

NOTICE OF SALE

Department of Natural Resources & Conservation Timber Sale

The Ogilvie Gulch 2 Timber Sale is located within Sections 1, 12, & 13, T12N-R7W, on the State's Helena Unit. Approximately 8,503 tons, consisting primarily of Douglas-fir is being offered for sale.

Sealed bids will be opened at the Department of Natural Resources & Conservation, 2705 Spurgin Road, Missoula, Montana on **September 12, 2013 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 **\$4,056.00**, representing 5% of the minimum bid 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. **Award of the timber sale is conditional upon approval of the timber sale by the State Board of Land Commissioners at their August 19, 2013 meeting.** If the successful bidder is unable to execute the contract within **30** 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 Central Land Office, Helena Unit, 8001 North Montana Ave., Helena, MT 59601 (406-458-3500), or the Unit Office in Anaconda, 1300 Maguire Road, Anaconda, MT 59711. **Contact Brian Robbins for specific information regarding the sale (406-563-6078).**

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

/s/ SONYA GERMANN, Chief
Forest Management Bureau
Trust Land Mgmt Division

Publication Dates: August 14, 21, 28, September 4, 2013

TIMBER SALE PROSPECTUS
MONTANA DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

Timber Sale Name: OGIIVIE GULCH 2			
Timber Sale Location: Sections 1, 12, & 13, T12N-R7W			
For specific sale information, contact: Brian Robbins			
Phone	406-563-6078	Unit Office: Helena Unit	
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 Department of Natural Resources & Conservation (Dept) bid forms.
2. Timber will be sold to the highest responsible bidder; however, the Dept reserves the right to reject any or all bids. **Award of the timber sale is conditional upon approval of the timber sale by the State Board of Land Commissioners at their August 19, 2013 meeting.**
3. The Dept 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, money order, bank draft, surety bond or irrevocable letter of credit.
5. The Purchaser must submit a **Performance Bond** to the Dept within a maximum of **30** days of notification of sale award. The bond amount will be, at a minimum, 20% of the total 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. See the Timber Sale Contract for additional information.
6. The Purchaser must submit an **Advance Stumpage Payment** prior to cutting any timber. The amount of the advance stumpage payment will be based on the expected harvest rate and the bid value of the stumpage. The advance stumpage payment may be in the form of cash, irrevocable letter of credit, payment bond or certificate of deposit.
7. At rates specified in the Contract, the Purchaser will pay **Forest Improvement Fees** on all sawlog volume. All applicable **Road Use and/or Maintenance fees** will also be paid by the Purchaser in addition to stumpage payments.
8. This sale is being sold based on the gross weight of all species. Minimum price and bid price are on a per ton basis. Unless specified, the price applies to all species, green and dead. Price may vary by product. Billing will be based on gross weight. A weight ticket from a certified scale is required for each load hauled, regardless of product type.
9. The Dept has estimated the net scale merchantable sawlog volume to be available for purchase under this contract. Other products may be part of this sale. All delivered wood will be weighed and billed at per ton bid rates. The Dept 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 tree conditions in the sale area. The actual delivered weight may vary, resulting in an overrun or under-run of the estimated tonnage. The Dept strongly recommends that bidders evaluate these effects before bidding.
10. The Dept 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 the true market value. The Dept strongly recommends that bidders make their own estimates based on contract requirements. Cost estimates provided are not guaranteed.
11. Bidders are encouraged to examine the complete Timber Sale Package and Sale Area prior to bidding. Additional information is available at the phone numbers shown above.
12. Estimates for sale volume, species percents, defect, product class, etc. provided in this prospectus and volume estimates listed 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.

Additional Sale Information:

1. Directions to the sale area: (from Helena)
 - Take Lincoln Road heading northwest towards Flescher Pass.
 - Just west of Canyon Creek Country Store, turn left on the Little Prickly Pear Road
 - Proceed 8.1 miles to the intersection of Cellar Gulch Road and turn right.
 - Proceed 1.73 miles up Cellar Gulch road to the USFS gate accessing the project area (Combination – 2013)
2. No motorized access is allowed to the sale area after September 5, 2013. Potential bidders may walk in but not drive behind the USFS locked gate after this date.
3. Purchaser will not be allowed to operate during the general big game hunting season (October 26, 2013 – December 1, 2013; October 25, 2014 – November 30, 2014)
4. Other Material: Purchaser will have to the option to remove other material as approved by the Forest Officer at a negotiated rate as outlined in a contract amendment.

