

NOTICE OF SALE

Department of Natural Resources & Conservation Timber Sale

The Dog Valley Timber Sale is located within Section 16, T17N-R21W and Section 36, T17N-R22W, on the State's Plains Unit. Approximately 32,721 tons of sawlogs, consisting of lodgepole pine, Douglas-fir and other species is offered for sale.

Sealed bids will be opened at the Department of Natural Resources & Conservation, 2705 Spurgin Road, Missoula, Montana on **January 8, 2007 at 2:00 p.m.** Bids may be hand delivered or mailed and will be accepted any time prior to the bid opening. **DNRC recommends that bidders contact the Trust Land Management Division (406-542-4300) prior to the bid opening to ensure that your bid has been received.** Bids must be accompanied by a deposit of **\$27,813.00**, representing 5% of the minimum bid value of the sale in cashier's check, certified check, bank money order or bank draft to be applied to the stumpage for the successful bidder. Bid bonds will be accepted and, for the successful bidder, will be closed upon execution of the Timber Sale Contract and Timber Sale Bond.

The sale will be awarded to the highest responsible bidder. If the successful bidder is unable to execute the contract within 45 calendar days from the date the sale is awarded, the bid deposit will be retained by the Department as liquidated damages. The right is reserved to reject any or all bids.

Prospective bidders can obtain the sale prospectus, sale contract and bid forms from the Department of Natural Resources & Conservation, Trust Land Management Division, in Missoula (406-542-4300), the Northwestern Land Office in Kalispell (406-751-2240), or the Unit Office in Plains, MT (406-826-4722).

Visit our website at <http://www.dnrc.mt.gov> Online Services for upcoming sales and bid results

/s/ David A. Groeschl, Chief
Forest Management Bureau
Trust Land Mgmt Division

Publication Dates: November 22, 29, December 6, 13, 2006

TIMBER SALE PROSPECTUS
MONTANA DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

Timber Sale Name: Dog Valley			
Timber Sale Location: Section 16, T17N-21W & Section 36, T17N-R22W			
For specific sale information, contact:			
Phone	406-826-4722	Dale Peters	Unit Office
For copies of the Timber Sale Contract and bid forms, contact:			
Phone	406-542-4300	Forest Management Bureau	DNRC Missoula Office
Phone	406-751-2240	Northwestern Land Office	DNRC Kalispell Office

General Bidding Information

1. Bids must be submitted on standard DNRC bid forms.
2. Timber will be sold to the highest responsible bidder; however, the Department reserves the right to reject any or all bids.
3. DNRC recommends that bidders contact the Forest Management Bureau, Trust Land Management Division (406-542-4300) prior to the bid opening to ensure that your bid has been received.
4. A **bid guarantee** must accompany all bids and must be in the form of cash, cashiers check, certified check, bank money order, bank draft, surety bond or irrevocable letter of credit.
5. The Purchaser must submit a **performance bond** within 45 days of the sale award. It will amount to 20% or more of the bid value of the sale. The performance bond may be in the form of cash, irrevocable letter of credit, surety bond or certificate of deposit. The performance bond must be maintained separately from other payments for the duration of the sale contract.
6. The Purchaser must submit an **advance stumpage payment** prior to cutting any timber. The amount of the advance will be based on the expected harvest rate and the bid value of the stumpage. The advance may be in the form of cash, irrevocable letter of credit, payment bond or certificate of deposit.
7. The Purchaser will pay **Forest Improvement fees** and any special **Road Use and Maintenance fees** in addition to stumpage payments.
8. This sale is being sold based on the gross weight of all species. Minimum price and bid price is per ton. The price is for all species, green and dead. Billing will be based on gross weight. A weight ticket from a certified scale is required for every load.
9. The Department has estimated the net scale merchantable sawlog volume to be available for purchase under this contract. All delivered wood will be weighed and billed at per ton bid rates. The Department recognizes that a percentage of delivered wood may not meet the log manufacturing and recovery standards of the timber sale contract. The actual percentage will vary based on the log manufacturing and recovery specifications of the purchaser and the tree conditions in the sale area. The actual delivered weight may vary, resulting in an overrun or under-run of the estimated tonnage. DNRC strongly recommends that bidders evaluate these effects before bidding.
10. DNRC does not conduct detailed road appraisals. All appraised costs are gross estimates or averages, provided only to show the relative amount of work required, and not its market value. Purchasers should make their own estimates based on contract requirements.
11. Bidders should examine the Timber Sale Contract and sale area prior to bidding. Additional information is available at the phone numbers shown above.
12. Estimated stand data in this prospectus and volume estimates in the sale contract are not guaranteed.
13. This prospectus is provided for information purposes only. If the prospectus is in error or contradicts the Timber Sale Contract, the contract governs.

