

NOTICE OF SALE

Department of Natural Resources & Conservation Timber Sale

The Foothills #2 Timber Sale is located within Sections 3 & 10, T27N-R19W and Sections 21, 27, 28, & 34, T28N-R19W on the State's Kalispell Unit. Approximately 47,755 tons, consisting of grand fir, Douglas-fir, larch, spruce, lodgepole and white pine sawlogs is offered for sale.

Sealed bids will be opened at the Department of Natural Resources & Conservation, 2705 Spurgin Road, Missoula, Montana on **November 17, 2006 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 **\$56,112.00** 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), or the Northwestern Land Office in Kalispell, MT (406-751-2240).

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

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

Publication Dates: October 18, 25, November 1, 8, 2006

TIMBER SALE PROSPECTUS
MONTANA DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

Timber Sale Name:	Foothills #2
Timber Sale Location:	Sec. 3 &10, T27N-R19W Sec. 21,22,27,28, & 34, T28N-R19W
For specific sale information, contact:	
Phone	406-751-2264 Mark Slaten, Kalispell 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

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** 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			
760	Net Sale Area (acres)	0.4	Miles of temporary road construction
October 31, 2009	Contract ending date	9.2	Miles of road maintenance/reconstruction
<1%	Cable logging required (% of volume)	4.9	Miles of road reclamation or abandonment
Operating Season: between July 1 and May 31 when soil compaction requirements can be met. Winter logging in some units.			
Charges and Appraised Costs			
\$56,112.00	Bid Guarantee (total \$)		
20% of bid value	Performance Bond		
N/A	Collected Road Maintenance And Road Use Charges (\$ per ton)		
\$ 3.24	Collected Forest Improvement Fee (\$ per ton)		
\$ 25,787.70	Quarterly Installment of Forest Improvement Payments (\$ per payment, first 5 payments)		
\$ 76,953.67	Road Development Costs - Appraised Purchaser-Do (total \$)		
\$ 0.09	Road Maintenance Costs - Appraised Purchaser-Do (\$ per ton)		
\$ 0.28	Slash Disposal Costs - Appraised Purchaser-Do (\$ per ton)		
\$ 2.01	Timber Stand Improvement Costs - Appraised Purchaser-Do (\$ per ton)		

TABLE 2: Timber Cruise Data and Minimum Bids											
SPECIES	SAF	WWP	WH	DF	WL	LP	ES	GF	WRC	DD	TOTAL
Minimum Acceptable Bid											\$23.50/T
Gross Cubic Feet (in thousands)	3.0	39.7	241.9	295.9	109.2	79.1	156.7	1417.3	1.2	187.8	2,531.7
% Cull and Breakage	46.7	9.6	43.5	7.4	7.8	4.6	5.2	47.2	0	37.4	35.2
Net Cubic Feet (in thousands)	1.6	35.9	136.6	273.9	100.7	75.5	148.6	747.8	1.2	117.6	1,639.4
Pounds per cubic foot	55	60	60	62	58	56	57	60	44	40	58
Estimated tons	43.9	1,072.5	4,081.9	8,415.9	2,923.2	2,104.9	4,219.4	22,344.7	25.7	2,522.8	47,755
Gross MBF (Scribner 6" top DIB)	14.4	213.3	1,239.4	1,488.4	551.3	347.4	751.7	6,904.2	4.1	894.2	12,408
%Cull and Breakage	46.7	9.6	43.5	7.4	7.8	4.6	5.2	47.2	0	37.4	35.2
Net MBF	7.8	192.5	692.3	1,376.1	509.3	331.8	714.7	3,547	4.1	556.8	7,932
Average logs per MBF	19.1	12.7	15.3	14.9	16.9	24.3	18.5	17.1	42.3	18.8	17.0
Average DBH	13.0	12.6	12.9	14.2	13.0	9.7	12.0	12.7	9.0	12.3	12.6
Average tons per acre harvested in leave-tree marked units: 62.9											
Average tons per acre harvested in cut-tree-marked units: N/A											
Average MBF to cut per acre on the timber sale: 10.5											
Range of cut trees per acre based on unit cruise: 115 to 157											
Calculated Sampling Error (<i>net</i> MBF): 7.4%											
The total cruised volume will fall between 7,345 and 8,519 thousand net board feet in 9 out of 10 cruises.											
Tons Per Thousand Board Feet Conversion Factor = 47,755 net tons per 7,932 net MBF = 6.02 tons per MBF											

