

NOTICE OF SALE

Department of Natural Resources & Conservation Timber Sale

The Steele Dog Timber Sale is located within Sections 23, 24, 25, & 36, T33N-R24W and Sections 30, 31, & 32, T33N-R23W, on the State's Stillwater Unit. Approximately 17,469 tons, consisting primarily of western larch, alpine fir, and Douglas-fir sawlogs are offered for sale.

Sealed bids will be opened at the Department of Natural Resources & Conservation, 2705 Spurgin Road, Missoula, Montana on **May 2, 2008 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 **\$13,179.00**, 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 Stillwater Unit Office in Olney, MT (406-881-2371).

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: April 3, 10, 17, 24, 2008

TIMBER SALE PROSPECTUS
MONTANA DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

Timber Sale Name:	Steele Dog		
Timber Sale Location:	Sections 23,24,25, & 36, T33N-R24W; Sections 30,31,& 32, T33N-R23W		
For specific sale information, contact:			
Phone	406-881-2371	Elspeth Pevear	Stillwater 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 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.
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 45 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.

TABLE 1: Summary of Sale Specifications

Sale Data	
208 Net Sale Area (acres)	.17 Miles of road construction
November 15, 2010 Contract ending date	5.3 Miles of road reconstruction
0 Cable logging required (% of volume)	.08 Miles of road reclamation or abandonment
Operating Season: Year round with seasonal and soil moisture restrictions	
Charges and Appraised Costs	
\$13,179.00 Bid Guarantee (total \$)	
20% of bid value Performance Bond	
\$ 0 Collected Road Maintenance And Road Use Charges (\$ per ton)	
\$ 4.08 Collected Forest Improvement Fee (\$ per ton)	
\$ 11, 946.92 Quarterly Installment of Forest Improvement Payments (\$ per payment, first 5 payments)	
\$ 21,264.40 Road Development Costs - Appraised Purchaser-Do (total \$)	
\$.09 Road Maintenance Costs - Appraised Purchaser-Do (\$ per ton)	
\$ 0 Slash Disposal Costs - Appraised Purchaser-Do (\$ per ton)	
\$.10 Timber Stand Improvement Costs - Appraised Purchaser-Do (\$ per ton)	

TABLE 2: Timber Cruise Data and Minimum Bids

SPECIES	AF	DF	WL	LP	ES	WP	RC	GF	Dead/ Dry	TOTAL or AVE
Minimum Acceptable Bid										\$15.00/T
Pounds per cubic foot	55	61.7	58.3	56	57	60	44	60	40	56.5
Contract Tons (4.6")	3,566.8	2,634.1	6,305.2	2,191.6	1,273.7	119.5	607.2	468.5	401.9	17,568.5
Gross MBF (Scribner 6" top DIB)	534.0	425.5	1,081.6	247.8	231.0	32.2	127.3	96.3	210.5	2,986.5
% Cull and Breakage	13	8	7	8	5	32	7	20	48	12
Net MBF	464.9	390.2	1,009.7	227.6	218.9	21.8	118.0	77.3	96.9	2,622
Average logs per MBF	52.7	20	19.3	88.9	15.1	5.9	17	10.6	32	30.8
Average DBH	8.8	11.3	11.4	8.2	11.5	18	13	15.6	14	10.3
Average tons per acre harvested										84.5
Average MBF cut per acre on the timber sale										12.6
Range of cut trees per acre based on unit cruise										111-265
<p>Calculated Sampling Error (net MBF): 13.9%</p> <p>The total cruised volume will fall between 2,256 and 2,988 thousand net board feet in 9 out of 10 cruises</p>										
<p>Tons Per Thousand Board Feet (MBF):</p> <p>Timber character estimate – estimated tons Scribner per thousand Scribner board feet: 5.9 tons per MBF = 15,490.7 estimated tons to a 5.6" top ÷ 2,622.1 net MBF Scribner - 5.6" top DIB.</p> <p>Contract value – estimated tons hauled per thousand Scribner board feet: 6.7 tons per MBF = 17,568.5 estimated tons to a 4.6' top ÷ 2,622.1 net MBF Scribner - 5.6" top DIB. This value is the timber sale contract conversion factor and will be used for calculating FI fees and for reporting DNRC harvest totals.</p>										