TABLE 1: Summary of Sale Specifications			
Sale Data			
514	Net Sale Area (acres)	3.05	Miles of new road construction
December 31, 2009	Contract ending date	12.00	Miles of road reconstruction, reconditioning & maintenance
0%	Cable logging required (% of volume)	.08	Miles of road reclamation or abandonment
Operating Season: any season not restricted by soil moisture.			
Charges and Appraised Costs			
\$27,813.00	Bid Guarantee (total \$)		
20% of bid value	Performance Bond		
- 0 -	Collected Road Maintenance And Road Use Charges (\$ per ton)		
\$2.48	Collected Forest Improvement Fee (\$ per ton) (\$19.50/mbf)		
\$13,524.68	Quarterly Installment of Forest Improvement Payments (\$ per payment, first 5 payments)		
\$149,725	Road Development Costs - Appraised Purchaser-Do (total \$)		
\$0.18	Road Maintenance Costs - Appraised Purchaser-Do (\$ per ton)		
-0-	Slash Disposal Costs - Appraised Purchaser-Do (\$ per ton)		
-0-	Timber Stand Improvement Costs - Appraised Purchaser-Do (\$ per ton)		

TABLE 2: Timber Cruise Data and Minimum Bids									
SPECIES	PP	DF	H & WL	LP	ES	AF	WBP	D-LP	TOTAL or AVE
Minimum Acceptable Bid									\$17.00/ton
Gross Cubic Feet 5.6" top (in thousands)	31.9	225.0	1.2	202.9	61.5	54.4	3.4	477.1	1,057.4
% Cull and Breakage	11%	9%	5%	10%	4%	4%	10%	20%	14%
Net Cubic Feet (in thousands)	38.2	204.8	1.1	182.6	59.0	52.2	3.1	381.7	912.9
Pounds per cubic foot	62.0	61.7	59.1	56.0	57.0	55.0	56.0	10.0	51.2
Estimated tons to 5.6" top	1,426.8	8,806.1	90.8	8,823.4	1,866.9	2,229.6	121.0	9,103.4	32,468
Small log tons (4.6" top)	N/A	54.9	0.2	105.6	7.1	23.4	1.0	60.6	253
Total estimated tons	1,427	8,861	91	8,929	1,874	2,253	122	9,164	32,721
Gross MBF (Scribner 5.6" top dib)	179	1,029	12	862	294	227	13	2,175	4,791
%Cull and Breakage	11%	9%	5%	10%	4%	4%	10%	20%	14%
Net MBF	159	936	11	776	282	218	12	1,740	4,134
Average logs per MBF	24.5	25.4	24.7	25.8	16.2	29.2	23.8	19.5	22.3
Average DBH	10.5	9.2	11.8	8.2	10.4	8.3	8.4	10.5	9.3
Average tons per acre harvested in leave-tree marked units									63.6
Average tons per acre harvested in cut-tree-marked units									N/A
Average MBF to cut per acre on the timber sale									8.0
Range of cut trees per acre based on unit cruise									48-313
Calculated Sampling Error (<i>net</i> MBF): 10.25%									
The total cruised volume will fall between 3,719 and 4,549 thousand net board feet in 9 out of 10 cruises									
Tons Per Thousand Board Feet Conversion Factor = 32,468 tons per 4,134 net MBF = 7.85 tons per MBF (Scribner 5.6" top DIB)									

TABLE 3: Unit Harvest Volume and Harvest Schedule					
Unit	Section	Acres	Estimated Net Tons	Estimated Net MBF	Removal Date
36-1	36	55	4,688	582	December 31, 2007
36-2	36	32	2,985	489	December 31, 2007
36-3	36	58	3,312	480	December 31, 2007
36-4	36	57	4,204	603	December 31, 2007
36-5	36	72	6,272	755	December 31, 2007
36/ROW	36	10	1,111	138	December 31, 2007
16-1	16	113	4,748	521	November 30, 2009
16-2	16	73	3,131	286	November 30, 2009
16-3	16	35	1,435	176	November 30, 2009
16/ROW	16	9	835	104	November 30, 2009