TABLE 3: Unit Harvest Volume and Harvest Schedule					
Unit	Section	Acres	Estimated Tons	Estimated Net MBF	Removal Date
ML1	3&10	249	16,943.3	2,838.4	October 1, 2009
JB3	34	36	2,148.4	356.0	October 1, 2009
JB4	34	19	937.5	150.9	October 1, 2009
JB5	34	26	1,581.4	262.1	October 1, 2009
JB6	27 & 34	8	526.7	87.9	October 1, 2009
JB7	34	17	1,044.4	173.0	October 1, 2009
JB8	34	86	5,172.2	857.0	October 1, 2009
E1	28	97	5,608.8	926.6	October 1, 2009
K1	21	30	2,068.3	337.1	October 1, 2009
K2	21	80	4,596.5	759.3	October 1, 2009
K3	21	52	3,653.5	610.0	October 1, 2009
K4	21	60	3,474.8	574.0	October 1, 2009

Additional Sale Information:

1. Required winter logging in Unit JB8.
2. No harvest operations or road work may occur from April 1 to June 30. This applies to all roads and all harvest units.
3. Yarding of unmerchantable material (YUM) is required in some harvest units (see timber sale contract for specifics).
4. An estimated 12,000 tons of other material (pulpwood) is available, but not required.

TABLE 4: Total Net Cubic Feet (6" top diameter) by Diameter Class and Species (Cut trees)

Thousand Cubic Feet											
DBH Class	WWP	SAF	WH	DF	WL	LP	ES	GF	WRC	DD	TOTAL
≥7 and < 9	3	0	6	10	1	10	4	31	0	4	69
≥9 and < 11	4	0	11	5	12	28	20	101	1	12	194
≥11 and < 13	2	0	13	33	9	27	41	129	0	32	285
≥13 and < 15	0	2	25	33	20	11	25	155	0	25	294
≥15 and < 17	6	0	20	38	14	0	20	126	0	22	246
≥17 and < 19	3	0	23	45	25	0	15	83	0	8	202
≥19 and < 21	2	0	24	44	17	0	14	65	0	3	170
≥21 and < 23	8	0	4	21	3	0	11	31	0	11	89
≥23 and < 25	0	0	5	28	0	0	0	10	0	0	42
≥25 and < 27	8	0	6	17	0	0	0	9	0	1	35
≥27	0	0	0	2	0	0	0	7	0	0	15
TOTAL	36	2	137	274	101	76	149	748	1	118	1,639

TABLE 5: Total Number of Cut Trees by Diameter Class and Species

DBH Class	WWP	SAF	WH	DF	WL	LP	ES	GF	WRC	DD	TOTAL
≥7 and < 9	492	0	1,981	2,228	246	1,845	729	11,657	0	1,129	20,306
≥9 and < 11	344	0	1,809	537	1,215	2,226	1,883	12,021	187	1,576	21,798
≥11 and < 13	109	0	944	1,700	432	1,168	2,273	9,542	0	2,511	18,679
≥13 and < 15	0	93	1,147	1,215	633	369	792	9,043	0	1,378	14,670
≥15 and < 17	140	0	722	997	350	0	518	6,843	0	756	10,327
≥17 and < 19	49	0	829	955	424	0	247	3,267	0	359	6,130
≥19 and < 21	44	0	463	733	236	0	178	2,066	0	129	3,849
≥21 and < 23	98	0	142	275	33	0	115	1,164	0	144	1,970
≥23 and < 25	0	0	102	311	0	0	0	373	0	0	786
≥25 and < 27	16	0	75	156	0	0	0	266	0	24	536
≥27	17	0	0	22	0	0	7	165	0	0	204
TOTAL	1,309	93	8,214	9,129	3,568	5,607	6,735	56,406	187	8,006	99,254

