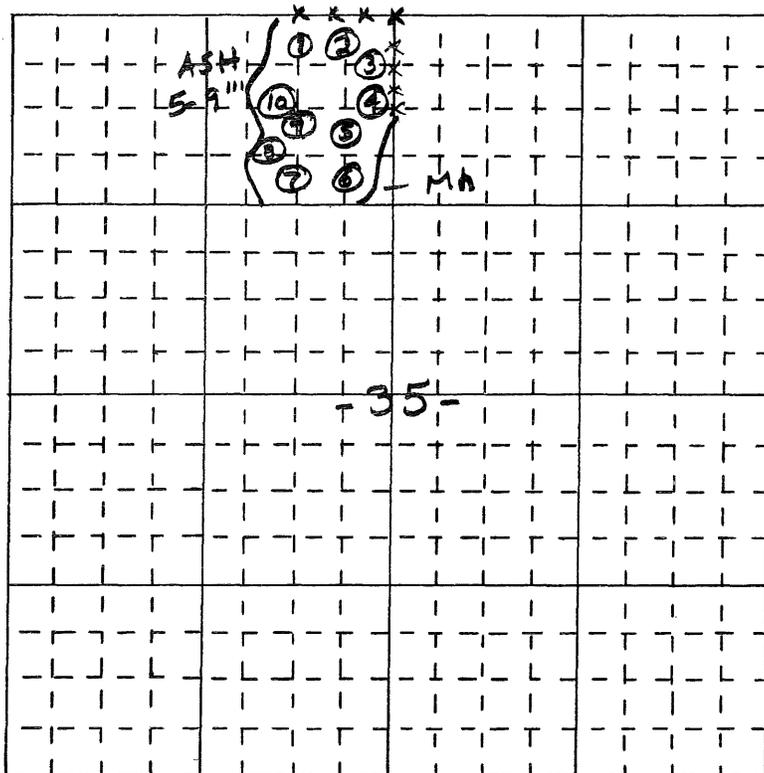
TIMBER SALE INSPECTION

DATE 12-15-80

AREA FORESTER H. HESSE - CHECKED BY R. MAKI

Please check cruise the attached Timber Permit # 2060X and return to this office by 1-1-81.

PLOT	SPECIES			
	ASPEN	DIR.	MAPLE	ELM
1	12	6	-	-
2	16	-	-	-
3	14	-	3	1
4	19	2	-	-
5	10	1	4	2
6	14	-	-	-
7	15	2	-	-
8	17	-	1	-
9	16	1	-	-
10	12	-	5	1
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
TOTAL	145	12	13	4 ($\div 10$)
	14.5	1.2	1.3	.4



Show map, course lines, and plot location.

1. Does the Forester's Appraisal Book conform to Department Policy? YES

2. Is this sale made in accordance with established policy and procedures? -- (List items needing attention by forester)

- A. PERMIT BOUNDARIES SHOULD BE MORE CLEARLY MARKED
- B. _____
- C. _____
- D. _____
- E. _____
- F. _____

YOUR CRUISE	TYPE ACRES	CORDS	M.B.F.	OTHER
<u>ASPEN</u>	<u>25</u>	<u>363</u>	_____	_____
<u>HOWDS</u>	<u>25</u>	<u>72</u>	_____	_____
_____	_____	_____	_____	_____

PERMIT SUPERVISION

6. REMOVAL OF CUT TIMBER, BUILDING, AND EQUIPMENT

The permit holder is allowed 90 days after the completion of the permit for removal of cut timber, buildings, and equipment. In most cases, this should be a sufficient amount of time. If it becomes apparent that additional time is needed, the permit holder must make a request to the District Forester for additional time. Upon the recommendation of the District Forester, the Area Forest Supervisor may grant an extension of up to 120 extra days for the removal of cut timber, buildings, and equipment. In cases of hardship, the Commissioner may grant an additional extension not to exceed 120 days. The extensions will be by letter to the permit holder with copies to the District, Scaling Specialist and St. Paul. Any property left after the 90 days, or the extension, becomes the property of the State.

No standing timber may be cut after the permit expires or is closed. Any timber cut during the 90 days allowed or the extension period given for removal of timber, buildings, and equipment is in trespass.

All timber products shall be scaled immediately upon expiration of the permit. The permit holder should be notified by the District Forester well in advance of the expiration date and cautioned against any further cutting beyond the expiration date. When it is not possible to scale before or immediately upon expiration of the permit, the District Forester will send a letter of extension to the permit holder with copies to the Area, Scaling Specialist and St. Paul stating that it will be necessary to scale the cut products after the permit has expired. A scaling extension is necessary for both regular and consumer scaling. The letter should state very clearly that no more timber is to be cut. The period time allowed should not exceed the 90 or 120 days granted for removal of buildings and cut products. (G-6.2)



STATE OF
MINNESOTA
DEPARTMENT OF NATURAL RESOURCES

BOX , CENTENNIAL OFFICE BUILDING • ST. PAUL, MINNESOTA • 55155

DNR INFORMATION
(612) 296-6157

FORESTRY
Littlefork, MN 56653
January 19, 1981

FILE NO. _____

278-6651

Joe Kocinski
1209 14th Avenue
International Falls, MN 56649

Dear Mr. Kocinski:

You are granted a 90 day scaling extension on Informal Permit C-3979 for the purpose of scaling only. No additional timber may be cut. This scaling extension will expire March 17, 1981.

Sincerely,

Charles Spoden
Area Forest Supervisor

CS:km

cc: St. Paul
Region
Scal. Supv.
Dist. (20)
Area

PERMIT SUPERVISION

7. PERMIT SLIP

a. General

The reverse side of the Timber Appraisal Report is called the permit slip. It is used to record all the pertinent information involved in supervising and scaling the permit. This form will be the complete record of everything that transpires on the permit including all scales, consumer scales and tickets, alternate landings, additional product agreements, added timber, and extensions. (See page G-7.3)

b. Adding Timber to an Existing Permit (F-103)

Minnesota Statutes 90.151, Subdivision 12 (Auction Sales) and 90.191, Subdivision 3 (Informal Sales) authorize the addition of unsold timber to an existing permit for salvage or timber management purposes with the consent of the permit holder. Timber should be added to a permit only when it is advantageous to the state. Adding timber may require changing the cutting line but it must be within the permit area which is defined in the legal description of the permit. Cutting lines will not be changed for the purpose of adjusting the cut volume closer to the appraised volume.

When additional timber is to be cut, the timber must be appraised using the current stumpage prices and the original price guide factors. However, if the timber being added is the same product and species already included on the permit the price shall be the same as indicated on the permit. The 'Agreement to Cut Additional Timber' block on the reverse side of the Timber Appraisal Report will be completed and signed by the permit holder. A revised cutting map will be made by the District and submitted to the Area. The Area will prepare a Report of Added Timber and submit a copy to the Permittee, Region, St. Paul, and the Scaling Supervisor. (See page G-7.4).

The appraised value of the permit plus the value of the added timber should not exceed the legal permit limitations (\$3,000 Informal, \$7,000 Intermediate Auction Sale, and \$20,000 for a Regular Auction Sale).

Payment must accompany the Report to St. Paul for the appraised value of the timber added to an Informal or auction permit.

The Appraisal form is to be placed in a notebook by permit number and carried in the field.

c. Closing the Permit

When the permit is being closed, the district corrects the cutting map, indicates the actual drain, volumes, and the reason for any errors in the Timber Appraisal Report. It is then sent to the Area for review. The Area makes the final billing, corrects the drain sheet, and immediately returns the F-121 to District, the Area can

PERMIT SUPERVISION

keep a copy. After the final billing is paid, the Appraisal is removed from the binder and filed by township.

A completed alteration form (NA-01956-02, F-280B, Rev. 6/81) must accompany the completed Timber Appraisal Report (F-121) when it is sent to the Area Office for final billing. This will assure that the Phase II Forest Inventory is kept current at all times. The procedure for completing and submitting alterations is presented in the Forestry Survey Manual, Phase II Intensive Inventory.

PERMIT SUPERVISION

Permit Holder Oscar Swendberg	Phone No. 326-4429
Address Cohasset, Minnesota 55721	
Producer	Phone No.
Address	
Consumer	
Load Tickets	

Permit Number A-1234
Date 9/1/79
Expiration Date 9/1/81
Extended To: 9/1/82
Extended To:
Extended To:

AGREEMENT TO CUT ADDITIONAL TIMBER

I Agree to cut the following additional species and/or products from this Permit at the following appraised prices:

5 cbs Tamarac pulp at \$5.00 per cord

Signature <u>Oscar Swendberg</u>	Date 8-2-81
-------------------------------------	----------------

PERMIT SUPERVISION

3-15-80 seasonal inspection - 43% complete
8-20-80 warned operator about slash
3-5-81 seasonal inspection - 72% complete, recommend extension

SPECIES AND PRODUCTS SCALED

Date	N.W.P. MBF	Oregon Lb	Balm Lb	Balsam Lb	Cedar Lb	Spice Lb	N.W. Pine Lb	Tann. Lb
12-1-79	15.37	91.00	6.49	9.56			3.92	
3-15-80		90.31	38.80	1.50				
	15.37	181.31	45.29	11.06			3.92	
8-20-80		20.05						
9-2-80		6.50			29.33			
9-18-80		33.44			3.23			
10-1-80		41.65		6.75				
10-21-80		45.85						
11-7-80		40.32						
		181.81		6.75	32.56			
8-9-81		19.57		5.44		31.15		
8-22-81		20.43				31.26		5.61
9-10-81		44.42						
10-3-81		43.78						
10-28-81		52.01						
		180.21		5.44		62.41		5.61

PERMIT SUPERVISION

NA-02119-02
(F 103) Rev. 10/81



SALE OF STATE TIMBER

Record Number 1

REPORT OF ADDED TIMBER

Permit No. A-1234
2-6

TYPE	CODE	RAD	SF	LAND	Type of Land	CO	County	Date Added	
2	Ø	261	28	1	School	36	Koochiching	08	81
11	12	13-15	16-17	18		19-20		7-8	9-10

Name of Permittee (Last, First, M.I.) Swendberg, Oscar J.			Address (Street, RFD, Box #, City, State, Zip Code) Cohasset, Mn. 55721		
Legal Description N½ SW¼	Section (21-22) 26	Township (23-25) 065	Range (26-28) 24W	No. of Records 37	
Value of Added Timber: (29-36) \$ 25.00					

QUANTITY	SPECIES and PRODUCT	UNIT PRICE	PRIME CODE			
			UNIT	SPECIES	PROD CODE	PRIME CODE
5 00	Tamarack Pulpwood	5 00	2	72	22	—
38-43 44-45		46-49 50-51	52	53-54	55-56	57
58-63 64-65		66-69 70-71	72	73-74	75-76	77
38-43 44-45		46-49 50-51	52	53-54	55-56	57
58-63 64-65		66-69 70-71	72	73-74	75-76	77
38-43 44-45		46-49 50-51	52	53-54	55-56	57
58-63 64-65		66-69 70-71	72	73-74	75-76	77
38-43 44-45		46-49 50-51	52	53-54	55-56	57
58-63 64-65		66-69 70-71	72	73-74	75-76	77
38-43 44-45		46-49 50-51	52	53-54	55-56	57
58-63 64-65		66-69 70-71	72	73-74	75-76	77

COL. 1
2
3
4
5
6
DUPLICATE COLUMN 2-37 FOR RECORDS 2 - 6 (if any)

This attachment is your copy of the Added Product Agreement signed on: August 15, 1981

Signature of Authorized Forest Manager <i>Charles Spoder</i>	Date 8/15/81
---	------------------------

cc: St. Paul
Area
Scaling Supervisor
Permittee

SECTION H

ADMINISTRATION OF STATE TIMBER SALES

ADMINISTRATION

1. BILLING - TIMBER PERMIT INVOICE (F-123)

a. General

The Timber Permit Invoice (F-123) is the billing to the permit holder of what he owes the State. It is prepared at least annually for Auction permits and when Informal or Auction permits are completed and as often as necessary to obtain payments to avoid overruns. All products cut since the last billing must be included.