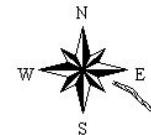
TABLE 3: Unit Harvest Volume and Harvest Schedule					
Unit	Section	Acres	Estimated Net Tons	Estimated Net MBF	Removal Date
1		13.7	737.9	112.0	October 31, 2010
2		3.3	451.2	72.6	
3		3.3	451.2	72.6	
4a		1.4	114.4	14.3	
4b		4.6	278.5	35.8	
4c		11.5	865.5	127.6	
5		53.2	4,634.2	688.2	
6		9.4	329.0	39.6	
7		12.2	582.8	59.0	
8		63.5	7,653.5	1,248.7	
9		31.3	1,473.2	151.3	

Additional Sale Information:

1. Material other than sawlogs may be purchased if approved by the Forest Officer. Other products will be billed at a negotiated rate detailed in a contract modification.
2. Winter logging is required in Unit 8.
3. All operations adjacent to, within the powerline right-of-way, or Burlington Northern Santa Fe (BNSF) Railroad require a working plan with the appropriate owner (Bonneville Power Administration, InterBel Telephone Cooperative, Lincoln Electric Cooperative, or BNSF Railroad).
4. Potential purchasers can request harvest unit maps in larger scale, available at the Stillwater Unit office.
5. Units 5 and 8 have some areas requiring long skids (between 1,500 and 2,500 feet).
6. Purchaser may be required to supply flaggers at temporary highway approach.



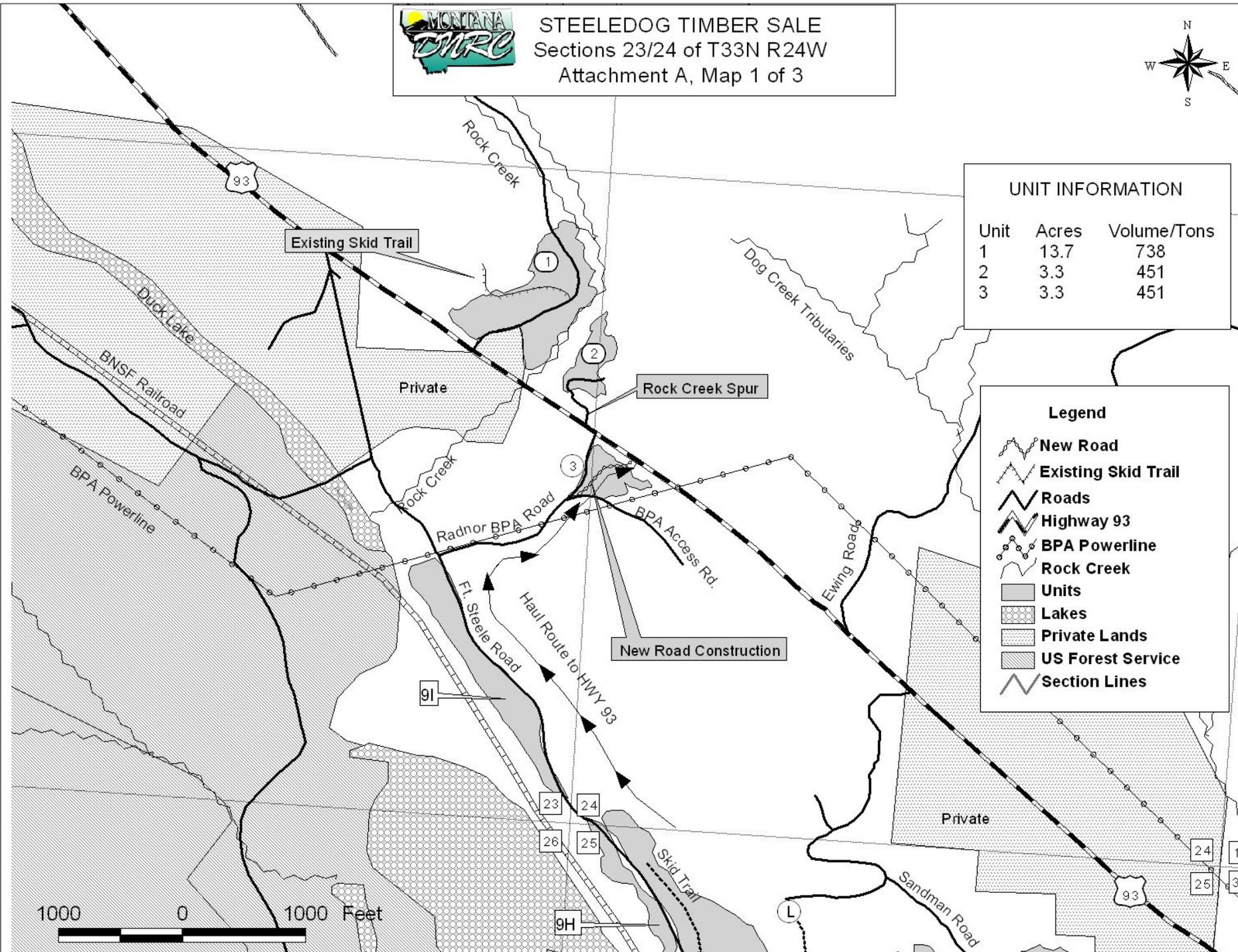
STEELEDOG TIMBER SALE
 Sections 23/24 of T33N R24W
 Attachment A, Map 1 of 3