Timber Sale Information Sheet
Montana Department of Natural Resources and Conservation

Ogilvie Gulch 2											
Timber Sale Cruise Data											
SPECIES	PP	DF	WL	LP	ES	WF	CE	WP	Dead	TOTAL or AVE	
Minimum Bid										\$9.54/ton	
Pounds per cubic foot		62								62	
Estimated tons of sawlogs (5.6" top DIB)		8,503								8,503 tons	
Estimated tons of other material (pulp, etc)		1,000								1,000 tons	
Gross MBF (Scribner 5.6" top DIB)		1,449								1,449 MBF	
% Cull and Breakage		27								27.0%	
Net MBF (Scribner 5.6" top DIB)		1,141								1,141 MBF	
Average logs per MBF		41.5								41.5 logs/M	
Average DBH		9								9.0 in.	
Average tons per acre harvested in leave-tree marked units										39 tons/ac	
Average tons per acre harvested in cut-tree-marked units											
Average MBF to cut per acre on the timber sale										5.2 MBF/ac	
Range of cut trees per acre based on unit cruise											
Calculated Sampling Error: Total cruised volume will fall between	1,004 and 1,380 Net MBF in 9 out of 10 cruises									21.7%	
Tons Per Thousand Board Feet											
Contract Value - Estimated tons hauled per thousand Scribner board feet	8,503 estimated tons to a 5.6 inch top / 1,141 Net MBF Scribner to a 5.6 inch top DIB									7.45 tons/MBF	

Contract Information	
Contract ending date	12/1/2015
Contract length	26 months
Operating Season:	June 15 - October 24; December 1 - March 1. No harvest operations allowed during general big game hunting season.

Timber Sale Information Sheet
Montana Department of Natural Resources and Conservation

Logging Information	
% of volume logged by clearcut or seed tree cut	80%
% of volume logged with tractors	100%
% of volume logged by ground lead (jammer)	00%
% of volume logged by skyline	00%
Yarding distance tractor (average)	800 ft.
Yarding distance ground lead (average)	0 ft.
Yarding distance skyline (average)	0 ft.
Estimated haul distance (paved)	55.0 miles
Estimated haul distance (unpaved)	12.0 miles