An annual or final Timber Scale Report is used as a work sheet to prepare the Invoice. The District or Area completes the Timber Scale Report by filling in all information through the value column, and the remainder is completed by the person preparing the invoice.

b. Procedure

1) Prepared by:

Informal Sale ----- Area
Intermediate Auction - Area
Regular Auction ----- St. Paul

2) Number of Invoice copies:

Informal Sale ----- 7 Copies (Page E-7.1)
Intermediate Auction ----- 7 Copies (Page D-7.1)
Regular Auction ----- 5 Copies (Page C-9.1)

3) Informal permit and Intermediate Auction

Date the invoice the day it is mailed out. At the same time send two onionskins to St. Paul for audit. One onionskin is returned as soon as it is checked by St. Paul indicating that it is correct or in error. If an error is found, the Area must make a corrected billing. When the permittee is entitled to a refund include a transmittal letter explaining the refund options. (Page H-2.1)

4) When payment is received, submit to St. Paul with copy of F-123. In the case of a refund, attach the request for refund (F-131) to the F-123 copy and submit to St. Paul.

5) Any billing not paid within 30 days is considered past due. See delinquent accounts (page H-3.1).

6) Maintain a list of billings by name, permit number, date billed and amount due. The list is used to determine any "past due" (30 day) accounts.

7) Excessive (20% of value) underruns or overruns and permits which exceed the maximum value allowed for the type of sale must be explained by letter. The letter of explanation must accompany the onionskin copies to St. Paul.

ADMINISTRATION

- 8) All permits require that the state receive the proper value for what was sold. If logs were sold on the permit and the operator cut it into pulpwood, the value charged for the pulpwood will be at the sawlog price. Conversely, if pulpwood was sold on the permit and the operator cut it into logs, the value charged for the logs will be at the pulpwood price.

c. Preparing the Timber Invoice

- 1) Heading - Fill in the field office, type number, permit number, date of invoice, permittee's name and address, legal description, county numbers and Region, Area, and District number.
- 2) Timber Products and Volume - List each timber product as it was sold on the permit. If scaled in another form it must be converted for the billing. Pieces can be used for the number of logs or piling. Size is used for products such as Christmas trees, post, or piling. Quantity should be rounded off to the .01 of a cord, 10 bd. ft., 10 lbs., and piece. Unit price is rounded off to the nearest cent. The total value of each timber product is the result of multiplying the quantity times the unit price.
- 3) Fill in "Value of Timber Cut" and "Credit for Advance Payment" which is the advance payment for an auction permit or the original permit payment if an informal permit. "Sub-total" is the difference between the value cut and the advance credit.
- 4) When all or part of the products are subject to sales tax the amount subject to the tax is to be entered in the space provided for "Taxable Value" and the appropriate tax entered on the following line (see page H-1.4).

If an Auction permit under extension, fill in extension time in the space provided and the projected total on the following line. Note: Extension interest is 8%. Except the first extension for an intermediate Auction which is without interest charge.

The "sub-total" is the sales tax and the extension interest added to the previous sub-total.

- 5) For an Auction billing enter the "Value of Uncut Timber" or the "Percent uncut Timber" from the Timber Scale Report. (See G-3.2 Scaling Manual)
- 6) If a cash bond was used fill in the "Cash Bond Only" block to obtain the cash bond credit amount and then enter this in the "Credit Cash Bond" column. Subtract the cash bond credit from the previous sub-total to obtain the sub-total due. (See H-1.4)
- 7) If a previous billing has not been paid this is entered as "Previous Balance Due" along with the interest on the previous balance.

ADMINISTRATION

- 8) The "Total Amount Due this Statement" is a total of all charges and credits due.
- 9) It is not necessary to refund or charge an amount of less than one dollar. The Area Forest Supervisor must sign on the line in the lower lefthand corner.
- 10) When an item listed on the permit does not cut out to the estimate and is not charged for as standing, an explanation must accompany the onionskin copy of the F-123 to St. Paul. Stumpage that is cut and left in the woods should be so indicated in the invoice. Timber left standing should be charged up to the appraised volume for that species.



TIMBER PERMIT INVOICE

TO: Steve Kingsley
Palisade, Minnesota 56469

REMIT PAYMENT TO:
DNR - Forestry
P.O. Box 9
Hill City, Minnesota 55748

Permit Number	Y 0248
Type of Sale	Int. Auction 3
Type of Land	Con-Con 3
Date of Invoice	Aug. 10, 1982

Following is a statement of timber cut under State Timber Permit described below. Please submit the total value due, by check, payable to the MINNESOTA STATE TREASURER, to THIS OFFICE. 11 percent per annum penalty must be charged on all accounts not paid within thirty (30) days if such interest exceeds \$1.00. If payment is not received within ninety (90) days, your account will be forwarded to the Attorney General for collection.

Section	Township	Range	County	Region, Area and District Number
31	50	22	01 Aitkin	273

Kind of Timber	Log Pieces	Size	Quantity	Unit	Unit Price	Total Value
Aspen Pulp & Bolts			320	Cords	4.55	1456.00
Birch Pulpwood			10	Cords	2.75	27.50
Balsam Pulpwood			12	Cords	4.15	49.80

Final Billing
 Annual Billing
Value Uncut Timber
\$ 975.00

CASH BOND ONLY	
Cash Bond remaining after last invoice	\$ 1998.00
Cash Bond required after this invoice	\$ 975.00
Amount of Bond for credit to this invoice	\$ 1023.00

Value of Timber Cut	\$ 1533.30
Credit for Advance Payment	439.00
Sub-Total	1094.30
Taxable Value	_____ X 5%
Interest for Ext. _____ Yrs. _____ Da.	-
Sub-Total	1094.30
Credit Cash Bond	1023.00
Sub-Total	71.30
Previous Balance Due	-
Interest on Previous Balance	-
Total Amount Due This Statement	\$ 71.30

Area Forest Supervisor Signature
Henry Riley

ADMINISTRATION

2. REFUNDS

a. General

In most instances, a sale cuts short because of an over-appraisal. When this is the case, the permit holder is entitled to a refund if full payment was advanced, such as an informal permit or a cash bond on a auction permit. No refund of less than \$1.00 will be processed.

Refunds are authorized under Minnesota Statutes, 16 A .48. The amount of refund shall be credited to any of the permittee's past due permits or refunded to the permit holder or at the permittee's request the Commissioner may credit the refund as payment upon any other permit.

The permit holder is notified by letter, along with the invoice that the refund will be applied to another of the permittee's past due permits or is available either as cash or credit to another permit. It is imperative that a refund, be processed within thirty days. If no answer is received within 10 days of the billing date, write "no answer received" over a copy of the letter and send it to St. Paul with the billing invoice.

The Area will keep a file of invoices that can be checked daily to insure that all invoices are sent to St. Paul within the 10 day period.

If the refund is applied to another permit, a revised billing is prepared for that other permit and sent to the permit holder.

b. Transfer of Credit

In certain cases it may be preferable for a permittee to transfer the refund due to another permit instead of collecting the refund as explained above. When this is done, the following procedure will apply:

- 1) A new permit which is receiving the transfer of money must be made at the time or soon after the other permit is closed. A credit should not remain on a sale that is closed any longer than an overrun due (30 days).
- 2) A request by the permit holder for this transfer must be submitted in the same form as the refund letter (F-131).
- 3) A notation must be made on the new permit indicating the amount of credit and the permit number from where the credit came.
- 4) If applied to an overrun due, make this notation on both individual Timber Permit Invoices (F-123).

c. Cash Refund

Upon receipt of the invoice and the F-131, form A-52 will be prepared in St. Paul. The original A-52 will be sent to the Permittee, three copies to the department cashier, one copy to the area, and one copy

ADMINISTRATION

for the St. Paul office files. A letter will also be prepared in St. Paul to the department cashier requesting that the amount of the refund be transferred from the account to which the original payment was deposited to the Department of Natural Resources account in order that the refund can be made. The department cashier will then start processing the refund. This may take 30 days or more.

Since the refund check is sent directly to the permit holder from the State Treasurer's office, the Area office should close the permit upon receipt of form A-52.



STATE OF MINNESOTA
DEPARTMENT OF NATURAL RESOURCES

PERMIT ADMINISTRATION

CENTENNIAL OFFICE BUILDING • ST. PAUL, MINNESOTA • 55155

DNR Information
(612) 296-6157

Permit No. 1587C
Trans. No. 5891
Trans. Date Dec. 17, 1981

Elmer Dahl
Star Route C
Roseau, Mn. 56751

Dear Mr. Dahl:

I hereby certify that this Department received money from you which has been deposited with the State Treasurer but which the State of Minnesota is not legally entitled to retain.

For the reason described below, a refund will be made to you.

Amount received \$ 1,139.50

Amount to be refunded \$ 274.43

Reason for refund: Permit did not cut out to appraised volume causing an over payment.

We are processing the documents for your refundment, and you will receive the check in approximately 30 days.

Refund made pursuant to M.S. 16A.48.

cc: Dept. Cashier
Area 121

Very truly yours,

William A. Berndt
Authorized Signature

Tran A64	Vendor Number			Type V
Invoice Number Refund 1587 C			Dept./Div. 29000	
Seq. No.	Suff.	Dept.P.O./F.O.No.	Object 840	
Amount of Invoice \$274.43		Date 12/21/81	C.C.D. 1 065	C.C.D.2 A65
C.C.D. 3 900	C.C.D. 4		C.C.D. 5	
I hereby certify that the goods or materials covered by this claim have been inspected and received or the services have been performed, and are in accordance with specifications, and are in proper form, kind, amount, and quality, and payment therefor and are in proper form.				
System Assign Ref. No.		<i>Sharon Schmitz</i> Dept. Auth. Signature		

ADMINISTRATION

3. DELINQUENT ACCOUNTS

a. General

It is extremely important to recognize that most delinquent accounts can be prevented by accurate appraisals and careful monitoring of the permit. If care is not taken in these two areas it is probable that collection will have to take place through court action which is both costly and time consuming.

Every effort shall be made to obtain collection of delinquent accounts. All logging should be stopped when the account is 60 days past due. Harvest or timber removal should be halted sooner if there is reason to expect collection problems. Other permits held by the permittee can and should be suspended until payment is received. Timber not paid for can be seized and sold. Any cut timber on any permit or on alternate landings held by the permittee should be seized. No new permits should be issued.

Any account not paid within 30 days of the invoice date is considered past due. If it is not paid within 90 days of the first invoice date, it is considered delinquent and is turned over to the Attorney General for collection.

All accounts which are not paid within 30 days of the billing date will accrue simple interest, from date of billing, (Minnesota Statutes 90.181 as amended in 1981) at the percentage rate which is determined for each calender year. The rates are:

Through July 31, 1981	6%
August 1, 1981 thru Dec. 31, 198113%
All of 198211%

The Commissioner also has authority to suspend or cancel the delinquent permit or any other permit and seize any timber not paid for. However, please notify St. Paul before cancelling any permit.

b. Procedure for Processing Past Due Accounts

1) If no payment has been received within the first 30 - day invoice period, a second notice will be sent informing the permit holder that the account is past due. If an Auction Permit is bonded, a copy of the second notice is sent to the bonding company involved. Any interest due over \$1.00 will be included in the invoice. Make a note in the file if you have any verbal contact with the permittee about collection.

2) If no payment has been received within the second 30 - day notice (60 days since first billing) a third and final notice is sent to notify the permittee that the account shall be turned over to the Attorney General if payment has not been received by the date given on this third notice. The notice will include interest due from the date of first invoice (60 days). If applicable it will also state that no more harvest or timber removal will be permitted on that or other permits until payment is made.

ADMINISTRATION

A copy of the third notice is sent to the Region and St. Paul.