114°2'0"W

114°1'0"W

114°0'0"W

113°59'0"W

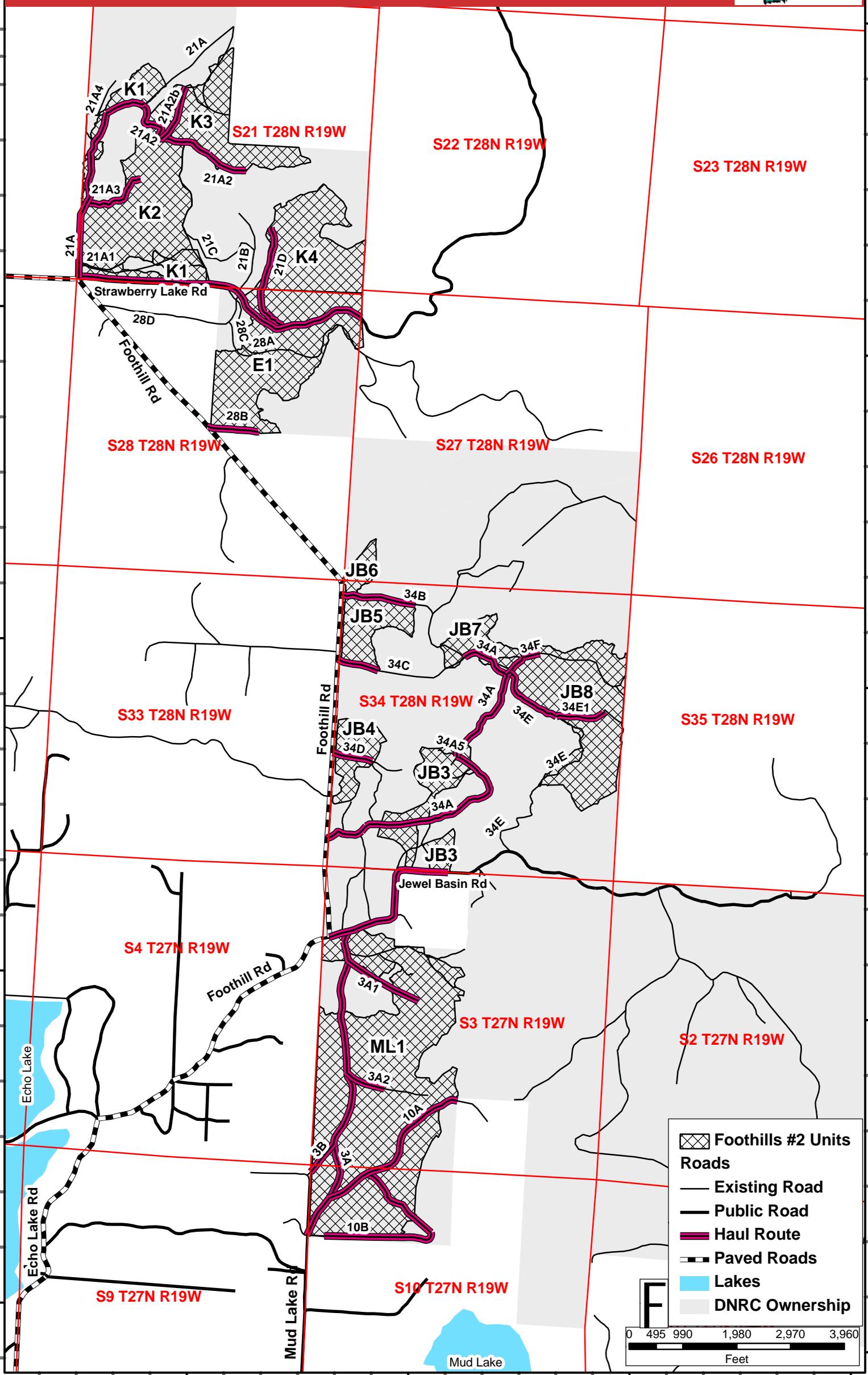
Foothill#2 T.S. Haul Map

Attachment A



48°11'0"N
48°10'0"N
48°9'0"N
48°8'0"N
48°7'0"N

48°11'0"N
48°10'0"N
48°9'0"N
48°8'0"N
48°7'0"N



Legend

- Foothills #2 Units
- Roads**
- Existing Road
- Public Road
- Haul Route
- Paved Roads
- Lakes
- DNRC Ownership