Additional Sale Information:

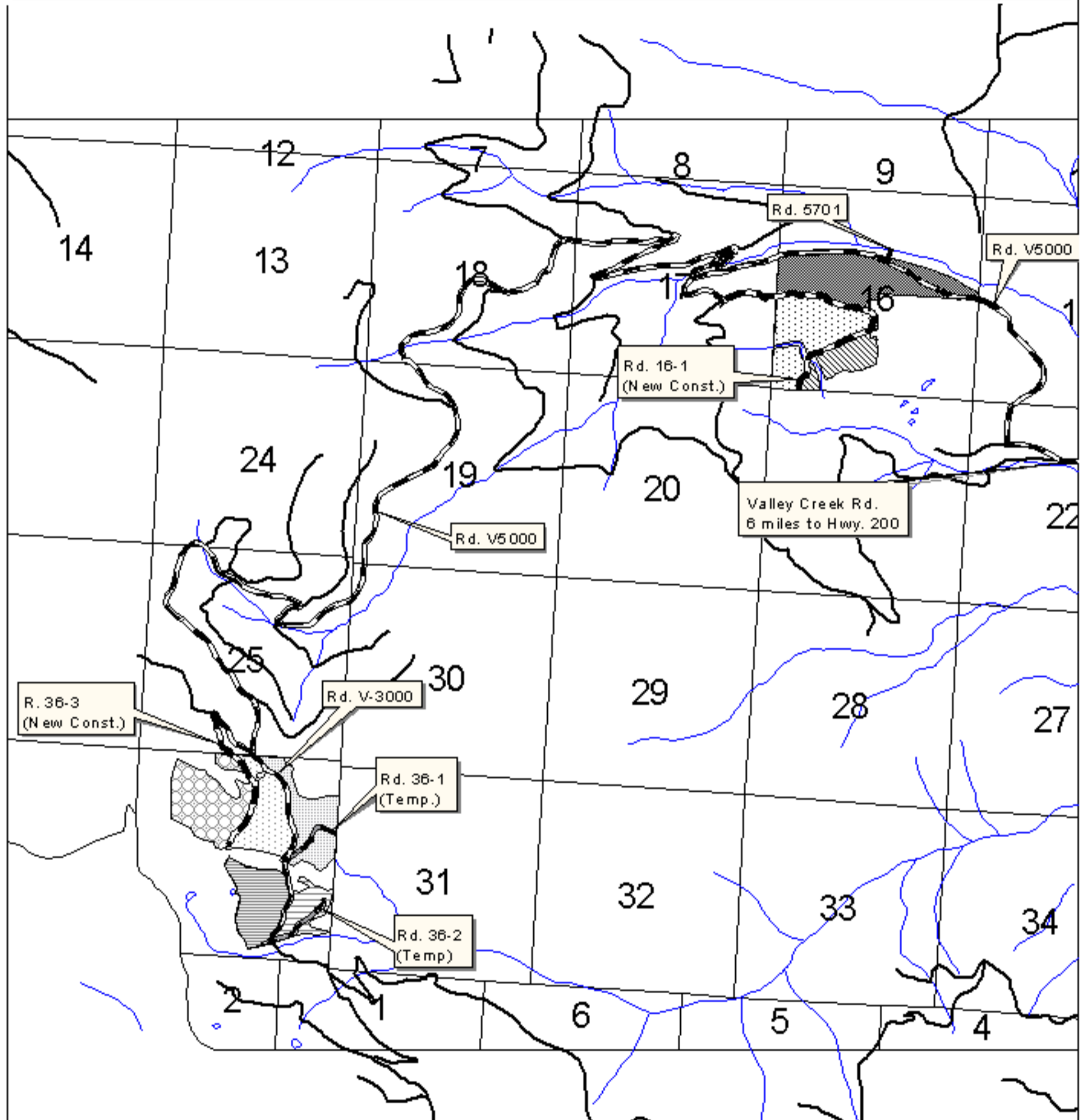
1. Top sizes will be 5.6" for PP and 4.6" for all other species. Scribner volume calculations used in this prospectus are based on a 5.6" top size for all species. Ton volume calculations are based on cubic volume to a 5.6" top. An additional 253 tons has been added to the total sale tons to account for the 4.6" top small sawlog volume. This volume is broken out by unit in Table 3 above. This small sawlog volume is not included in the Scribner gross or net MBF.
2. Material other than sawlogs may be purchased upon approval of the Forest Officer. Other products will be billed at a negotiated rate detailed in a contract modification.
3. Purchaser is required to install and remove a two section steel portable bridge, 14' x 30'. DNRC will furnish this bridge. Purchaser is required to load and haul the bridge from the Plains Unit Office to the installation site. Post-harvest, Purchaser is required to load and haul the bridge from the installation site back to the Plains Unit Office.
4. Harvest of Section 36, T17N-R22W will be required to be completed before harvest operations begin in Section 16, T17N-R21W.