- 3) Any account not paid by the date given on the third notice will be sent to St. Paul along with a letter stating what efforts have been made (include dates) to collect the delinquent account including a copy of the original invoice and copies of all other collection correspondence. The Timber Sales Staff Forester will refer the account to the Attorney General.
- 4) The Attorney General will likely first attempt collection without court action. If this is unsuccessful he will determine what legal action to take. In all likelihood, if the debt is less than \$1,000, he will direct the Area Forester to initiate a conciliation court action. (The Attorney General will handle suits in county or district court). The Area can recommend that conciliation court action be taken immediately without first having the Attorney General attempt collection. This would be acceptable, however, the request should be routed through the Attorney General for a quick review of the facts. No legal action shall be taken by the Area without direction from the Attorney General.

c. Procedure for Processing Conciliation Court Action

- 1) When the Attorney General directs the Area Forester to initiate conciliation court action, he should go to the office of the conciliation court clerk in the county where the permittee resides to file the claim. Interest on the debt should be computed to the day of filing the claim. There is a filing fee which must be paid, but which is added to the judgment if the judgment is in favor of the state.
- 2) For the conciliation court hearing, the forester should be prepared to give or tell the judge such information as:
 - a) the number, date and amount of the permit sold to the debtor
 - b) that the permit was sold subject to scale
 - c) that the final scale showed more timber cut than appraised
 - d) that the permittee was billed for the extra amount due giving the amount and date of the bill
 - e) whether any partial payments have been made
 - f) the dates of any personal contacts with the debtor or dates and copies of reminder letters to him (the certified mail receipt cards should be obtained from the Attorney General's Office to present to the court)
 - g) that the state is entitled to interest on the debt under Minnesota Statute 90.181 (as amended in 1981).
- 3) If judgment is given for the state and the debtor does not pay immediately or make arrangements to pay in installments, the judgment should be docketed with the clerk of county court after which it becomes a lien on any real property in that county owned

ADMINISTRATION

or subsequently purchased within ten years after the date of judgment. There is a fee, but it is added to the judgment amount. Interest accumulates on the judgment and must be collected. Other methods of collection are available such as writ of execution, garnishment, attachment, but none of these should be attempted without consultation with the Attorney General's Office.

- 4) If the state does not receive judgment in its favor, the Attorney General's Office should be notified immediately to assess whether appeal should be taken to county court. Fast action is critical since there is only a ten-day period after the date of the clerk's mailing of notice of the judgment order to perfect this appeal.
- 5) Regardless of the outcome of the hearing, a copy of the judgment and a copy of the docketing of the judgment should be sent to the Attorney General's Office.
- 6) When the judgment debtor pays the judgment, the state must notify the clerk of court that the judgment has been satisfied. However, do not sign any Satisfaction of Judgment before checking with St. Paul or the Attorney General's Office to be sure proper payment has been made. Minnesota Statute 548.16 provides the commissioner of finance or the Attorney General may execute satisfaction for the state. It is possible for payment to be made to the clerk of court.

d. Procedure for County or District Court

- 1) All suits for the collection of delinquent accounts in County or District court will be processed by the Attorney General's office.
- 2) Specific procedures will come from the Attorney General's office when required.



ADMINISTRATION

STATE OF
MINNESOTA
DEPARTMENT OF NATURAL RESOURCES

BOX , CENTENNIAL OFFICE BUILDING • ST. PAUL, MINNESOTA • 55155

DNR INFORMATION
(612) 296-6157

DIVISION OF FORESTRY

FILE NO. _____

June 1, 1982

2nd NOTICE

Peter Bliss
Box XYZ
Deer River, MN. 56636

Dear Sir:

To date, we have not received your payment for _____
Informal Permit No. 2021H for the billing dated
May 1, 1982.

Minnesota Statutes, Section 90.181, specifies that if payment is not made within 90 days from the billing date, your account will be forwarded to the Attorney General for collection. We request that payment be made immediately.

VALUE BILLED	\$492.38
INTEREST CHARGE FOR UNPAID ACCOUNT <u>31</u> Days @ 11%	4.59
TOTAL VALUE DUE	\$496.97

Sincerely,

James Tarbell
Area Forester



ADMINISTRATION

STATE OF
MINNESOTA
DEPARTMENT OF NATURAL RESOURCES

BOX , CENTENNIAL OFFICE BUILDING • ST. PAUL, MINNESOTA • 55155

DNR INFORMATION
(612) 296-6157

DIVISION OF FORESTRY

FILE NO. _____

July 1, 1982

FINAL NOTICE

Peter Bliss
Box XYZ
Deer River, MN. 56636

Dear Sir:

To date, we have not received your payment for _____
Informal Permit No. 2021H for the billing dated
May 1, 1982.

If the total payment is not received for the billing
by August 1, 1982, this account will be forwarded
to the Attorney General for collection. No further
notices will be sent.

VALUE BILLED	\$492.38
INTEREST CHARGE FOR UNPAID ACCOUNT <u>61</u> Days @ 11%	9.04
TOTAL VALUE DUE	\$501.42

Sincerely,

James Tarbell
Area Forester

cc: Region II - Grand Rapids
St. Paul

SECTION I

TIMBER TRESPASS ON STATE LANDS

SECTION I

TIMBER TRESPASS ON STATE LANDS

TIMBER TRESPASS

1. TIMBER TRESPASS LAW - MINNESOTA STATUTES 90.301

The Commissioner of Natural Resources is responsible for the enforcement of timber trespass laws which are designed to protect State lands and their timber crop. Timber trespass is defined as cutting any timber without a valid permit upon lands owned by this state, or held in trust by the state for the counties, or removing or carrying away of any such timber, or any other property appertaining to these lands, or committing any other trespass upon these lands or inducing or assisting another to do so (see Minnesota Statutes, Section 90.301, Subdivision 1.)

Specifically, timber trespass may consist of:

- a. Cutting or removal of timber without a valid permit. This would include cutting before the permit is approved or paid for and could include the situation where a personal check was used to pay for the permit and the check did not clear because of nonsufficient funds.
- b. Cutting outside the permit area.
- c. Cutting in violation of the permit regulations.
- d. Cutting unauthorized timber in the permit area or negligently damaging or destroying unsold timber in connection with permit operations.
- e. Moving unscaled products from the permit area without authorization by a consumer scale agreement or alternate landing agreement.
- f. Moving timber in violation of a consumer scale agreement.
- g. Moving timber in violation of the alternate landing agreement.
- h. Cutting of timber before issuance of a permit, after expiration or revocation of the permit or during suspension of a permit.
- i. Removal of timber products from an expired permit after the allowance period or any other destruction of, or injury to, State-owned real estate.

When a timber trespass has been committed, the State may seek a civil remedy and/or a criminal conviction. The difference between these two penalties can be described as follows: Civil damages involves the recovery of a sum of money because of injury to the state in its capacity as a landowner. A criminal penalty involves a fine or imprisonment because the person willfully or maliciously destroyed or stole public property.

Minnesota Statutes Section 90.301, Subdivision 1 provides that the trespasser must pay civil damages of double stumpage if the trespass was accidental, casual, or inadvertent. Casual trespass is never a criminal violation. If the trespass was intentional or willful, the trespasser must pay triple stumpage. No trespass can be settled for an amount less than double stumpage except by the State Executive Council.

TIMBER TRESPASS

Besides being liable for triple damages, the willful trespasser is also subject to criminal penalties, which is at least a gross misdemeanor and depending on the value of the damage could be a felony. The conviction of the crimes of timber trespass are under Minnesota Statutes, Section 90.301, Subdivision 1, and timber theft under Minnesota Statutes, Section 90.301, Subdivision 3.

The Legislature has also provided several procedural implements to assist the commissioner in enforcing the provisions of the timber trespass law. First, the laws of the State requiring that legal actions be brought within a specific period of time (statutes of limitations) do not apply to timber trespass cases. Secondly, when timber cut on trespass is intermingled with other timber, the state may seize the entire quantity, sell it, and retain the entire proceeds of the sale. The commissioner may sell the seized timber either informally or at a public auction.

TIMBER TRESPASS

2. TYPE OF TRESPASS

- a. Casual trespass - Carries a double damage liability. Casual trespass is an involuntary act on the part of the violator. The trespasser did not intend to violate the law but committed the violation through misunderstanding, error or accident.
- b. Willful trespass - Carries a triple damage and possible criminal liability. Willful trespass is a deliberate intent to violate the law. The violator commits an act which he knows is against the law or against regulations specified in the permit.

TIMBER TRESPASS

3. PROCEDURE FOR PROCESSING TIMBER TRESPASS

When a trespass is reported or discovered, the forest officer will make a thorough investigation of the case. His investigation should first determine if there was an actual trespass and then whether it appears to be a casual or willful trespass. He will report his findings to the Area Forest Supervisor and will clear all action on the trespass through the Area.

The Area will consult with the Regional Forest Supervisor concerning all trespass violations and will keep the Region informed of all action taken on the trespass.

Final determination as to whether a trespass is casual or willful, or if criminal action should be taken, will be made by the Attorney General. Before the determination is made, all trespass settlements are provisional. For this reason, care should be exercised by the forest officer in determining the type of trespass charges that will be made. If there is doubt the Attorney General should be contacted through the timber sales forester.

The following procedure will be followed in reporting and prosecuting timber trespasses:

a. Casual Trespass

- 1) Prepare a Provisional Statement for Timber Trespass - F-202 in quadruplicate.
- 2) Send the original of the Provisional Statement to the trespasser requesting immediate payment.
- 3) Submit a copy of the Provisional Statement and a report (see page I-5.2) describing in detail the circumstances of the trespass to the Staff Forester - Timber Sales, St. Paul. If payment has been received, it should be included; but the report should not be delayed because payment has not been received.
- 4) The trespass will be numbered and recorded in the trespass book upon receipt in St. Paul.
- 5) The Staff Forester - Timber Sales will refer the case to the Attorney General's office for his review of the disposition of the case. He will approve action taken, or recommend further action.
- 6) The Region is to be kept informed of all action being taken.

b. Willful Trespass

- 1) Contact the Regional office.
- 2) Immediately prepare and send a report (see page I-5.3) to the Staff Forester - Timber Sales explaining in detail the circumstances of the trespass. A phone call may also be advisable in some cases.

TIMBER TRESPASS

- 3) The Staff Forester - Timber Sales will refer the case to the Attorney General's office who will recommend appropriate action.
- 4) Civil Damages:
If the Attorney General recommends casual or willful trespass action, the District Forester will prepare the Provisional Statement for Timber Trespass and send it to the trespasser requesting immediate payment.
- 5) Criminal action:
If the Attorney General is of the opinion that criminal charges should be brought, he will initiate the proceedings or request the County Attorney to do so.

TIMBER TRESPASS

4. SEIZURE TAGS (F-207)

Seizure tags should be placed on any timber that is seized. This will prevent the movement of the timber until the tag is removed by the State. When a pile of wood is tagged, a chalk or paint line should be run across the face of the sticks on the outside of the pile. One to three tags should be placed on piles of wood. Scattered logs should be individually tagged.

NA-02149-02



No. _____

SEIZURE TAG

ARTICLE: _____

VIOLATION: _____

FROM WHOM SEIZED BY: _____

Seized By: (Signature)	Date
------------------------	------

Pursuant to M.S.A. Chapters 90.301 Subd. 2, 90.151 Subds. 1, 7, 8, & 90.191 Subd. 2

THIS TAG MAY ONLY BE REMOVED BY A FOREST OFFICER

TIMBER TRESPASS

5. WARNING TICKET - WARNING OF FOREST LAW VIOLATION (F-28)

A warning ticket can be used when the offense is minor and there is question as to the loggers' knowledge of the regulations involved. The warning ticket will ensure that the logger knows the regulation which has been violated and that future violations may constitute a trespass. Some examples where this can apply are: failure to properly identify loads or failure to put the load ticket into the box.

In filling out the ticket, use the "other violation caption". Cite the violation and the statute under which the violation occurred. When a warning ticket is issued the original is given to the violator. In most cases this will be the permit holder. A trucker hauling the wood or a cutter felling trees may have done the actual violation but they are working for the permit holder. They should be informed of the violation but the warning ticket goes to the permit holder as he is responsible for their actions.

The duplicate copy goes to the Area and the triplicate copy to St. Paul. St. Paul will send their copy to the scaling specialist who will maintain a record of the warning tickets involving timber sale violations.