Scale

0 495 990 1,980 2,970 3,960
Feet

114°1'0"W

114°0'0"W

113°59'0"W

113°58'0"W

114°20'0"W

114°10'0"W

114°0'0"W

113°50'0"W

48°20'0"N

48°20'0"N

Foothills #2 Sale Map Vicinity Map

Attachment A



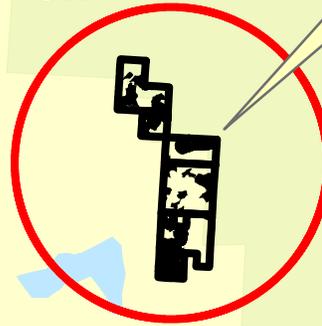
48°10'0"N

48°10'0"N

Kalispell

Creston

Timber Sale Area



Somers

Bigfork

Lakeside

Woods Bay

48°0'0"N

48°0'0"N

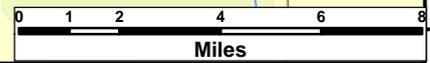
Swan Lake

Dayton

47°50'0"N

47°50'0"N

Elmo



F

114°20'0"W

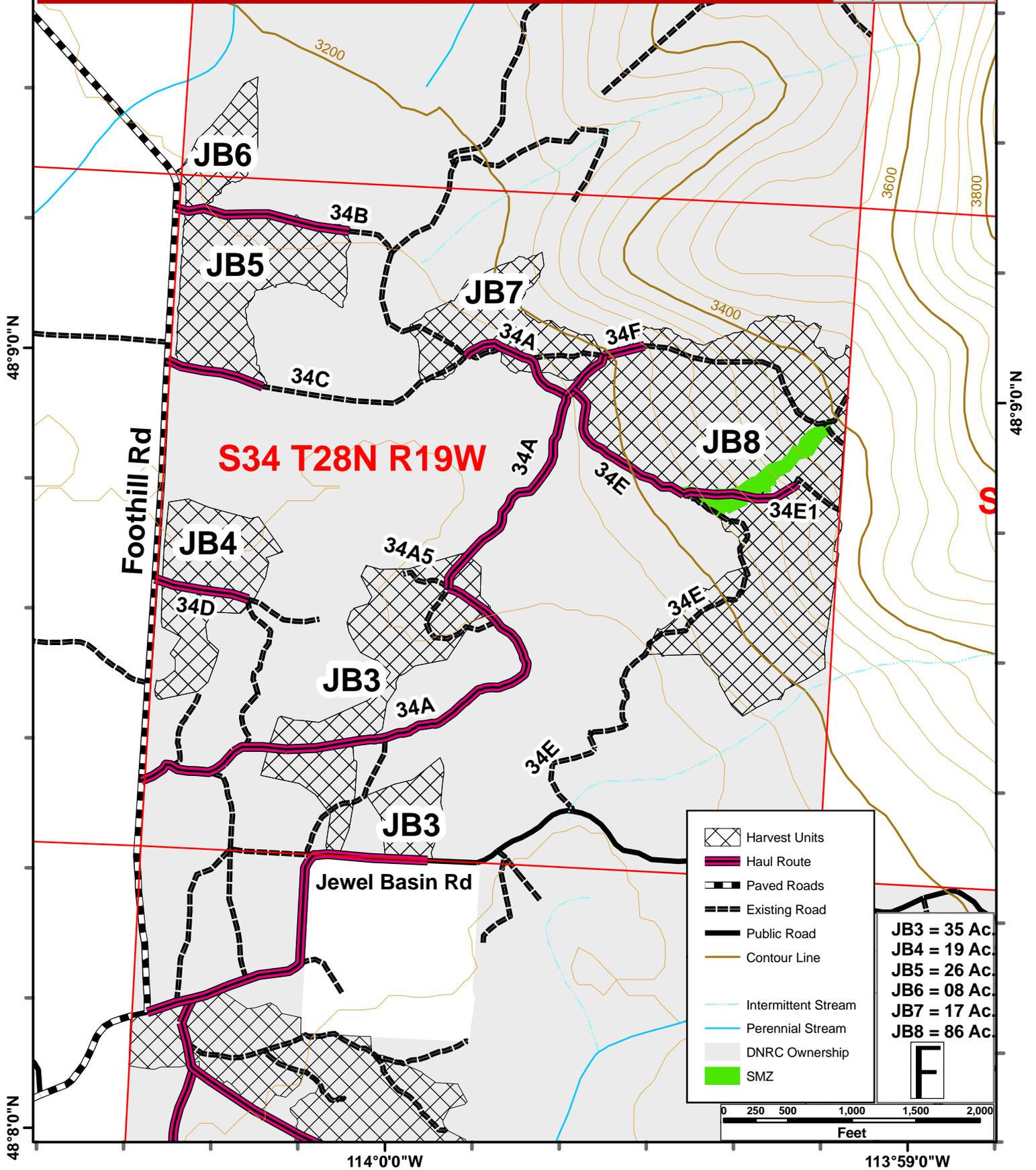
114°10'0"W

114°0'0"W

113°50'0"W

Foothills #2 Sale Map Jewel Basin Units

Attachment A

