NOTICE OF SALE

Department of Natural Resources & Conservation Timber Sale

The Lemhi Pass Timber Sale is located within Section 16, T10S-R15W, on the State's Dillon Unit. Approximately 2,345 tons of Douglas-fir and lodgepole pine sawlogs is offered for sale.

Sealed bids will be opened at the Department of Natural Resources & Conservation, 2705 Spurgin Road, Missoula, Montana on **September 22, 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 **$2,350.00,** 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 Central Land Office, in Helena (406-458-3500), or the Dillon Unit Office, 730 North Montana St., Dillon, MT 59725 (406-683-6305).

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: August 23, 30, September 6, 13, 2006

TIMBER SALE PROSPECTUS
MONTANA DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

Timber Sale Name:	**Lemhi Pass**		
Timber Sale Location:	**Section 16, T10S-R15W, Beaverhead County**		
For specific sale information, contact:			
Phone	406-683-6305	Chuck Barone	Dillon Unit Office
For copies of the Timber Sale Contract and bid forms, contact:			
Phone	406-542-4300	Forest Management Bureau	DNRC Missoula Office
Phone	406-458-3500		Central 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			
48	Net Sale Area (acres)	0.2	Miles of road construction
June 30, 2008	Contract ending date	N/A	Miles of road reconstruction
100%	Tractor logging required (% of volume)	1,158	Feet of road slashing
Operating Season: June 15 – December 31			
Charges and Appraised Costs			
$2,350.00	Bid Guarantee (total $)		
20% of bid value	Performance Bond		
$257.25	Forest Service Road Use Charges ($0.49/MBF/mile)-Pay directly to USFS		
$1.25	Collected Forest Improvement Fee ($ per ton) – Payable concurrent with stumpage payments.		
$ 2,315.00	Road Development Costs - Appraised Purchaser-Do (total $)		

TABLE 2: Timber Cruise Data and Minimum Bids						
SPECIES	DF	LP	AF	ES	DDF	TOTAL or AVE
Minimum Acceptable Bid						$20.05/ton
Net tons	1059	1206		53	27	2345
Gross MBF (Scribner 6" top DIB)	176	200		9	4.5	389.5
%Cull and Breakage	10	10		10	10	10
Net MBF	158	180		8	4	350
Average DBH	15	9		16	24	12
Average MBF to cut per acre on the timber sale						7.29
Calculated Sampling Error (*net* MBF): 20% The total cruised volume will fall between 280 and 420 thousand net board feet in 9 out of 10 cruises						
Tons Per Thousand Board Feet Conversion Factor = 6.7 tons per MBF						

TABLE 3: Unit Harvest Volume and Harvest Schedule					
Unit	Section	Acres	Estimated Net Tons	Estimated Net MBF	Removal Date
1	16	6.5	349	52	November 30, 2007
2	16	12.5	583	87	November 30, 2007
4	16	4.0	174	26	November 30, 2007
5	16	19.5	965	144	November 30, 2007
6	16	5.5	274	41	November 30, 2007

Additional Sale Information:

1. The Purchaser will be required to lop and scatter, trample, return skid and/or spot pile all slash to meet slash requirements.