F-28	WARNING OF FOREST LAW VIOLATION		
Date _____	Time of Day _____	County _____	
Name _____	Address _____		
Location: Sub-div. _____	Sec. _____	Twp. _____	Range _____
You have violated the forest laws of the State of Minnesota as indicated by the check (X) below. This violation or subsequent violations will be cause for your arrest.			
<input type="checkbox"/> Burning without permit.	<input type="checkbox"/> Allowing fire to spread from your land.		
<input type="checkbox"/> Failure to report fire.	<input type="checkbox"/> Failure to extinguish camp fire.		
<input type="checkbox"/> Other violation _____	_____		
<i>Original to violator</i>	Minnesota Conservation Department		
<i>Duplicate to Area</i>	Division of Forestry		
<i>Triplicate to St. Paul</i>	_____ Forest Officer		

STATE OF MINNESOTA

Office Memorandum

DEPARTMENT Natural Resources - Forestry

Office of the Attorney General
 TO : Department of Natural Resources
 THRU : Staff Forester, Timber Sales - St. Paul
 Area Forester - Backus
 FROM : District Forester, John Jones - Nimrod

DATE:

PHONE:

SUBJECT: Trespass - John Doe
 Permit - 2095 R

S A M P L E R E P O R T
CASUAL TRESPASS

Trespasser: John Doe holds two informal timber permits covering about 500 cords of pulpwood. He usually has about six informal permits per year and has been generally cooperative in our relations with him.

Facts: On December 23, 1981, Sam Smith, who was helping Mr. Doe on Timber Permit 2095 R, cut beyond the permit line indicated on the attached map. The area shown in red is the permit area, and the area outlined in blue is the trespass area. The permit line was marked, but a line designating an earlier uncut sale confused Mr. Smith. As soon as Mr. Smith noticed his mistake, he notified Mr. Doe who, in turn, contacted our office to report it.

Trespass Timber 7.32 cords of jack pine pulpwood at \$9.00 per cord, for a single stumpage value of \$65.88.

Recommendation:

1. Considering the fact that the permit line was confused with a previous line, and that Mr. Doe has exercised rather close supervision of his cutters, I recommend that double damages be charged for casual trespass in the amount of \$131.76.

DEPARTMENT Natural Resources - Forestry

Office Memorandum

TO : Office of the Attorney General
 Department of Natural Resources

THRU : Staff Forester, Timber Sales - St. Paul
 Area Forester - Deer River

FROM : District Forester, Ole Olson - Effie

DATE:

PHONE:

SUBJECT: Trespass - B.J. Nelson
 NW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 30-64-26

S A M P L E R E P O R TWILLFUL TRESPASS-NO PROSECUTION

Trespasser: Mr. Nelson holds auction permit A-4415 and several other auctions. He was involved in three previous casual trespasses. He is an experienced logger who has been buying permits from the State for 15 years.

Facts: Mr. Nelson had his logging crew start cutting spruce pulpwood in the NW $\frac{1}{4}$ SE $\frac{1}{4}$ of Sec. 30-64-26 without a permit. I discovered this cutting on January 10, 1981. He has auction sale A-4415 just west of this description which was plainly marked with a paint line. He said he thought there would be no problem since he had submitted an application for an informal sale on this description.

Trespass Timber: 48.32 cords of Black Spruce pulpwood at \$14.00 per cord for a single stumpage value of \$676.48.

Recommendations:

1. Mr. Nelson has been operating on State timber for a number of years so is well acquainted with our system of requiring permits for all timber we sell. In addition, there should be no question that it was not included in the auction permit. I feel that he was aware that this was trespass and recommend that treble damages be charged for willful trespass in the amount of \$2,029.44.
2. Although we have had problems with Mr. Nelson before and he must have known that he was not authorized to cut, he did plan on paying for the timber and he did not attempt to remove the timber without our knowledge. I do not feel it would be in the best interest of the Department to prosecute him criminally.

Office Memorandum

DEPARTMENT Natural Resources - Forestry

TO : Office of the Attorney General
Department of Natural Resources

THRU : Staff Forester, Timber Sales - St. Paul
Area Forester - Moose Lake

FROM : District Forester, Eino Maki - Hinkley

DATE:

PHONE:

SUBJECT: Trespass - John B. Smith
NW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 30-39-22

SAMPLE REPORTWILLFUL TRESPASS-PROSECUTE

Trespasser: Mr. Smith does not hold any timber sale permits.

Facts: Mr. Smith was found cutting spruce pulpwood in the NW $\frac{1}{4}$ SE $\frac{1}{4}$ of Sec. 30-39-22 without a permit on February 5, 1981. When confronted, he admitted that he did not have a permit. Mr. Smith had asked for this timber about a year ago, so he definitely knew it was state timber.

Trespass Timber: 48.32 cords of black spruce pulpwood at \$14.00 per cord for a single stumpage value of \$676.48.

Recommendation:

Mr. Smith has held State Timber permits in the past so is well acquainted with our system of requiring permits for all timber we sell. He knew that this was state timber so he was aware that this was trespass. I recommend that triple damages be charged for willful trespass in the amount of \$2029.44 and that he be prosecuted criminally.



PROVISIONAL STATEMENT FOR TIMBER TRESPASS

Trespass No. (St. Paul Use Only)
R.A.D. 324

TO: John Doe Nimrod, MN. 56477	Date Jan. 15, 1982	County Wadena			
	Lot or Forty NENE	Type of Land School			
Date Timber Scaled Jan. 10, 1982	Scaled by: John Jones	Section 16	Township 138	Range 33	State Forest Huntersville

The following is an account of the timber cut and/or removed by you or your agent in trespass from State land described above.

Please submit the total value due, by check, payable to the STATE TREASURER, to THIS OFFICE. _____ percent per annum penalty must be charged on all accounts not paid within thirty (30) days if such interest exceeds \$1.00. If payment is not received within ninety (90) days, your account will be forwarded to the Attorney General for collection.

Timber scaled and appraised as follows:

7.32 Cords Jackpine pulpwood @ 9.00 per cord	65.88
Total Single Stumpage Charge	\$ 65.88
Additional Charge For Double <input checked="" type="checkbox"/> Treble <input type="checkbox"/> Trespass	\$ 65.88
Sub-Total	\$ 131.76
Less Previous Payment on Timber Permit Number _____	\$ -0-
TOTAL DUE	\$ 131.76

NOTE: This statement as rendered and any payments made do not constitute a waiver by the State of Minnesota of a cause of action for treble damages in the event of a wilful trespass as defined in Minnesota Statutes, Section 90.301, Subd. 1, nor do they constitute a waiver of prosecution of timber theft under Minnesota Statutes, Section 90.301, Subd. 3.

COMMISSIONER OF NATURAL RESOURCES
Director, Division of Forestry

DISTRIBUTION:
Original - Trespasser
Copies to: St. Paul
Region
Area
District

I-5.5

Authorized Signature	Title Area Forest Supervisor
----------------------	---------------------------------

SECTION J

HARVEST REGULATIONS

HARVEST REGULATIONS

1. ALLOWABLE CUTS

a. General

Timber harvest on State-owned lands is regulated on an area (acreage) basis by means of allowable cuts established for each major forest cover type. These allowable cuts are determined from recent inventory data with the goal of balancing the age class distribution of a cover type by the end of one rotation period (i.e. 40 years for aspen).

Eventually, allowable cuts will be established for each State Forest management unit upon the completion of a Phase II inventory. In the meantime, allowable cuts will be established at State headquarters by using Phase I inventory data and existing inventory information from each Area.

b. Procedure to Determine Allowable Cuts:

- 1) Statewide cover type acreages are compiled from present District or State Forest inventory data (as revised by Phase II).
- 2) The statewide recommended harvest (based on Phase I data) is apportioned to each Area by comparing the Area's cover type acreages to statewide cover type acreages in order to determine regulated cuts.
- 3) The regulated cuts are adjusted by comparing a cover type's average age in an Area to its respective statewide average age in order to determine the allowable cut.
- 4) The allowable cut in an Area may be allocated to the Districts on a proportionate or other basis (i.e. salvage of insect killed stands in one district).
- 5) Annually, the allowable cuts are revised to reflect the completion of more Phase II inventory projects.

Example: if an Area had 5% of the statewide jack pine resource, it would receive 5% of the statewide recommended harvest for its regulated cut. If the Area's jack pine acreage had an average age that was 10% older than jack pine statewide, the regulated cut would be increased by 10%.

HARVEST REGULATIONS

2. PLANNED CUT LIST (F-90)

a. General

Timber harvesting is essential to a forest management program. For this reason, it is important that considerable thought and planning be given to where and how timber should be harvested. It is important that the forester, not the logger, make these decisions in order to properly address wildlife, protection, and forest development activities.

The Planned Cut List was developed to help foresters make timber management decisions that are well planned. Using Phase II inventory data (or land use cards) along with a practical knowledge of timber stands in need of harvest, foresters can systematically list timber stands that should be offered for sale during the coming year. Eventually, these Planned Cut Lists could be used to plan harvests as far in advance as five years. In addition, the planned cut lists document where surplus timber (back log of stands not sold) is located.

b. Preparing the Planned Cut List:

- 1) Using the Planned Cut List, each Area selects stands to be harvested within its annual allowable cut, less that acreage which has been drained as unplanned on the current Report of Type Area Drained.
- 2) District allowable cuts may be adjusted within the Area allowable cut in order to meet local situations.
- 3) Selection of harvest sites should be accomplished with the advice of the Regional Pest Specialists and Area Wildlife Managers.
- 4) Annual cutting plans for the next fiscal year should be submitted to the Regional Forest Supervisor for approval by April 1 of each year.

c. Information Required For Each Harvest Site:

- 1) Planned Cut Number: All harvest sites listed under a particular cover type must have their own planned cut number. The planned cut number(s) are to be used on the Timber Appraisal Report when a sale is prepared (i.e., #81-12; indicates 12th tract under fiscal year 81's list for that cover type).
- 2) Stand ID: This should be the stand's identification number on the Phase II Inventory (or letter designation on the land use card). In the absence of both, use the "40" (i.e., #3; H; or SE-SE).

HARVEST REGULATIONS

- 3) Type Class: Use the size and density class codes indicated on the Phase II Inventory or from the land use cards (i.e., 54; IV''').
- 4) Access: Indicate the season when the products can be hauled and the ownerships to be crossed. Indicate hauling first, use "S" for summer, "W" for winter. For the ownerships, use "S" for State, "F" for Federal, "C" for County, "P" for private or industrial (i.e., S/SF; indicated summer access across State and Federal lands).
- 5) Sale Method: Indicate intended method of sale: "A" for auction, "IA" for intermediate auction, "I" for informal, "F" for special fuelwood.
- 6) Planned Acreage: Indicate acreage from Phase II information or Land use card. In the absence of both, use best estimate.
- 7) Cruised Acreage: Indicate the acreage of the stand when it is appraised or recorded as lost to fire, beaver, etc. When the planned acreage has been accounted for through sales or non-salvageable loss of the stand, cross off the Planned Cut. No.
- 8) Remarks: Use for additional information as needed such as permit numbers, reasons for draining, etc.

A Planned Cut List should be retained and used until all planned cuts on the list have been sold or drained. Do not add unsold tracts from the previous year's list to next year's list. (see example on page J-2.3)

Informal sales that are appraised from a Planned Cut List can be approved by the Area Forest Supervisor or Area Staff Forester. All sales that are not listed as planned cuts must be sent to the Regional Forest Supervisor for approval. A justification for selling an unplanned cut instead of one that is planned should accompany the sale to the Region. Before submitting an unplanned sale, the tract should be reviewed with the Area Wildlife Manager.

HARVEST REGULATIONS

3. REPORT OF TYPE AREA DRAINED (F-89)

The annual cutting budget in acres, along with the acreage that is drained by sale or through other cover type changes, will be recorded on the Report of Type Area Drained form. This record shall be maintained at the Area office by District and at the District offices by management unit (i.e. State Forest).

The following procedure will be used in keeping this record up to date:

- a. Indicate the Area and District number in the upper right-hand corner.
- b. Indicate in the upper left-hand corner if this is a partial cut or clear cut budget. Maintain a separate series of numbered sheets for clear-cut and partial-cut budgets (even if there is no allowable cut for one or the other at this time).
- c. The annual allowable cut in acres, less that acreage which has been drained as unplanned on last year's Report of Type Area Drained, should be recorded directly beneath the appropriate cover type along with the accumulation of undrained planned cut acres from previous years (in the management period).