UNIT INFORMATION		
Unit	Acres	Volume/Tons
1	13.7	738
2	3.3	451
3	3.3	451

Legend

- New Road
- Existing Skid Trail
- Roads
- Highway 93
- BPA Powerline
- Rock Creek
- Units
- Lakes
- Private Lands
- US Forest Service
- Section Lines



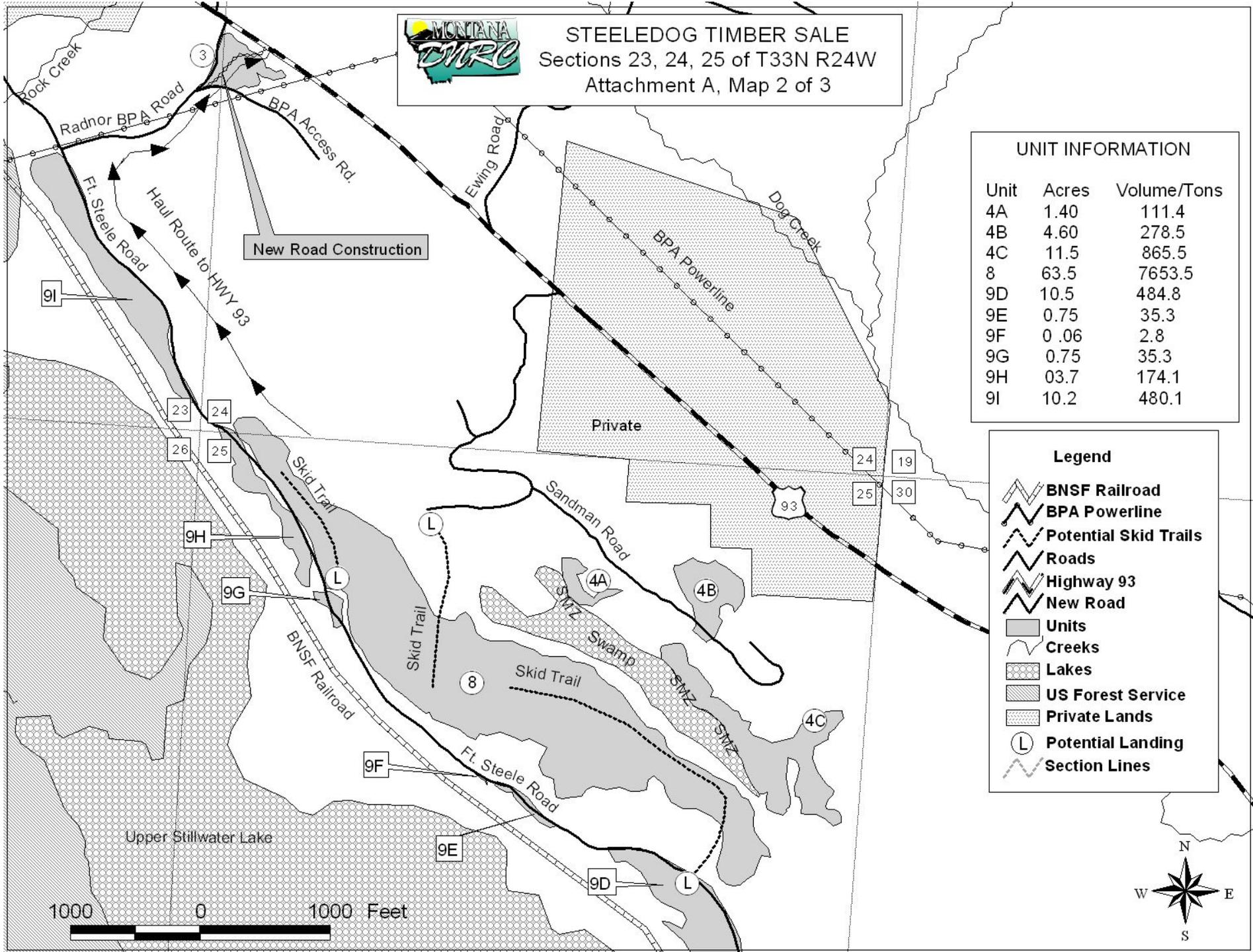


STEELEDOG TIMBER SALE
 Sections 23, 24, 25 of T33N R24W
 Attachment A, Map 2 of 3

UNIT INFORMATION		
Unit	Acres	Volume/Tons
4A	1.40	111.4
4B	4.60	278.5
4C	11.5	865.5
8	63.5	7653.5
9D	10.5	484.8
9E	0.75	35.3
9F	0.06	2.8
9G	0.75	35.3
9H	03.7	174.1
9I	10.2	480.1