TABLE 4: Total Gross Cubic Feet (6" top diameter) by Diameter Class and Species (Cut trees; No ROW Volume)									
DBH Class	Thousand Cubic Feet								
	PP	DF	H	LP	ES	AF	WBP	D-LP	TOTAL
≥7 and < 9	2.7	28.7		41	2.1	12.7		23.4	110.6
≥9 and < 11	7.7	52.8		78.6	7.5	21.3	2.1	76.1	246.1
≥11 and < 13	5.8	44.4	1.2	46.6	5.2	8.5	1.3	150.7	263.7
≥13 and < 15	8.9	30.8		25.8	6.7	8.6		125.5	206.3
≥15 and < 17	2.2	27.4		10.9	10.5			77.8	128.8
≥17 and < 19		12.1			16.8	1.9		14.1	44.9
≥19 and < 21	2.3	19.8			3.7	1.4		9.5	36.7
≥21 and < 23		9			2.2				11.2
≥23 and < 25	2.3				4				6.3
≥25 and >					2.8				2.8
TOTAL	31.9	225	1.2	202.9	61.5	54.4	3.4	477.1	1057.4

TABLE 5: Total Number of Cut Trees by Diameter Class and Species (No ROW Volume; values in thousands)									
DBH Class	PP	DF	H	LP	ES	AF	WBP	D-LP	TOTAL
≥7 and < 9	.5	11.2		18.2	1.2	5.1	.2	7.3	43.7
≥9 and < 11	.6	5.7		7.1	.9	2.1	.2	7	23.6
≥11 and < 13	.3	2.7	.1	2.4	.2	.4	.1	7.8	14
≥13 and < 15	.3	1.2		.9	.3	.3		4.1	7.1
≥15 and < 17	.1	.7		.3	.2			1.9	3.2
≥17 and < 19		.2			.3			.3	.8
≥19 and < 21		.3						.1	.4
≥21 and < 23									
≥23 and < 25									
≥25 and < 27									
≥27 and < 29									
TOTAL	1.8	22	.1	28.9	3.1	7.9	.5	28.5	92.8

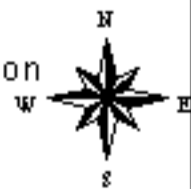
Dog Valley Timber Sale Roads

Attachment A



-  New Construction
-  Existing Road (Primary)
-  Temp. Road Construction
-  Obliterate / Reclaim Road