For example, if a District had the following for its tamarack cover type:

- 1) 90 ac. allowable cut
 - 2) 20 ac. drained as unplanned (previous year)
 - 3) 45 ac. back-log of planned cuts
Record 70 + 45 under the tamarack column.
- d. When timber is sold or changes in a cover type have occurred because of other events (such as fire, leases, etc. which can not be salvaged through timber sales) enter the permit number or event, date drained, and corresponding acreage in the appropriate columns. If the sale or event occurs in a stand not listed on a Planned Cut List, the information should be recorded in red pencil.
 - e. Since allowable cuts are figured on the basis of all size classes in a cover type, record clear-cut drain only when it results in a change in the species cover type. For example, if a tamarack stand was mis-typed as having a 5-9" size class and it turns out to be a 1-3", do not drain. If on the other hand, the tamarack stand was mis-typed as having a 1-3" size class and it really is 5-9" (or other cover type) which is sold, it should be drained.

Following are other situations where drain should be recorded upon occurrence (if timber cannot be salvaged by sale):

- 1) Trespass - list trespass report number.

HARVEST REGULATIONS

- 2) Fire - list fire report number.
- 3) Flood, insects, disease, wind, etc. - list the land description by cause. Major losses will require a recalculation of the allowable cut.
- 4) Leases - list number of lease which removes timber from harvest during the management plan period.
- 5) Recreational or other restricted single use areas - list the description upon official designation (i.e. State Park).
- 6) Timber felled for wildlife management purposes - list the project number of the "Forest Game Habitat Development Completion Report" (Form GF-432).
- 7) Timber removed for forest development - list the forest development project number (Note: do not drain if the site was drained via timber sales during the management period).
- 8) Land sale or exchange - list the land description upon receiving "Notification of Changes in State Land Ownership Records" (Form BL-44).
- 9) Forest products harvested by the Division for use on State Forest trust fund lands - list the land description.

Note: In all of the preceding situations, inventory information should be updated by submitting a completed Cover Type Examination Data Sheet. (Refer to the alteration section of the Phase II Forest Inventory Manual).

- f. Once a timber stand has been drained as clear cut, it should not be drained again during the management period (approximately 10 years). Subsequent timber sale permits should be recorded on the Report of Type Area Drained with reference to the previous event, but not drained.
- g. When green timber is removed through partial cutting (tree or group selection, row thinning, etc.) it should be recorded as drain on a partial cut budget (including special fuelwood sales). Subsequent partial cuts (permits) during the management period should be recorded, with reference to the previous event but not drained, unless the remaining timber stand is clear cut. Note: After each partial cut, an acceptable stocking should be left of the intended species to be managed. Refer to the silvicultural guidelines for the species.
- h. Each year by July 15th, the Area Forest Supervisor shall submit to the Regional Forest Supervisor and the Director, a summary of the Area's drain by District for the previous fiscal year.



MINNESOTA DEPARTMENT OF NATURAL RESOURCES
REPORT OF TYPE AREA DRAINED
July 1, 80 To June 30, 81.

Area	District
22	1

Sheet No. 1 of 3.

Clear Cut Budget
<input checked="" type="checkbox"/> BOWSTRING
Partial Cut Budget

* INCLUDED WITH TYPE IN PARENTHESES (TO BE SEPERATED WHEN PHASE II IS COMPLETED)

Permit Number	Date Drained	ANNUAL CUTTING BUDGET (ACRES) BY COVER TYPE											TOTAL	
		Aspen	Birch	Balm	B. Hdwd.	N. Hdwd.	Oak	Spr. Bals.	J. Pine	N. W. Pine	B. Spruce	Tamarack		Cedar
		178	*	*	*	26	*	50	8	14	52	88	35	
4731 H	7-5	5												5
4741 H	7-9									4				4
4743 H	7-12					8								8
4744 H	7-13					7		3						10
4745 H	7-22	19												19
4761 H	8-1	2												2
26-146-26	8-5												(FLOODING) 6	6
4766 H	9-3	x	(PREVIOUSLY DRAINED #A-1493)											-
A-1926	9-4										7			7
A-1927	"										6		1	7
A-1928	"										8			8
A-1929	9-5										10	3		13
A-1930	9-6										12			12
4770 H	9-15	7												7
4773 H	9-16	10												10
4774 H	9-16								3					3
001	9-17					1								1
4779 H	9-17											5		5
144-2-403	9-7							2						2
G.R.# 21	9-18									1				1
A-1961	9-21	42						4						46
4780 H	10-1									(BLOW-DOWN)	2			2
TOTAL THIS SHEET		83				16		9	3	4	43	8	1	167
UNPLANNED		2								1	2	6		11

RED
"
J-3.3

RED
RED
RED



MINNESOTA DEPARTMENT OF NATURAL RESOURCES
REPORT OF TYPE AREA DRAINED
July 1, 82 To June 30, 83.

Area	District
23	ALL

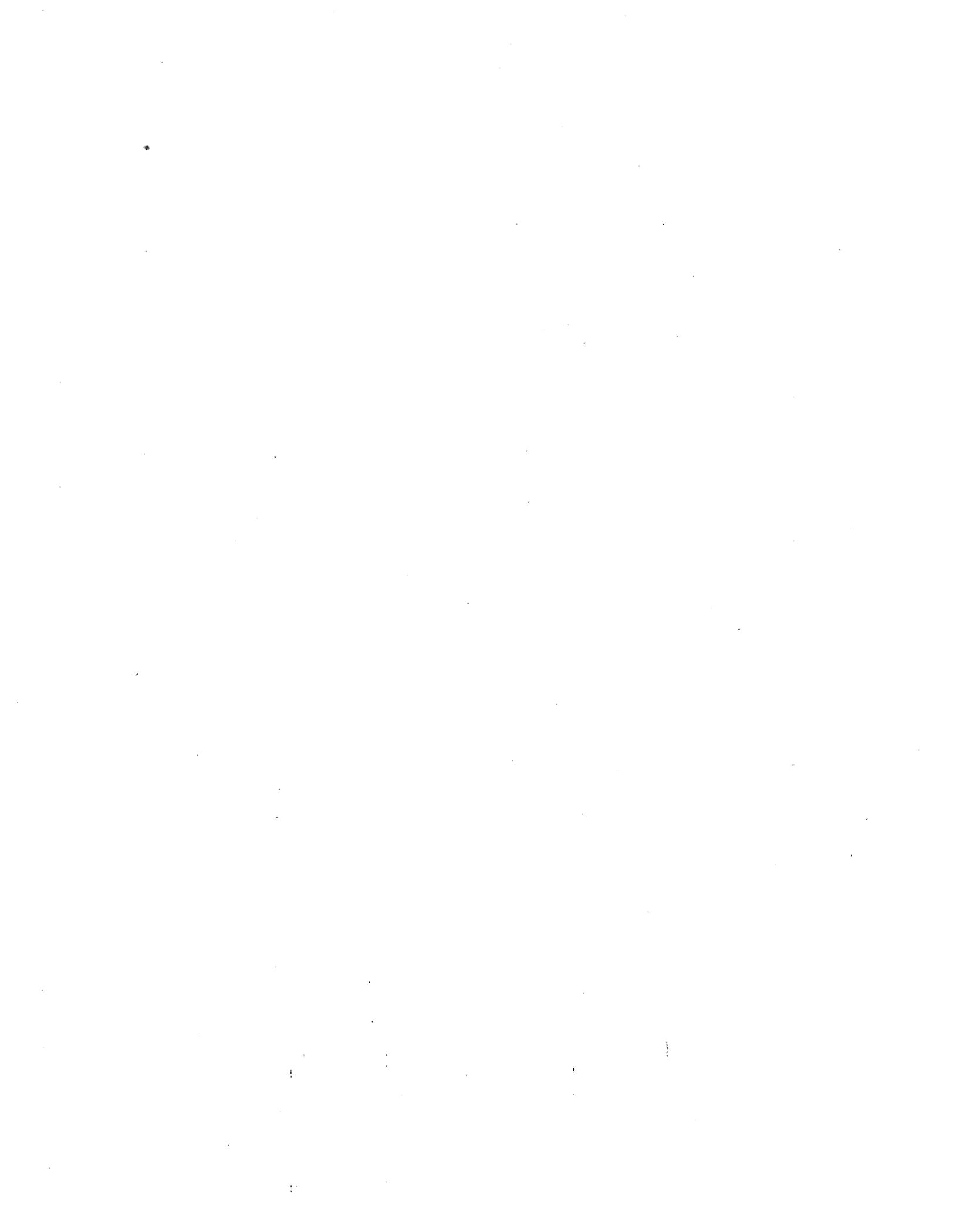
Clear Cut Budget
X HIBBING
Partial Cut Budget

Sheet No. ___ of ___.

Permit Number	Date Drained	ANNUAL CUTTING BUDGET (ACRES) BY COVER TYPE											TOTAL	
		Aspen	Birch	Balm	B. Hdwd.	N. Hdwd.	Oak	Spr. Bals.	J. Pine	N. W. Pine	B. Spruce	Tamarack		Cedar
HIBBING DIST.														
ALLOW. CUT		128+13	18+11		7+4	3+0		10+0	10+0	0	4+0	0	0	
PLANNED DRAIN		92	7		3	3		10	10	0	4	0	0	
UNPLANNED "		47	0		0	0		0	0	0	0	0	0	
LINK LAKE DIST.														
ALLOW. CUT		350+19	40+17		13+10	6+6		40+9	51+10	3+0	59+7	9+0	10+5	
PLANNED DRAIN		311	40		3	0		35	61	3	52	9	9	
UNPLANNED "		22	9		7	0		8	0	0	14	0	6	
SIDE LAKE DIST.														
ALLOW. CUT		299+35	43+3		15+1	6+1		42+6	75+20	0	73+9	7+5	9+8	
PLANNED DRAIN		285	12		4	5		40	80	0	70	0	2	
UNPLANNED "		30	2		9	1		8	12	5	15	0	0	
VIRGINIA DIST.														
ALLOW. CUT		140+27	15+8		14+5	-1+2		48+12	14+0	-2+2	28+2	9+9	5+0	
PLANNED DRAIN		101	23		18	0		20	14	0	15	10	0	
UNPLANNED "		14	0		0	0		0	3	0	3	2	0	
AREA TOTAL														
ALLOW. CUT		917+94	116+39		49+20	14+9		140+27	150+30	1+2	164+18	25+14	24+13	
PLANNED DRAIN		789	82		28	8		105	165	3	141	19	11	
UNPLANNED "		113	11		16	1		16	15	5	32	2	6	
TOTAL THIS SHEET														

HARVEST REGULATIONS

D-3-5



SECTION K
SPECIAL REGULATIONS

SPECIAL REGULATIONS

1. PRESERVATION OF AESTHETIC VALUES

The aesthetic value of our forest land is important so consideration must be given to the effects of our management on these values. Logging is a management tool that when properly exercised can have a positive long term effect on the aesthetics. Generally logging can be accomplished in a manner that the short term aesthetics loss is kept to a minimum.

Areas most often observed by the general public have the highest aesthetic use and should be managed to maintain or improve these values. These areas include public access sites, campgrounds, parks, and areas adjacent to roads, lakes, rivers and streams.

Aesthetic management should include both the short and long term effects of logging or lack of logging. The immediate aesthetic damage resulting from logging must be weighed against the long-term aesthetic loss due to deterioration of a mature stand and the resulting change in forest type.

When it becomes necessary or desirable to cut in an aesthetic management area, advance preparations can minimize the short term aesthetic damage. This may involve thinning to allow reproduction to take over or cutting to provide openings for reproduction to screen the final cut.

Cutting regulations and permit supervision are very critical. Skidding methods, slash disposal landings, and individual tree selection must be given careful attention and should be covered in the cutting regulations. Cutting must be done in a way that will minimize erosion and will not contribute to silting or cause other damage to rivers and streams.

Any proposed cutting on state land not administered by the Division of Forestry must be approved by the administering agency.

The Environmental Protection Manual covers aesthetic management under the "Travel and Water Zone" heading. Please refer to this manual for specific aesthetic management questions.