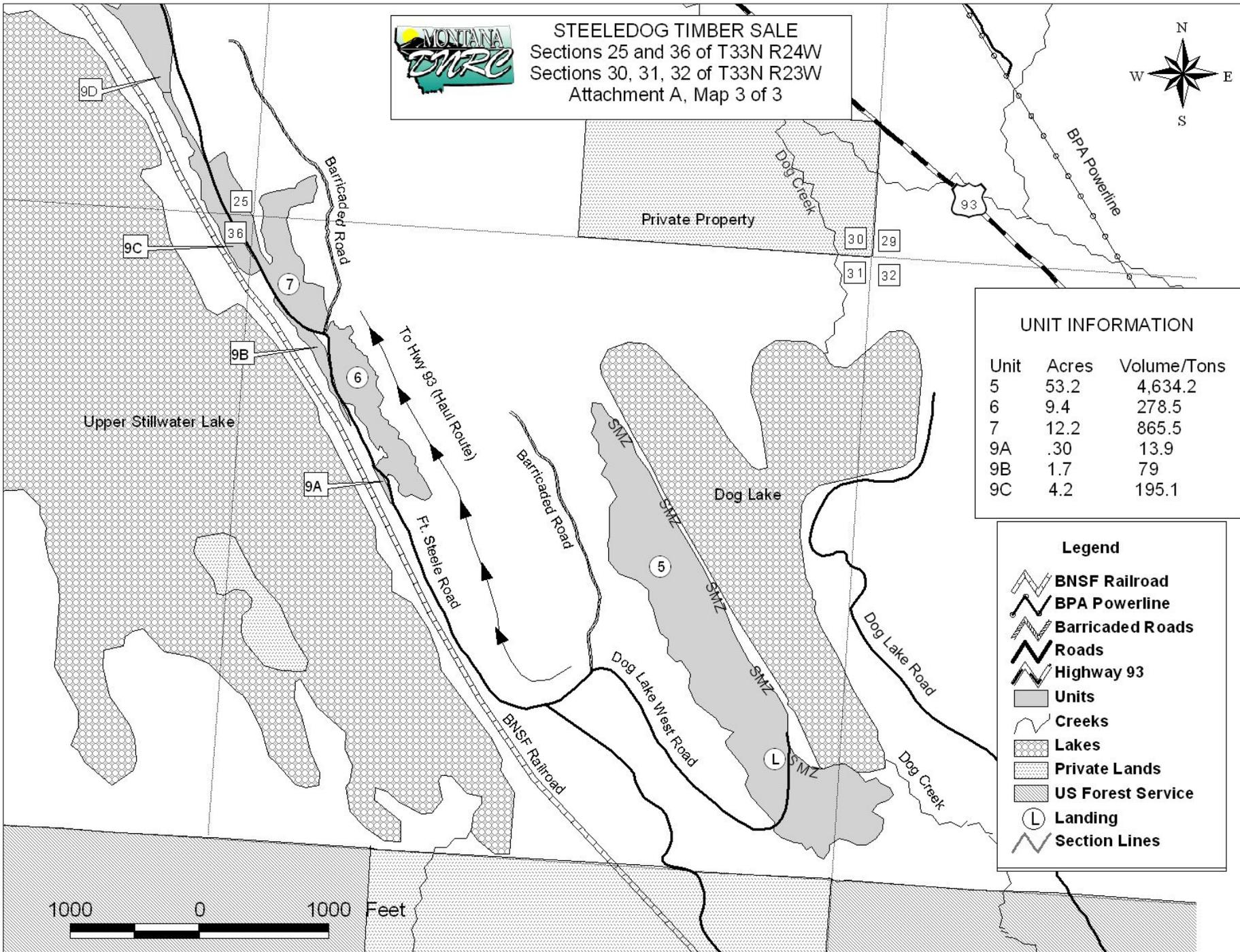
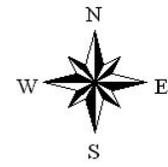
Legend

- BNSF Railroad
- BPA Powerline
- Potential Skid Trails
- Roads
- Highway 93
- New Road
- Units
- Creeks
- Lakes
- US Forest Service
- Private Lands
- Potential Landing
- Section Lines





STEELEDOG TIMBER SALE
 Sections 25 and 36 of T33N R24W
 Sections 30, 31, 32 of T33N R23W
 Attachment A, Map 3 of 3