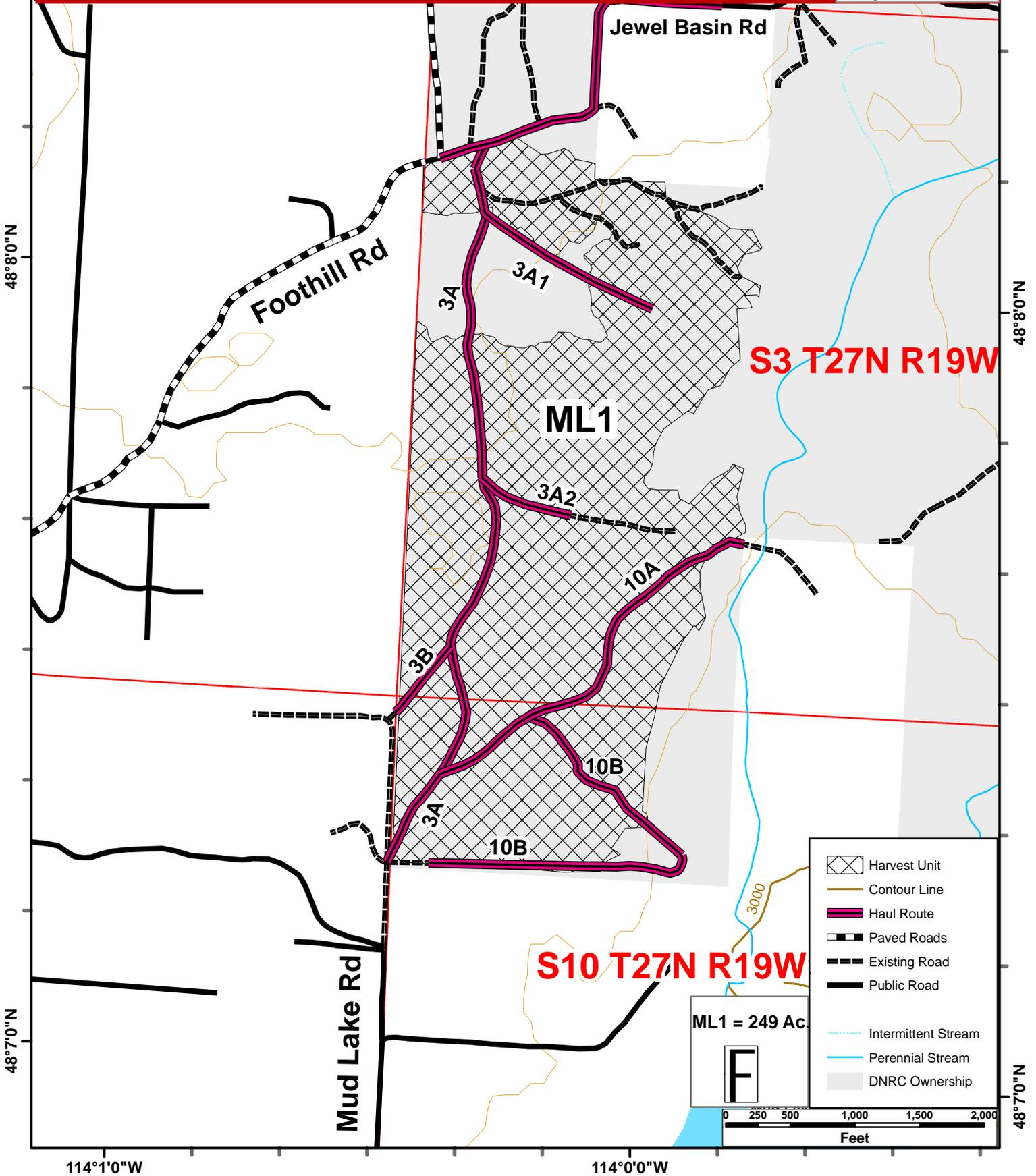


114°1'0"W

114°0'0"W

Foothills #2 Sale Map Mud Lake Unit

Attachment A



48°8'0"N

48°8'0"N

48°7'0"N

48°7'0"N

114°1'0"W

114°0'0"W

114°2'0"W

114°1'0"W

Foothills #2 Sale Map Strawberry Lake Units

Attachment A



48°11'0"N

48°11'0"N

48°10'0"N

48°10'0"N

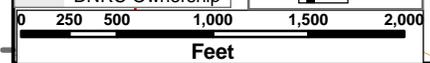
S21 T28N R19W

S28 T28N R19W

- Intermittent Stream
- Perennial Stream
- Contour Line
- Haul Route
- Paved Roads
- Existing Road
- Public Road
- Foothills #2 Units
- Steep Slopes
- DNRC Ownership

K1 = 30 Ac.
K2 = 80 Ac.
K3 = 51 Ac.
K4 = 60 Ac.
E1 = 97 Ac.

F



114°1'0"W