SPECIAL REGULATIONS

2. WILDLIFE CONSIDERATIONS

Wildlife can be directly influenced by timber harvest and or lack of harvest. It is essential that the Forester recognize the effects of timber harvest and take this into consideration when a timber sale is made.

Good wildlife habitat is an important Department objective, particularly for white tail deer and ruffed grouse. As much as possible, timber sales should be used to improve the habitat.

Nests and nesting areas are very critical to some species. Special regulations adapted from the Federal Forest Service Policy apply to Eagle and Osprey nests. Special protection is given to Blue Heron and Sandhill Crane rookeries.

Please refer to the "Forestry/Wildlife Management Guidelines" for specific information regarding wildlife considerations.

SPECIAL REGULATIONS

3. WATERSHED MANAGEMENT

Construction of a Crossing Over a Ditch, Stream or Lake

Section 105.42 of Minnesota Statutes requires that a permit be obtained from the Commissioner of Natural Resources prior to any construction, reconstruction or other work which affects the public water of the State of Minnesota. Public waters are considered to encompass all waters of the state, including those not normally considered navigable.

Any logger operating on a state timber permit is required to obtain a permit if he will be disturbing public waters. In most cases, this would involve construction of a crossing over a ditch or a stream. A permit is obtained by application to the Division of Waters.

Public waters are disturbed if any construction takes place below the ordinary high water level.

"Ordinary high water level" means the boundary of public waters and wetlands, and shall be an elevation delineating the highest water level which has been maintained for a sufficient period of time to leave evidence upon the landscape, commonly that point where the natural vegetation changes from predominantly aquatic to predominantly terrestrial. For watercourses, ordinary high water level shall be the elevation of the top of the bank of the channel. For reservoirs and flowages, the ordinary high water level shall be the operating elevation of the normal summer pool.

The following projects (partial listing relating to forestry operations) do not require permits if constructed within the following restrictions.

<u>PROJECT</u>	<u>RESTRICTIONS</u>
LOW WATER FORD CROSSING	<ul style="list-style-type: none">- No special site preparation necessary.- Normal summer flow does not exceed 2'.- Normal low flow is not restricted or reduced.- Crossing conforms to natural stream channel.- Original stream bank no higher than 4'.- Constructed only of gravel, natural rock, concrete, steel-matting or other durable, inorganic material less than 1' thick.- Graded finished slope no steeper than 5:1.- Graded banks must be seeded or mulched.- Not allowed in officially designated trout stream or federal wild, scenic or recreational river.
TEMPORARY BRIDGES	<ul style="list-style-type: none">- Stream bank can support bridge without pilings, foundations, culverts, excavation, or other special site preparations.- Nothing placed in the bed of the stream.- Capable of removal for maintenance and flood damage prevention.

SPECIAL REGULATIONS

- Bridge firmly anchored at one end.
- Can swing away during flooding.
- Minimum 3' clearance between lowest portion of bridge and normal summer stream flow.

For additional information and assistance, contact the appropriate regional office or the Division of Waters in St. Paul.

No crossing should stop the natural flow of water. Any material placed in or near the waterway must be removed following use.

Various lakes and rivers within the state are under the joint jurisdiction of the Department of Natural Resources and the U.S. Army Corps of Engineers. In these cases, an additional permit from the U.S. Army Corps of Engineers is required for the construction. Crossings of county and judicial ditches require approval of the County Board in addition to a DNR waters permit.

SPECIAL REGULATIONS

4. STATE SALES AND USE TAX

Products which will be used by the permit holder and therefore not resold, are subject to the state sales and use tax at the time of the sale. Examples of products which must be taxed are the logs the permit holder will saw into lumber for his own use, and fence posts he will use himself. This may include all of the timber sold on the permit or part of the timber on the permit. Fuelwood permits are exempt from sales tax.

Products which are resold by the permit holder and enter into the commercial channels are not subject to sales tax at the time the permit is processed. They are subject to sales tax when sold to the ultimate user.

Tax on products that are "sold on appraised volume" should be collected at the time of the sale. Form F-124 allows room to acknowledge receipt of the value of the sales and use tax when it is collected on informal sales. The value of the timber and the sales tax must be shown separately.

When a product, subject to the sales tax, is to be scaled the tax should not be collected at the time of the sale. The tax should be computed on the scaled volume and added to the final billing. This will eliminate problems which can arise when there is an underrun. Once sales tax has been collected, it cannot be refunded.

No sales tax shall be charged for uncut timber.

SPECIAL REGULATIONS

5. MISCELLANEOUS

Use of Forest Products by State Agencies

When a State Agency intends to use products from state lands, the agency is required to obtain a permit and pay for the products which will be removed. Permits should be processed in the same manner as private permits with the agency making payment into the designated fund.

The only exception is when the forest products are used for forest development on trust fund lands. In this case payment is not necessary if the following conditions are met.

1. The forest products are harvested from trust fund lands within a state forest.
2. The forest products are used to improve trust fund lands within a state forest.

In most instances, the volume of timber used will not be large and likely limited to such products as posts, poles, bridge timber, piling, or gravel.

When forest products are taken from state forest trust fund lands for use on state forest trust fund lands, the type acreage drain must be reported on Form F-89, Report of Type Area Sold. (See page J-3.2) The volume and value of such timber harvested should be reported to St. Paul on Form F-123.

Care must be taken to assure that the forest products are used to improve trust fund lands in state forests and that forest products are not removed from other than trust fund lands in state forests.

Consolidated Conservation Area Land Approved for Land Sale But Not Sold

Timber should not be sold from land that has been approved for sale as this would change the value of the original appraisal. If it is desirable to sell timber on such lands, the county should be asked to request the Commissioner to declassify the land from agricultural to nonagricultural land. After such declassification, the timber may be sold.

Obviously, such a request should be made only if the land has remained unsold for an extended period of time.

Crossing of Natural Gas Line

When timber operations involve crossing natural gas lines refer to State Land Management Manual, Section C., Page 60.

SECTION L

APPENDIX

APPENDIX

CODES USED FOR TIMBER SALE REPORTS

The Informal Timber Permit, Auction Sale Data Sheet, Report of Added Timber, and Timber Scale Reports are used as source documents for data processing and fiscal management and it is essential that information is properly coded on these documents. Extreme care must be used when entering these codes to be sure they are legible and correct. Many of the codes used for Timber Sales are uniform State and Department codes, while some are used only in Forestry.

Letters to be Used for Informal Sale Permit Numbers
(listed alphabetically by Area)

<u>AREA</u>	<u>CODE</u>	<u>AREA</u>	<u>CODE</u>	<u>AREA</u>	<u>CODE</u>
Backus	R	Deer River	H	Metro	Z
Baudette	D	Duluth	N	Moose Lake	S
Bemidji	B	Hibbing	J	Orr	M
Blackduck	E	Hill City	X	Park Rapids	F
Brainerd	P	Lewiston	I	Rochester	W
Cambridge	T	Littlefork	V	Warroad	C
Cloquet	G				

Miscellaneous Codes

<u>CODE</u>	<u>TYPE OF SALE</u>	<u>CODE</u>	<u>TYPE OF SCALE</u>
1	Informal	1	Regular
2	Reg. Auc. Permit	2	Consumer
3	Intermediate Auc.	3	Sold on Appraised Vol.
4	Trespass	4	Cut Products
5	Special Fuelwood	5	Stump
		6	Standing Timber

<u>CODE</u>	<u>TYPE OF LAND</u>	<u>CODE</u>	<u>UNIT OF MEASUREMENT</u>
		1	(not used)
02	Acquired Fisheries	2	Cds.
03	Acquired Wildlife	3	MBF
		4	M lbs. (boughs)
		5	(not used)
08	Consolidated Conservation	6	Pieces
09	School, Swamp, Trust Fund (in or out State Forest)	7	(not used)
		8	(not used)
10	University (in or out State Forest)	9	Misc.
11	Acquired Forestry		
12	Volstead		
13	Pillsbury State Forest		
14	Burntside State Forest		
16	Beltrami Island (LUP)		
18	Acquired Parks		
20	University Salt Spring		
98	Non-DNR Land		
99	Various (Use only for billing invoices)		

APPENDIX

SPECIES CODES

<u>CODE</u>	<u>SPECIES</u>	<u>CODE</u>	<u>SPECIES</u>	<u>CODE</u>	<u>SPECIES</u>
01	Ash	20	Northern Hdws.	50	Pine Spec.
02	Elm (Am.)		(Mixed Fuelwood)	51	White Pine
03	Maple (Soft)	21	Red Maple	52	Norway Pine
06	Willow Species	22	Hard Maple (Sugar)	53	Jack Pine
09	Lowland Hdws.	23	Basswood	54	Scotch Pine
12	Aspen	24	Yellow Birch		
13	Paper Birch	25	Black Walnut		
14	Balm/Gilead	26	Butternut	61	White Spruce
15	Cottonwood	27	Black Cherry	62	Balsam Fir
		30	Oak Species		
		40	Hickory Spec.	71	Black Spruce
		45	Box Elder	72	Tamarack
				73	White-Cedar
				80	Conifers (Mixed-Spruce)
				81	Red Cedar

FOREST PRODUCT CODES

<u>CUT</u> <u>PRODUCT CODE</u>	<u>STANDING</u> <u>PRODUCT CODE</u>	<u>TYPE OF PRODUCT</u>
11	61	Mixed Products (Pulp & Bolts) - cds.
12	62	Mixed Products (Other than just pulp & bolts)-cds.
21	71	Sawtimber (logs) - MBF
22	72	Pulpwood - Cds.
23	73	Posts - Cds.
24	74	Bolts - Cds.
25	75	Poles (cabin logs) - pieces
26	76	Piling - pieces
27	77	Fuelwood - Cds.
28	78	Misc. Cordwood - cds.
31	81	Christmas Trees - pieces
32	82	Boughs - M (1,000) pounds
33	83	Other Misc. Forest Products - cds.
41		Reproduction
42		Non Timber Forest Products

APPENDIX

COUNTY CODES

CODE

01	Aitkin	23	Fillmore	45	Marshall	67	Rock
02	Anoka	24	Freeborn	46	Martin	68	Roseau
03	Becker	25	Goodhue	47	Meecker	69	St. Louis
04	Beltrami	26	Grant	48	Mille Lacs	70	Scott
05	Benton	27	Hennepin	49	Morrison	71	Sherburne
06	Big Stone	28	Houston	50	Mower	72	Sibley
07	Blue Earth	29	Hubbard	51	Murray	73	Stearns
08	Brown	30	Isanti	52	Nicollet	74	Steele
09	Carlton	31	Itasca	53	Nobles	75	Stevens
10	Carver	32	Jackson	54	Norman	76	Swift
11	Cass	33	Kanabec	55	Olmsted	77	Todd
12	Chippewa	34	Kandiyohi	56	Otter Tail	78	Traverse
13	Chisago	35	Kittson	57	Pennington	79	Wabasha
14	Clay	36	Koochiching	58	Pine	80	Wadena
15	Clearwater	37	Lac qui Parle	59	Pipestone	81	Waseca
16	Cook	38	Lake	60	Polk	82	Washington
17	Cottonwood	39	Lake of/Woods	61	Pope	83	Watonwan
18	Crow Wing	40	Le Sueur	62	Ramsey	84	Wilkin
19	Dakota	41	Lincoln	63	Red Lake	85	Winona
20	Dodge	42	Lyon	64	Redwood	86	Wright
21	Douglas	43	McLeod	65	Renville	87	Yellow Medicine
22	Faribault	44	Mahnomen	66	Rice		

STATE FOREST CODES

CODE

00	Outside State Forest	29	Lake Isabella
01	Admin. Site & Misc. Forest Lands	30	Lake Jeanette
02	Badoura	31	Land O'Lakes
03	Battleground	32	Lyons
04	Bear Island	33	Richard J. Dorer Memorial Hardwood
05	Beltrami Island	34	Mississippi Headwaters
06	Bigfork	35	Nemadji
07	Birch Lake	36	Northwest Angle
08	Blackduck	37	Pat Bayle
09	Bowstring	38	Paul Bunyan
10	Buena Vista	39	Pillsbury
11	Burntside	40	Pine Island
12	Chengwatana	41	Red Lake
13	Cloquet Valley	42	Remer
14	Crow Wing	43	Rum River
15	D. A. R.	44	St. Croix
16	Emily	45	Sand Dunes
17	Finland	46	Savanna
18	Fond du Lac	47	Smokey Bear
19	Foot Hills	48	Smokey Hills
20	General C. C. Andrews	49	Solana
21	George Washington	50	Sturgeon River
22	Golden Anniversary	51	Two Inlets
23	Grand Portage	52	Wealthwood
24	Hill River	53	Welsh Lake
25	Huntersville	54	White Earth
26	Insula Lake	55	Whiteface River
27	Kabetogama	56	Snake River
28	Koochiching	57	Lost River