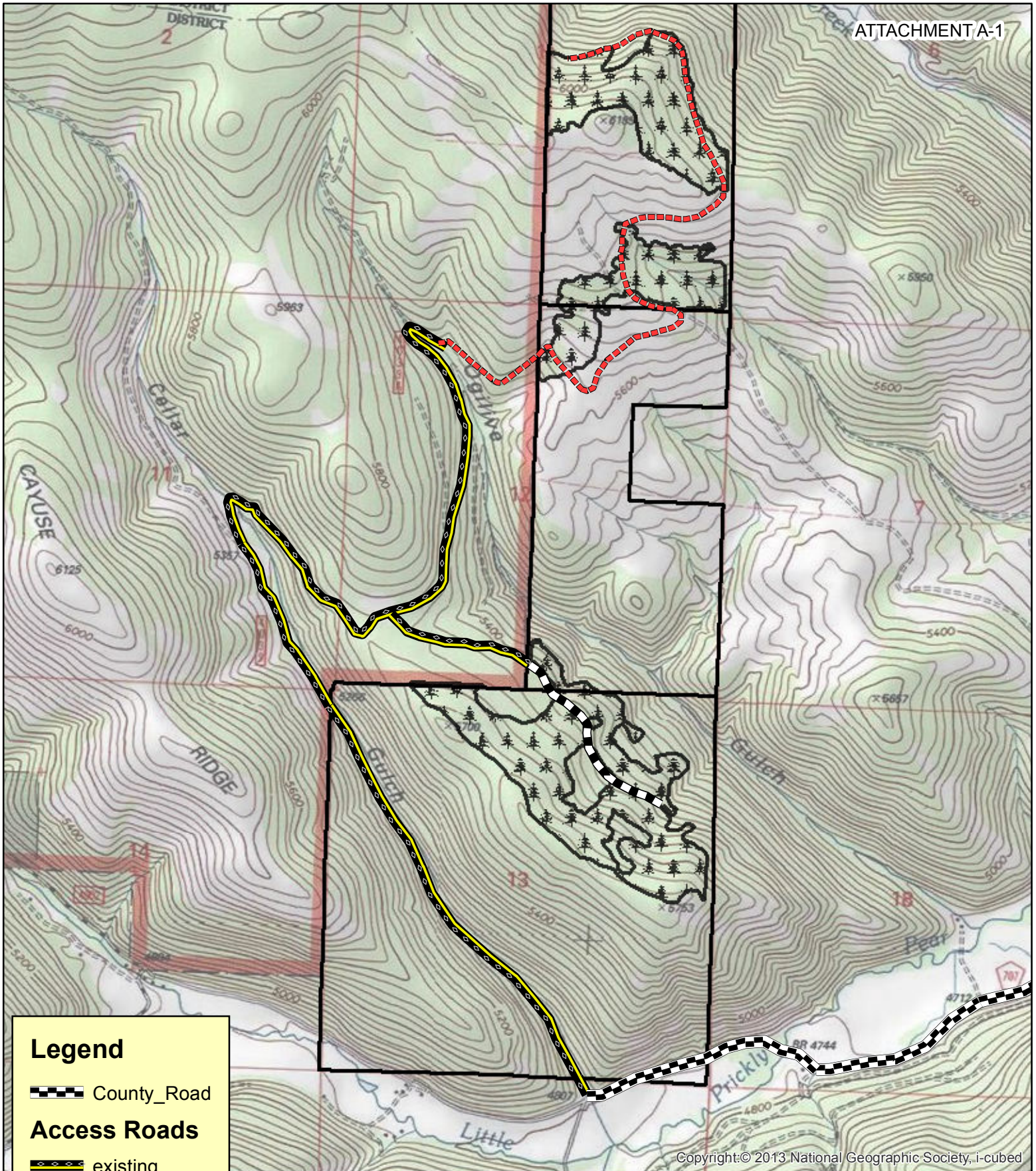
Purchaser fees and estimated costs	
Forest Improvement fee perMBF	\$8.19/MBF
Forest Improvement fee per ton	\$1.10/ton
Forest Improvement fee estimated total	\$9,353.30
Forest Improvement fee quarterly installment	\$1,558.88
Estimated Purchaser-do FI total \$	\$0
Estimated Purchaser-do FI per ton	\$0.00/ton
Estimated Purchaser-do slash disposal work total	\$0.00
Estimated Purchaser-do slash disposal work per ton	\$0.00/ton
Bid Guarantee (total \$)	\$4,056.00
Performance Bond	20% of bid value

Road development and maintenance fees and estimates	
Estimated road development cost total	\$32,050
Estimated road development cost per ton	\$3.77/ton
Estimated road development cost perMBF	\$28.09/MBF
Estimated Purchaser-do road maintenance cost total	\$4,950
Estimated Purchaser-do road maintenance cost per ton	\$0.58/ton
Private road maintenance charges per ton	\$0.00/ton
USFS road maintenance charges per ton	\$0.00/ton
Miles of road construction	1.9 miles
Miles of road reconstruction	1.0 miles
Miles of road with site improvements	3.5 miles
Miles of road reclamation or abandonment	1.1 miles
Miles of road maintenance and blading	5.4 miles

Unit harvest volume				
Unit #	Acres	Est Tons	Est MBF	Harvest date
1	110	5,375	721	October 15, 2015
2	47	1,676	225	October 15, 2015
3	61	1,452	195	October 15, 2015
	218 Ac.	8,503 tons	1,141 MBF	

Timber Sale Information Sheet
Montana Department of Natural Resources and Conservation

Legal description by trust					Unit harvest volume			
Legal description - subdivisions	Section	Twn	Rge	Grant	Unit #	Acres	Est Tons	Est MBF
N2	1	12N	7W	CS	1	110	5,375	721
NE\$_SW4SE4	12	12N	7W	CS	2	47	1,676	225
SE4	13	12N	7W	CS	3	61	1,452	195
See Instructions for how to fill in this table								
Totals						218 Ac.	8,503 T	1,141 M

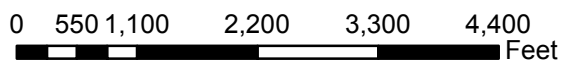


Legend

- County_Road
- Access Roads**
- existing
- new
- reconstruct
- Harvest Area
- State Land