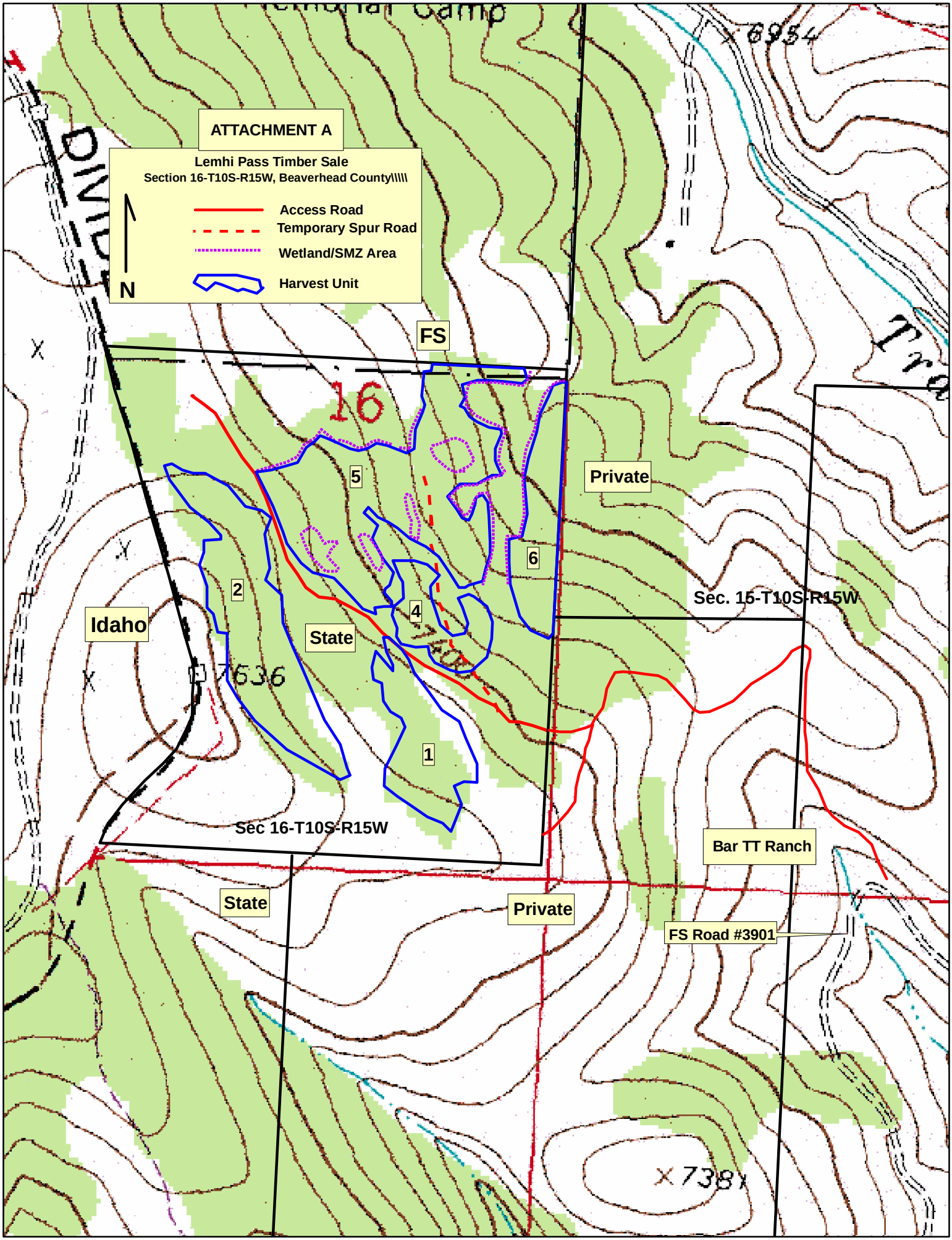
2. The Purchaser will be required to purchase and deliver to the Department of Natural Resources and Conservation 126 pounds of pure live grass seed in the following mixture:

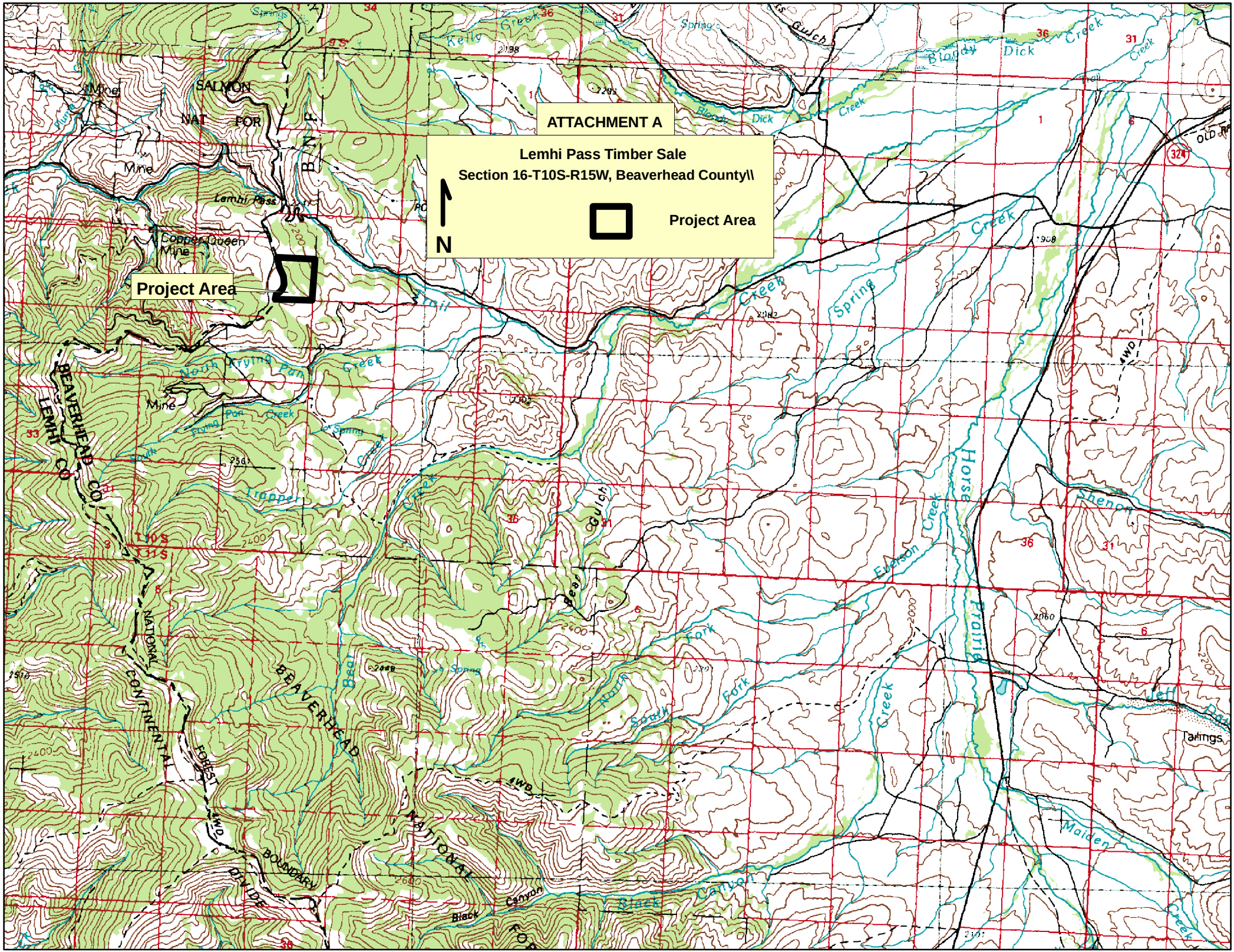
SEED MIX (all ownerships)	
Pubescent Wheatgrass	**36 lbs**
"Revenue or Primar" Slender Wheatgrass	**24 lbs**
"Durar or Whitmar" Hard Fescue	**30 lbs**
"Ruebens" Canada Bluegrass	**18 lbs**
"Bromar" Mountain Brome	**18 lbs**
TOTAL	**126 lbs**

3. New construction will be effectively closed through placement of slash and debris. Locations and type of work will be identified by the Forest Officer prior to closure phase of the project.

4. All logging and heavy equipment must be power washed by the Purchaser and inspected by the Forest Officer prior to entry to the sale area.

5. Recurrent maintenance of all roads (~2.7 miles) is required.


ATTACHMENT A
Lemhi Pass Timber Sale
Section 16-T10S-R15W, Beaverhead County\\\\\
Access Road
Temporary Spur Road
Wetland/SMZ Area
Harvest Unit
N
FS
16
5
6
2
4
1
Private
Idaho
State
Sec. 15-T10S-R15W
Sec 16-T10S-R15W
Bar TT Ranch
State
Private
FS Road #3901
7636
6954
7380
7381


ATTACHMENT A
Lemhi Pass Timber Sale
Section 16-T10S-R15W, Beaverhead County\\
N
Project Area
Project Area
Lemhi Pass
Copper Queen Mine
SALMON
NAT FOR
Mine
Mine
Kelly Creek
Black Dick Creek
Dick Creek
Spring Creek
Horse Prairie Creek
Shenon
Emerson Creek
Bear Gulch
Bear Creek
North Fork
South Fork
Trapper Creek
North Flying Pan Creek
Flying Pan Creek
Black Canyon
Maiden Creek
Tailings
BEAVERHEAD
LEMHI CO
BEAVERHEAD CO
CONTINENTAL DIVIDE
NATIONAL FOREST BOUNDARY
T 9 S
T 10 S
T 11 S
4WD