Montana DNR
Trust Land Management Division
Northeastern Land Office
Plains Unit



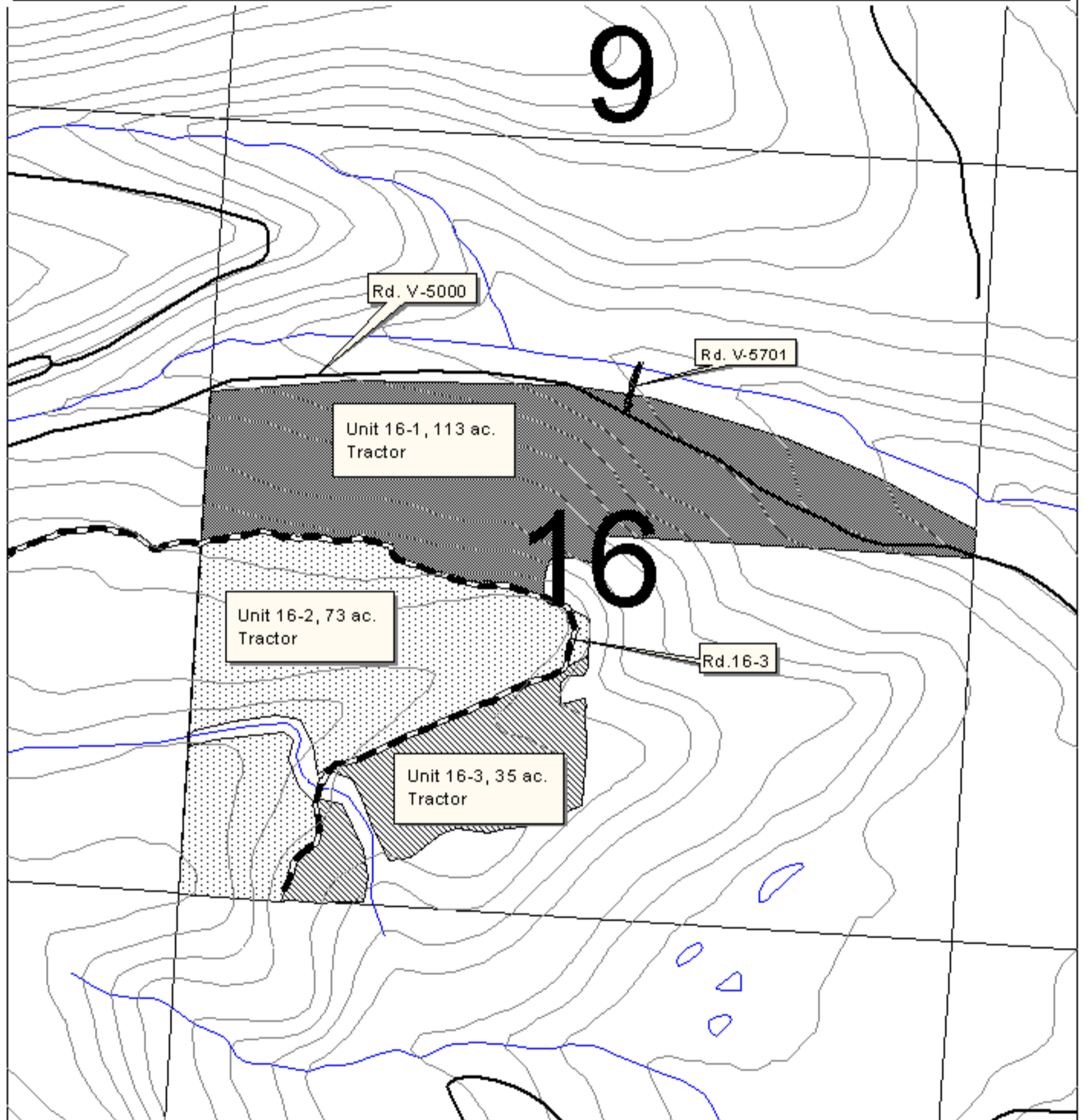
0.25 0 0.25 0.5 0.75 1 Miles



1 : 45,893 1 inch = 0.72 miles

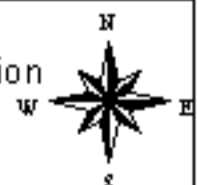
Dog Valley Timber Sale

Sec. 16, T17N, R21W - Attachment A



	Existing Road		Unit 16-3, 35 ac.
	New Construction		Unit 2, 32 ac.
Proposed Units			Unit 3, 58 ac.
	Unit 1, 55 ac.		Unit 4, 57 ac.
	Unit 16-1, 113 ac.		Unit 5, 72 ac.
	Unit 16-2, 73 ac.		