APPENDIX
PERMIT ADMINISTRATIVE UNITS - CODES
 R.A.D. Region - Area - District

<u>REGION</u>	<u>AREA</u>	<u>DISTRICT</u>	<u>R.A.D.</u>	<u>REGION</u>	<u>AREA</u>	<u>DISTRICT</u>	<u>R.A.D.</u>	
<u>BEMIDJI</u>	Bemidji	Bemidji	111	<u>GRAND RAPIDS (Cont.)</u>	Littlefork	Littlefork	261	
		Cass Lake	112			Int'l Falls	262	
		Guthrie	113			Big Falls	263	
		Itasca	114			Pine Island	264	
		Roy Lake	115					
		Bagley	116					
	Warroad	Warroad	121	<u>BRAINERD</u>	Brainerd	Brainerd	311	
		Clear River	122			Little Falls	312	
		Wannaska	123			Pillager	313	
		Grygla	124			Long Prairie	319	
	Baudette	Baudette	131		Backus	Backus	321	
		Birchdale	132			Washburn Lake	322	
		Williams	133			Pequot Lakes	323	
	Blackduck	Blackduck	151		Hill City	Nimrod	324	
		Kelliher	152			Hill City	331	
		Waskish	153			Sandy Lake	333	
		Northome	154			Aitkin	334	
	Park Rapids	Park Rapids	161		Moose Lake	McGrath	335	
		Alexandria	162			Moose Lake	341	
		Smokey Hills	164			Eaglehead	343	
		Elbow Lake	165			Hinckley	3	
						Mora	340	
	<u>GRAND RAPIDS</u>	Cloquet	Cloquet	211		Cambridge	Cambridge	351
			Cromwell	212			Zimmerman	352
Floodwood			213	St. Cloud			353	
Cotton			214	Onamia			354	
Deer River		Effie	222	<u>ROCHESTER</u>	Lewiston	Lewiston	531	
		Grand Rapids	224			Caledonia	532	
		Deer River	225			Preston	533	
Hibbing		Hibbing	231		Lake City	Lake City	534	
		Side Lake	233					
		Virginia	234					
Orr		Orr	241		Rochester	Rochester	541	
		Kabetogama	242			Mankato	542	
	Crane Lake	243	New Ulm			543		
	Tower	245	Willmar			544		
	Cook	246	Faribault			545		
Duluth	Cloquet Valley	252		Metro	Hastings	552		
	Two Harbors	253			Waconia	553		
	Finland	254						
	Grand Marais	255						
	Hovland	256						

CONSUMERS UNDER GENERAL MEMORANDUM OF AGREEMENT - CODES

01 Benson Timber
02 *Big Falls Forest Products
03 *Blandin Paper Company
04 *Boise Cascade Corporation
05 *Bois Forte Enterprises (non-active)
06 Cole Forest Products
07
08
09 *Brunkow Hardwoods
10
11 Erickson's Sawmill
12 *Erickson Timber Company
13
14 Frenzel Mill
15 *Green Forests, Incorporated
16 Grund's Mill
17 Hill Wood Products
18
19 Hedstrom Lumber Company
20 Hennepin Paper Company
21 Winkelman Brothers
22
23 *Midwest Timber, Incorporated
24 *(Carl) Julson Timber Company
25 *Western Lake Superior-Sanitary Dist.
26 Larson Timber Company
27
28 Valley Forest Resources, Inc.
29 Northland Timber Company
30 *Pine River Lumber Company
31
32
33 *Northwood Panelboard Company
34 *(Arvid) Olson Timber Products
35 *Page and Hill Forest Products
36 Par-Mark Fence Company
37 *Potlatch Corporation
38 *Littlefork Wood Products, Incorporated
39 *Rajala Mill
40 *Rajala Timber
41
42 Schindler Mill
43 Skoe Lumber Company
44 Stan's Wood Chips
45 *Champion International
46
47 Superior Fiber Products
48 *Superwood Corporation
49 Superwood Corporation-Nu-Ply Division
50 *Trout Post and Pole Company
51 *Williams Wood Products
52 Woodland Container Corp.
53 *Wright Contracting Company
54 *Consolidated Paper Company

*Consumers with Addendum's.

CONSUMERS UNDER GENERAL MEMORANDUM OF AGREEMENT - CODES (cont'd)

- 55 Diamond Match Corporation
- 56 *Leo's Sawmill
- 57 Warren Wood
- 58 *Hutchinson Mill
- 59
- 60 *Goodland Sawmill
- 61 *Orr Manufacturing, Incorporated
- 62 Christensen Forest Products
- 63
- 64 *D.E. Olson Trucking & Forest Products
- 65 *Dresser Lumber & Tie, Incorporated
- 66 *Luecken Brothers Logging
- 67 Liila Forest Products, Incorporated
- 68 *Nystrom Mill
- 69
- 70 *Greenwood International, Incorporated
- 71 *Grunig Administration
- 72 Lakewood Industries, Incorporated
- 73 *Cass Forest Products
- 74 *Sturgeon Lake Sawmill, Incorporated
- 75 Spina's Mill
- 76 Louisiana Pacific Corporation (Two Harbors)
- 77 Cloverdale Industries
- 78 *Halvorson Trees, Incorporated
- 79 *Lake Superior Paper Industries, Incorporated
- 80 *Treats Sawmill
- 81 *Rapid River Grain and Seed, Inc.
- 82 *International Bildrite, Inc.

*Consumers with Addendums's.

APPENDIX
STANDARD SYMBOLS FOR TIMBER APPRAISAL REPORTS

Cover Type Symbols

(listed alphabetically by symbol)

<u>SYMBOL</u>	<u>TYPE</u>	<u>SYMBOL</u>	<u>TYPE</u>
A	Aspen	Ax	Aspen (off site)
BF	Balsam Fir	Cx	Stagnant Cedar
Bg	Balm of Gilead	Ox	Scrub Oak
Bi	Birch, Paper	Sx	Stagnant Spruce
BS	Black Spruce	Tx	Stagnant Tamarack
C	White Cedar		
CH	Central Hdws.	Agr	Cropland, Pasture, etc.
Cot	Cottonwood	COA	Cut Over Area
JP	Jack Pine	D	Duff
LH	Lowland Hdws.	IDEV	Industrial & Urban Development
NH	Northern Hdws.	L	Permanent Water
NP	Norway Pine	LB	Lowland Brush
O	Oak	LF	Non-permanent Water
RC	Red Cedar	LG	Lowland Grass
SB	Spruce-Balsam	M	Moss (Sphagnum or feather)
T	Tamarack	Mh	Marsh
Wal	Walnut	Ms	Muskeg (Peat land)
Wil	Willow	Rd	Road, railroad
WP	White Pine	Rec	Recreational Development
WS	White Spruce	Ro	Rock Outcrop
		UB	Upland Brush
		UG	Upland Grass

Density and Volume Class Symbols

<u>Size Class</u>	<u>Very Poor (o)</u>	<u>Poor (')</u>	<u>Medium (")</u>	<u>Good (''')</u>	<u>Very Good ('''')</u>
Seedlings 0-1 (trees/acre)	N/A	200- 800	800- 1,400	1,400 +	N/A
Saplings 1-5 (trees/acre)	N/A	100- 400	400- 700	700+	N/A
Poletimber 5-9 (cords/acre)	1-3	3-7	7-13	13-20	20 +
Small Sawtimber 10-15 (bd. ft./acre)	500- 1,300	1,300- 2,500	2,500- 5,000	5,000- 8,000	8,000 +
Large Sawtimber 15 + (bd. ft./acre)	500- 1,300	1,300- 4,500	4,500- 8,500	8,500- 13,000	13,000 +

APPENDIX

MEASUREMENT RELATIONSHIPS
(poles, cords, and board feet)

Length	Pc. per Cd.	Cd. ea.	BF ea.	Pc. per MBF
10' Poles	48.9	.0204	8.2	121.95
12'	36.9	.0271	10.8	92.59
14'	28.4	.0352	14.1	70.92
16'	23.4	.0427	17.1	58.48
18'	18.7	.0535	21.4	46.73
20'	15.7	.0637	25.5	39.22
22'	12.9	.0775	31.0	32.26
25'	10.4	.0962	38.5	25.97
30'	7.6	.1315	52.6	19.01
32'	6.0	.1671	65.4	15.29
35'	4.7	.2127	85.1	11.75
40'	3.8	.2631	105.2	9.51
45'	3.4	.2941	117.6	8.50
50'	2.8	.35	140.0	7.14
25' Natural Taper	5.7	.175	70.0	14.29
30' Piling	4.4	.225	90.0	11.11
35'	3.8	.263	105.	9.52
40'	3.1	.325	130.	7.69
12'8" Guard Rails	16.0	.0625	25.	40.00
16' Standard	6.7	.15	60.	16.67
20' Piling	5.7	.175	70.	14.29
25'	3.9	.255	102.	9.80
30'	3.5	.287	115.	8.70
35'	3.0	.337	135.	7.41
40'	2.4	.41	164.	6.10
45'	2.2	.45	180.	5.56
50'	1.8	.56	225.	4.44
55'	1.5	.687	275.	3.63
60'	1.3	.735	294.	3.40

The conversion factors listed above are derived from a study by the U.S.F.S. made of Jack and Norway Pine poles delivered at Cass Lake. Use in converting poles to cords where the top diameter is less than seven inches.

APPENDIX
NUMBER OF PLOTS NEEDED FOR THREE
COMMON DEGREES OF ACCURACY

one-fifth acre plots uniformly spaced

Condition of Stand	Uniform			Average			Patchy	
	Good	Medium	Poor	Good	Medium	Poor	Medium	Poor
area in acres plus or minus 5% accuracy								
40...	57	109	160	89	133	171	160	185
160...	73	185	400	133	267	480	400	600
640...	78	223	640	152	356	873	640	1,371
5,000...	80	238	775	159	394	1,145	775	2,190
10,000...	80	239	787	159	397	1,172	787	2,290
100,000...	80	240	799	160	400	1,197	799	2,389
area in acres plus or minus 10% accuracy								
40...	18	46	100	33	67	120	100	150
160...	20	56	160	38	89	218	160	345
640...	20	59	188	40	97	274	188	505
5,000...	20	60	198	40	100	291	198	586
10,000...	20	60	199	40	100	298	199	593
100,000...	20	60	200	40	100	300	200	599
area in acres plus or minus 20% accuracy								
40...	5	14	40	10	22	55	40	86
160...	5	15	47	10	24	69	47	126
640...	5	15	49	10	25	73	49	143
5,000...	5	15	50	10	25	75	50	149
10,000...	5	15	50	10	25	75	50	150
100,000...	5	15	50	10	25	75	50	150

*Good stocking is 2/3 to full stocking. Medium stocking is 1/3 to 2/3 full stocking. Poor stocking is less than 1/3 full stocking.

Two-thirds of cruises made will probably come within the indicated percentages of complete accuracy. One-third may exceed these percentages.

For 1/10 acre or variable plots, use double the number indicated.

APPENDIX

To find the number of days from any day of any one month to the same day of any other month.

From	Jan.	Feb.	Mar.	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
To Jan.	365	334	306	275	245	214	184	153	122	92	61	31
Feb.	31	365	337	306	276	245	215	184	153	123	92	62
Mar.	59	28	365	334	304	273	243	212	181	151	120	90
Apr.	90	59	31	365	335	304	274	243	212	182	151	121
May	120	89	61	30	365	334	304	273	242	212	181	151
June	151	120	92	61	31	365	335	304	273	243	212	182
July	181	150	122	91	61	30	365	334	303	273	242	212
Aug.	212	181	153	122	92	61	31	365	334	304	273	243
Sept.	243	212	184	153	123	92	62	31	365	335	304	274
Oct.	273	242	214	183	153	122	92	61	30	365	334	304
Nov.	304	273	245	214	184	153	123	92	61	31	365	335
Dec.	334	303	275	244	214	183	153	122	91	61	30	365

During a leap year, add one day to the number in the table if the calculated time period includes February 29.