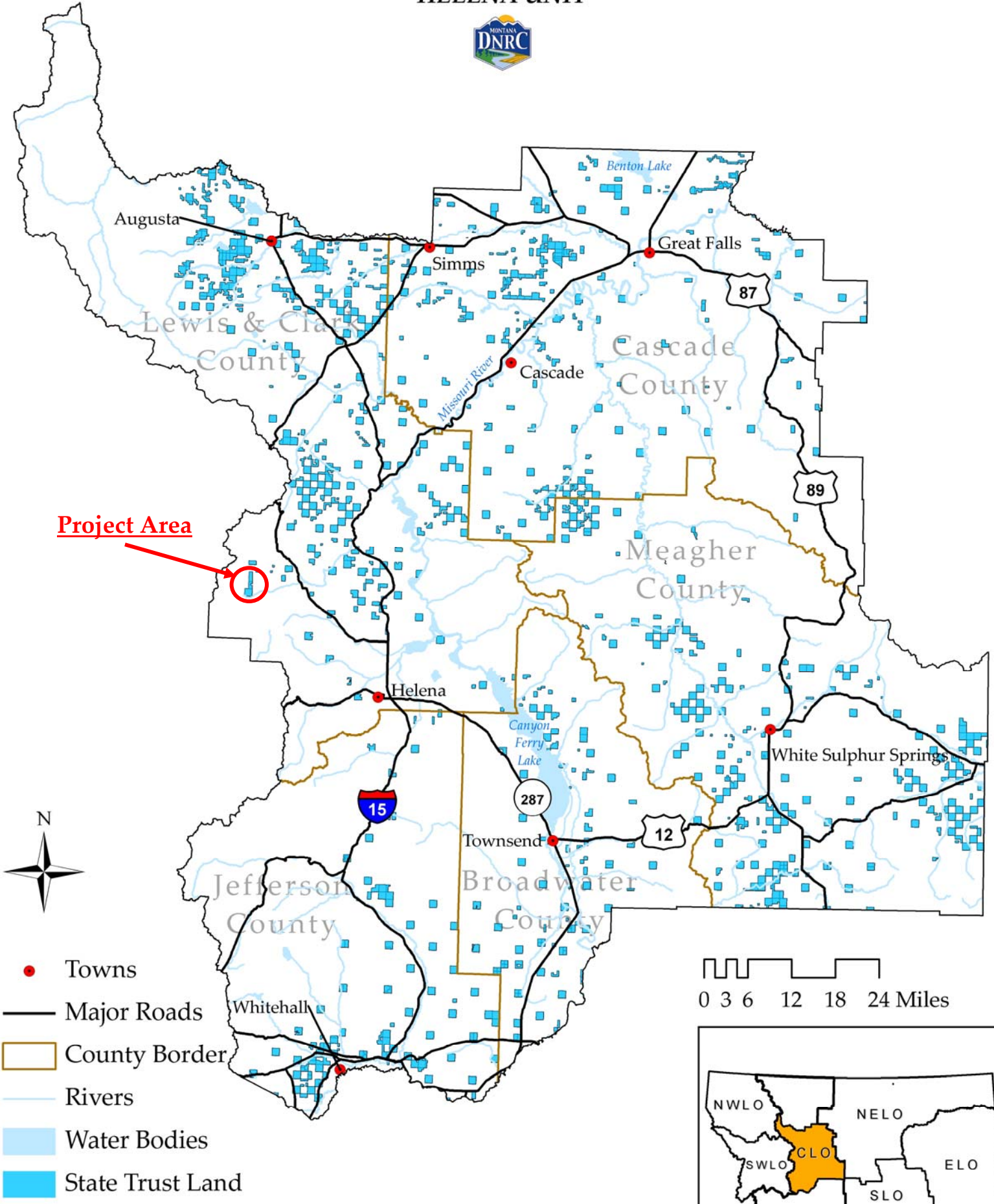
OGILVIE II TIMBER SALE

T12N, R7W, Sections 1, 12, 13



OGILVIE GULCH 2 VICINITY MAP

HELENA UNIT



Project Area

- Towns
- Major Roads
- County Border
- Rivers
- Water Bodies
- State Trust Land

0 3 6 12 18 24 Miles