Montana DNR
Trust Land Management Division
Northwestern Land Office
Plains Unit



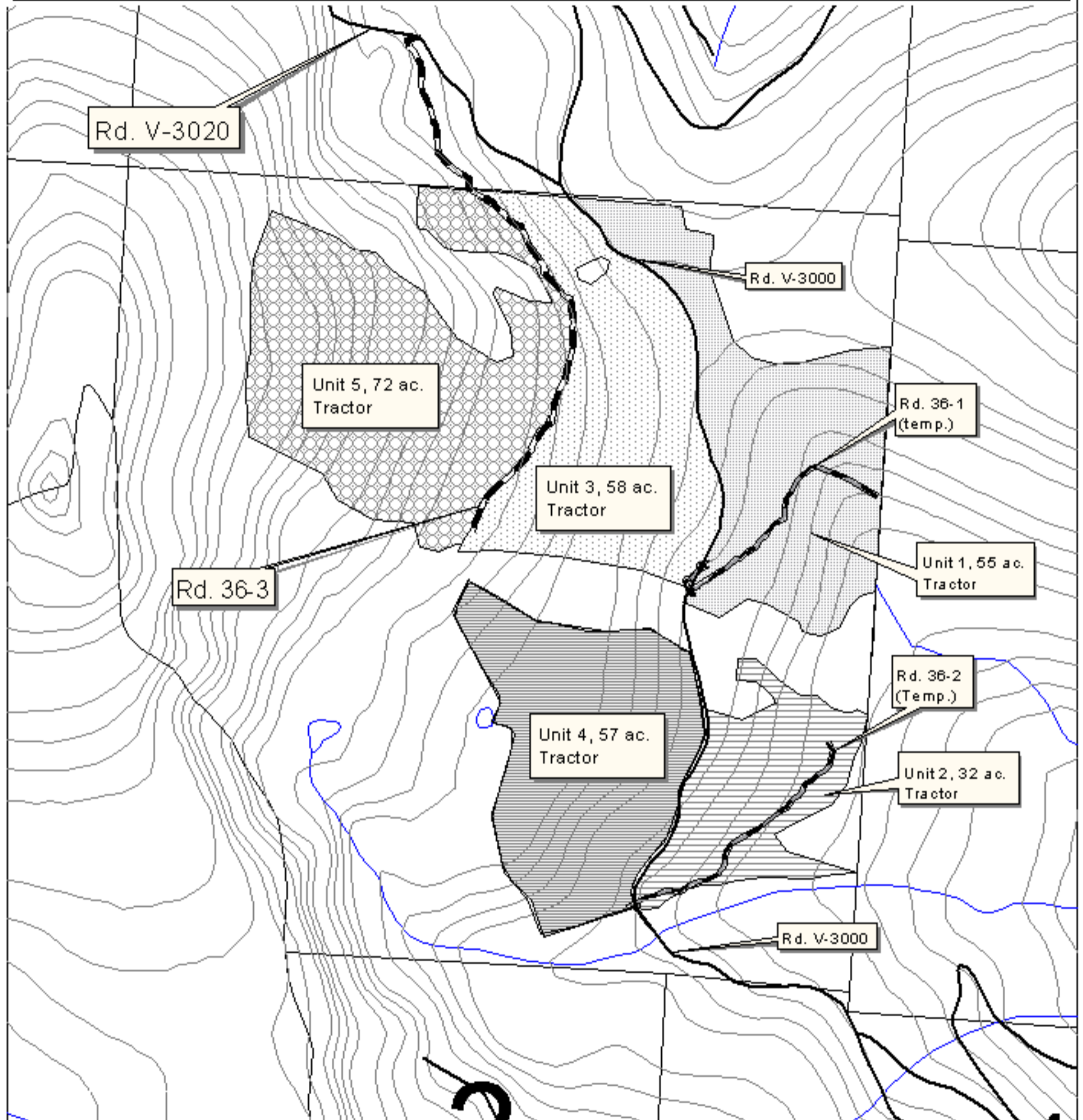
0.1 0 0.1 0.2 0.3 Miles



1 : 12,031 1 inch = 0.19 miles

Dog Valley Timber Sale

Sec. 36, T17N, R22W- Attachment A



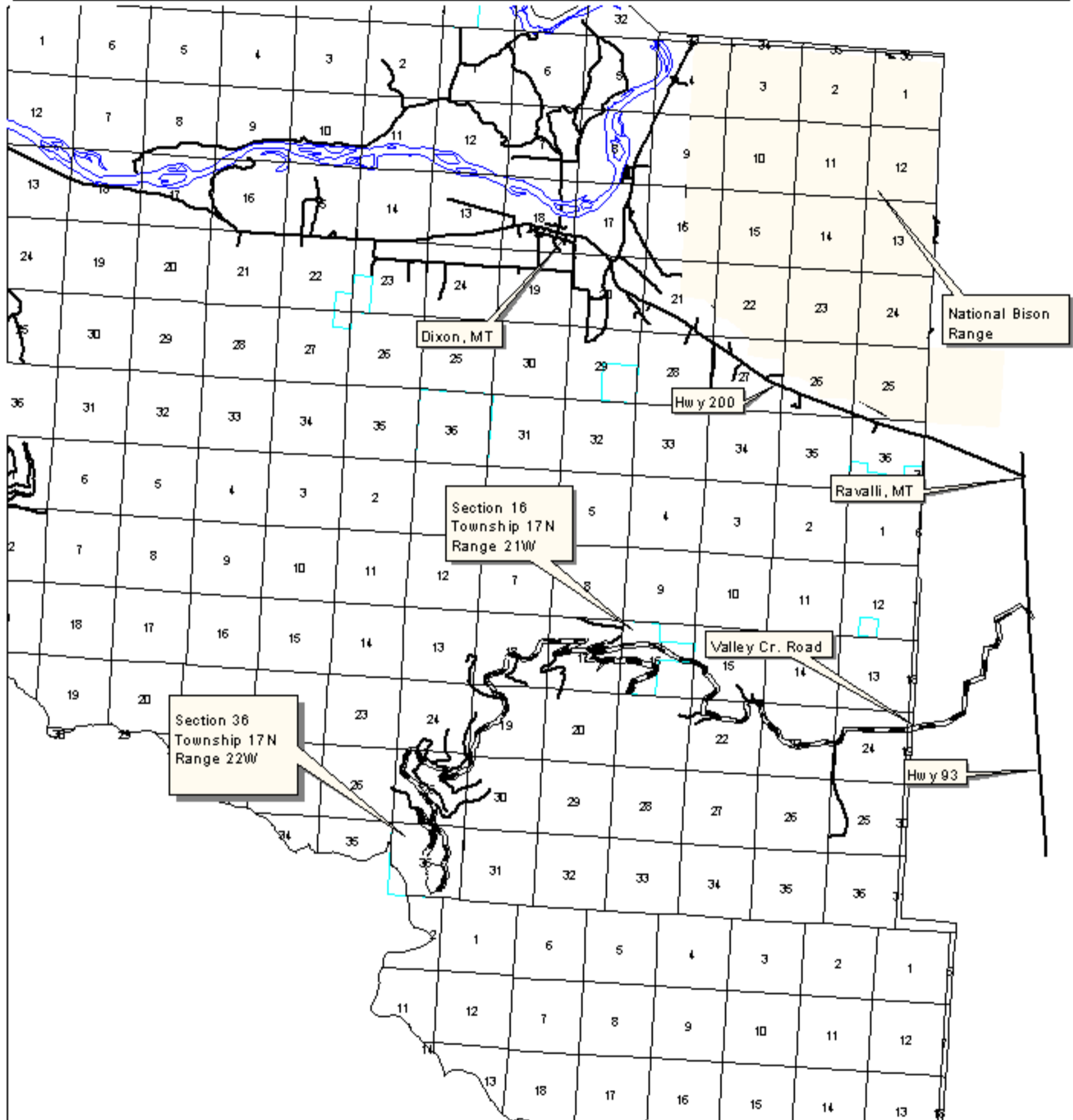
	Existing Road		Unit 16-2, 73 ac.
	Temp. Road Construction		Unit 16-3, 35 ac.
	New Construction		Unit 2, 32 ac.
	Obsolete / Reclaim Road		Unit 3, 58 ac.
Proposed Units			Unit 4, 57 ac.
	Unit 1, 55 ac.		Unit 5, 72 ac.
	Unit 16-1, 113 ac.		

Montana DNR
Trust Land Management Division
Northwestern Land Office
Plains Unit

0.1 0 0.1 0.2 0.3 Miles
1 : 12,031 1 inch = 0.19 miles

Dog Valley Timber Sale- Vicinity Map

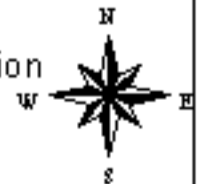
Attachment A



Ownership

- Fish and Wildlife Service
- State of Montana (DNRC)
- Water

Montana DNR
Trust Land Management Division
Northwestern Land Office
Plains Unit



1 0 1 2 3 4 Miles

1 : 128,070 1 inch = 2.02 miles