APPENDIX

INTEREST TABLE

For interest on \$1.00 at the rate of 6.0%

DAYS	INTEREST	DAYS	INTEREST	DAYS	INTEREST
1	0.00016	41	0.00674	81	0.01332
2	0.00033	42	0.00690	82	0.01348
3	0.00049	43	0.00707	83	0.01364
4	0.00066	44	0.00723	84	0.01381
5	0.00082	45	0.00740	85	0.01397
6	0.00099	46	0.00756	86	0.01414
7	0.00115	47	0.00773	87	0.01430
8	0.00132	48	0.00789	88	0.01447
9	0.00148	49	0.00805	89	0.01463
10	0.00164	50	0.00822	90	0.01479
11	0.00181	51	0.00838	91	0.01496
12	0.00197	52	0.00855	92	0.01512
13	0.00214	53	0.00871	93	0.01529
14	0.00230	54	0.00888	94	0.01545
15	0.00247	55	0.00904	95	0.01562
16	0.00263	56	0.00921	96	0.01578
17	0.00279	57	0.00937	97	0.01595
18	0.00296	58	0.00953	98	0.01611
19	0.00312	59	0.00970	99	0.01627
20	0.00329	60	0.00986	100	0.01644
21	0.00345	61	0.01003	101	0.01660
22	0.00362	62	0.01019	102	0.01677
23	0.00378	63	0.01036	103	0.01693
24	0.00395	64	0.01052	104	0.01710
25	0.00411	65	0.01068	105	0.01725
26	0.00427	66	0.01085	106	0.01742
27	0.00444	67	0.01101	107	0.01759
28	0.00460	68	0.01118	108	0.01775
29	0.00477	69	0.01134	109	0.01792
30	0.00493	70	0.01151	110	0.01808
31	0.00510	71	0.01167	111	0.01825
32	0.00526	72	0.01184	112	0.01841
33	0.00542	73	0.01200	113	0.01858
34	0.00559	74	0.01216	114	0.01874
35	0.00575	75	0.01233	115	0.01890
36	0.00592	76	0.01249	116	0.01907
37	0.00608	77	0.01266	117	0.01923
38	0.00625	78	0.01282	118	0.01940
39	0.00641	79	0.01299	119	0.01956
40	0.00658	80	0.01315	120	0.01973
200	0.02288	300	0.04932	365	0.06000

APPENDIX

INTEREST TABLE

For interest on \$1.00 at the rate of 8.0%

DAYS	INTEREST	DAYS	INTEREST	DAYS	INTEREST
1	0.00022	41	0.00899	81	0.01775
2	0.00044	42	0.00921	82	0.01797
3	0.00066	43	0.00942	83	0.01819
4	0.00088	44	0.00964	84	0.01841
5	0.00110	45	0.00986	85	0.01863
6	0.00132	46	0.01008	86	0.01885
7	0.00153	47	0.01030	87	0.01907
8	0.00175	48	0.01052	88	0.01929
9	0.00197	49	0.01074	89	0.01951
10	0.00219	50	0.01096	90	0.01973
11	0.00241	51	0.01118	91	0.01995
12	0.00263	52	0.01140	92	0.02016
13	0.00285	53	0.01162	93	0.02038
14	0.00307	54	0.01184	94	0.02060
15	0.00329	55	0.01205	95	0.02082
16	0.00351	56	0.01227	96	0.02104
17	0.00373	57	0.01249	97	0.02126
18	0.00395	58	0.01271	98	0.02148
19	0.00416	59	0.01293	99	0.02170
20	0.00438	60	0.01315	100	0.02192
21	0.00460	61	0.01337	101	0.02214
22	0.00482	62	0.01359	102	0.02236
23	0.00504	63	0.01381	103	0.02258
24	0.00526	64	0.01403	104	0.02279
25	0.00548	65	0.01425	105	0.02301
26	0.00570	66	0.01447	106	0.02323
27	0.00592	67	0.01468	107	0.02345
28	0.00614	68	0.01490	108	0.02367
29	0.00636	69	0.01512	109	0.02389
30	0.00658	70	0.01534	110	0.02411
31	0.00679	71	0.01556	111	0.02433
32	0.00701	72	0.01578	112	0.02455
33	0.00723	73	0.01600	113	0.02477
34	0.00745	74	0.01622	114	0.02499
35	0.00767	75	0.01644	115	0.02521
36	0.00789	76	0.01666	116	0.02542
37	0.00811	77	0.01688	117	0.02564
38	0.00833	78	0.01710	118	0.02586
39	0.00855	79	0.01732	119	0.02608
40	0.00877	80	0.01753	120	0.02630
200	0.04384	300	0.06575	365	0.08000

APPENDIX

INTEREST TABLE

for interest on \$1.00 at the rate of 11.0%

DAYS	INTEREST	DAYS	INTEREST	DAYS	INTEREST
1	0.00030	41	0.01236	81	0.02441
2	0.00060	42	0.01266	82	0.02471
3	0.00090	43	0.01296	83	0.02501
4	0.00121	44	0.01326	84	0.02532
5	0.00151	45	0.01356	85	0.02562
6	0.00181	46	0.01386	86	0.02592
7	0.00211	47	0.01416	87	0.02622
8	0.00241	48	0.01447	88	0.02652
9	0.00271	49	0.01477	89	0.02682
10	0.00301	50	0.01507	90	0.02712
11	0.00332	51	0.01537	91	0.02742
12	0.00362	52	0.01567	92	0.02773
13	0.00392	53	0.01597	93	0.02803
14	0.00422	54	0.01627	94	0.02833
15	0.00452	55	0.01658	95	0.02863
16	0.00482	56	0.01688	96	0.02893
17	0.00512	57	0.01718	97	0.02923
18	0.00542	58	0.01748	98	0.02953
19	0.00573	59	0.01778	99	0.02984
20	0.00603	60	0.01808	100	0.03014
21	0.00633	61	0.01838	101	0.03044
22	0.00663	62	0.01868	102	0.03074
23	0.00693	63	0.01899	103	0.03104
24	0.00723	64	0.01929	104	0.03134
25	0.00753	65	0.01959	105	0.03164
26	0.00784	66	0.01989	106	0.03195
27	0.00814	67	0.02019	107	0.03225
28	0.00844	68	0.02049	108	0.03255
29	0.00874	69	0.02079	109	0.03285
30	0.00904	70	0.02110	110	0.03315
31	0.00934	71	0.02140	111	0.03345
32	0.00964	72	0.02170	112	0.03375
33	0.00995	73	0.02200	113	0.03405
34	0.01025	74	0.02230	114	0.03436
35	0.01055	75	0.02260	115	0.03466
36	0.01085	76	0.02290	116	0.03496
37	0.01115	77	0.02321	117	0.03526
38	0.01145	78	0.02351	118	0.03556
39	0.01175	79	0.02381	119	0.03586
40	0.01205	80	0.02411	120	0.03616

200	0.06027	300	0.09041	365	0.11000

APPENDIX

INTEREST TABLE

For interest on \$1.00 at the rate of 13.0%

DAYS	INTEREST	DAYS	INTEREST	DAYS	INTEREST
1	0.00036	41	0.01460	81	0.02885
2	0.00071	42	0.01496	82	0.02921
3	0.00107	43	0.01532	83	0.02956
4	0.00142	44	0.01567	84	0.02992
5	0.00178	45	0.01603	85	0.03027
6	0.00214	46	0.01638	86	0.03063
7	0.00249	47	0.01674	87	0.03099
8	0.00285	48	0.01710	88	0.03134
9	0.00321	49	0.01745	89	0.03170
10	0.00356	50	0.01781	90	0.03205
11	0.00392	51	0.01816	91	0.03241
12	0.00427	52	0.01852	92	0.03277
13	0.00463	53	0.01888	93	0.03312
14	0.00499	54	0.01923	94	0.03348
15	0.00534	55	0.01959	95	0.03384
16	0.00570	56	0.01995	96	0.03419
17	0.00605	57	0.02030	97	0.03455
18	0.00641	58	0.02066	98	0.03490
19	0.00677	59	0.02101	99	0.03526
20	0.00712	60	0.02137	100	0.03562
21	0.00748	61	0.02173	101	0.03597
22	0.00784	62	0.02208	102	0.03633
23	0.00819	63	0.02244	103	0.03668
24	0.00855	64	0.02279	104	0.03704
25	0.00890	65	0.02315	105	0.03740
26	0.00926	66	0.02351	106	0.03775
27	0.00962	67	0.02386	107	0.03811
28	0.00997	68	0.02422	108	0.03847
29	0.01033	69	0.02458	109	0.03882
30	0.01068	70	0.02493	110	0.03918
31	0.01104	71	0.02529	111	0.03953
32	0.01140	72	0.02564	112	0.03989
33	0.01175	73	0.02600	113	0.04025
34	0.01211	74	0.02636	114	0.04060
35	0.01247	75	0.02671	115	0.04096
36	0.01282	76	0.02707	116	0.04132
37	0.01318	77	0.02742	117	0.04167
38	0.01353	78	0.02778	118	0.04203
39	0.01388	79	0.02814	119	0.04238
40	0.01425	80	0.02849	120	0.04274
200	0.07123	300	0.10685	365	0.13000

APPENDIX

List of Forms Used in The Sales Manual

OLD #	NEW # *	Title	Date	Reference Page
A-52	NA-00078-01	Refund Letter	7/76	H-2.3
F-28		Warning of Forest Law Violation	7/71	I-5.1
F-89	NA-02167-02	Report of Type Area Drained	3/80	J-3.3, J-3.4, J-3.5
F-90	NA-02174-01	Planned Cut List	2/81	J-2.3
F-103	NA-02119-02	Report of Added Timber	9/75	G-7.4
F-104		Notice of Permit Approval	2/76	E-5.8
F-110	NA-02125-02	Special Fuelwood Permit	9/80	F-2.2
F-111		Notice to Bonding Co. of Permit Payment	6/81	C-9.3
F-112		Assignment of State Timber Sale Permit	3/75	C-10.2
F-114		Authorization For Alternate Landing of Unscaled Products	2/75	G-4.3
F-115		Timber Sale Permit (Auction)	9/71	C-6.6
F-116	NA-02131-03	Timber Scale Report	8/81	C-8.2, E-7.2
F-117		Posting of Permit (Tagboard)	5/75	G-3.2
F-118		Extension for Informal Permits	1/75	E-6.2
F-120		Permittee's Checklist	2/75	C-6.3
F-121	NA-02136-02	Timber Appraisal Report	6/80	B-3.9, C-4.3, E-5.4
F-121	NA-02136-02	Permit Slip (Reverse side of Timber Appraisal Report)	6/80	G-7.3
F-122	NA-02137-02	Application for Informal Sale	10/80	E-4.5
F-123	NA-02138-02	Timber Permit Invoice (Billing)	9/81	C-9.2, E-7.3, H-1.4
F-124	NA-02139-02	Permit To Cut State Timber, Informal Sale	7/81	E-5.5, E-5.7
F-126		Timber Sale Inspection	2/76	G-5.2
F-130	NA-02146-02	Auction Data Record	7/81	C-4.4
F-131		Final Billing-Refund Letter	9/75	E-7.4
F-132	NA-02176-01	Sealed Bid for Advertised Timber	10/81	C-4.13, D-4.8, D-5.6
F-133	NA-02177-01	Intermediate Auction Timber Sale Permit	6/81	D-6.4
F-202	NA-02148-02	Provisional Statement for Timber Trespass	8/81	I-5.5
F-207	NA-02149-02	Seizure Tag	5/82	I-4.1
	NA-01930-01	Sealed Bid Envelope (Yellow)	12/81	C-4.14
F-280	NA-01956-02	Cover Type Examination Data Sheet	6/81	G-7.2

* Use this number when ordering forms.



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