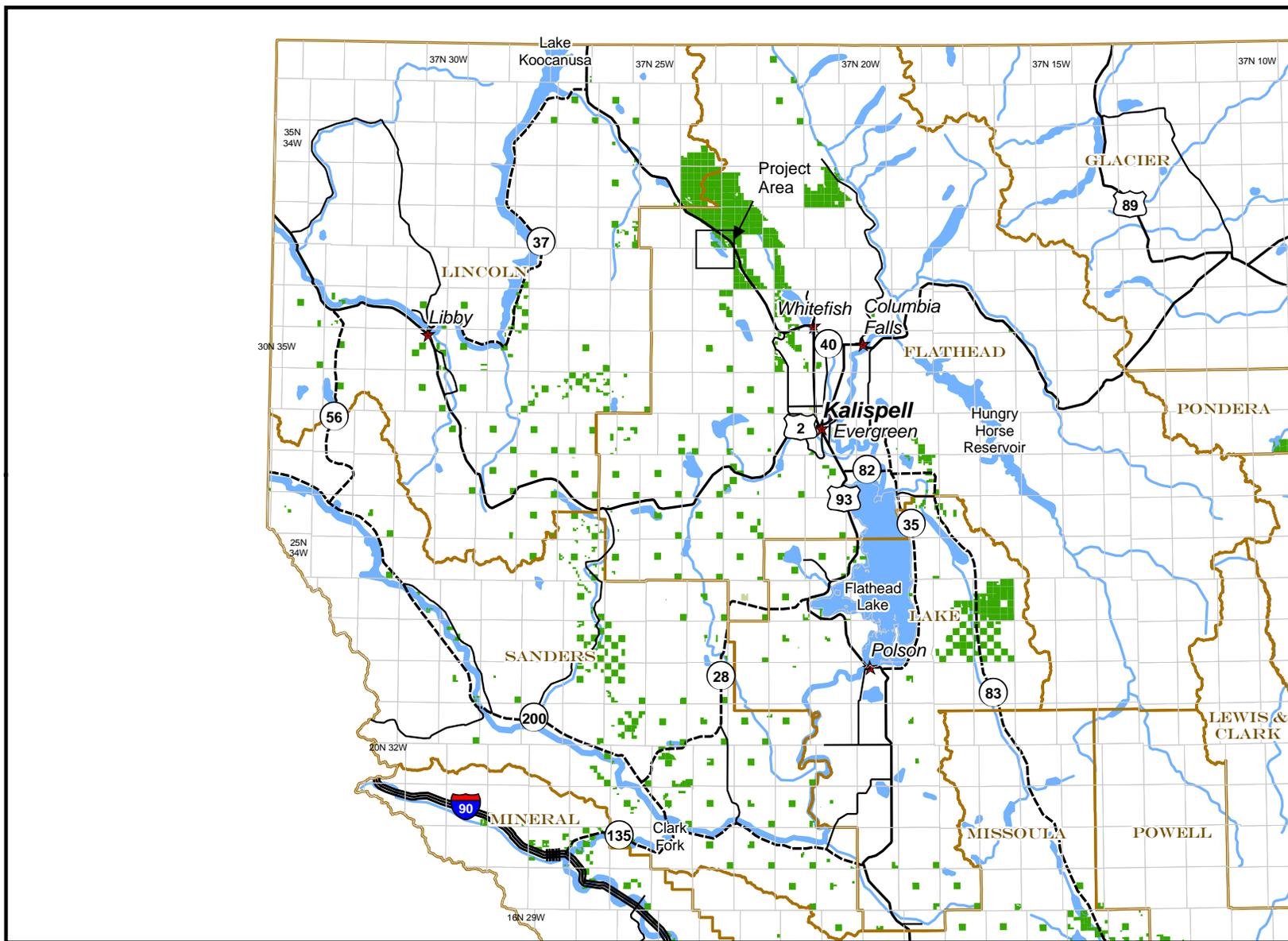
UNIT INFORMATION

Unit	Acres	Volume/Tons
5	53.2	4,634.2
6	9.4	278.5
7	12.2	865.5
9A	.30	13.9
9B	1.7	79
9C	4.2	195.1

Legend

- BNSF Railroad
- BPA Powerline
- Barricaded Roads
- Roads
- Highway 93
- Units
- Creeks
- Lakes
- Private Lands
- US Forest Service
- Landing
- Section Lines

Steeledog Vicinity Map



	Interstate Highway		Rivers		Lakes
	U.S. Route		City		DNRC managed for timber
	State Highway		County		DNRC other
	Secondary Roads				Township/Range

21 February 2007
 Montana DNRC
 Technical Services Section/dr

