

NOTICE OF JOINT TIMBER SALE

LIME RUBY SALVAGE

These two sales are in conjunction with each other. The successful bidder is required to submit a separate bid unit price/ton for each sale. The bid unit price/ton for the DNRC must be the same bid unit price/ton as for the BLM. The highest responsible bidder will be awarded both sales and will have separate contracts. The right is hereby reserved to waive technical defects in this advertisement and to reject any or all bids. The BLM and the DNRC reserves the right to waive any informality in bids received whenever such waiver is in the interest of both parties

Bureau of Land Management

BLM LIME/RUBY SALVAGE TIMBER SALE, THE UNITED STATES DEPARTMENT OF THE INTERIOR, BUREAU OF LAND MANAGEMENT (BLM), SEALED **BIDS** as hereinafter designated will be received by the Field Office Manager, BLM, 920 NE Main St., Lewistown, MT 59457 up to and not later than **2:00 p.m. on Monday, June 21, 2010** for all timber marked or designated for cutting on federal lands located in Sections 17, 18, 19 and 20 T16N-R19E, PMM estimated for the purpose of this sale to be 1308 MBF (8502 tons) consisting primarily of Douglas-fir and Lodgepole Pine sawlogs. No written bid for less than \$8,502.00 will be considered. Minimum bid deposit with written bid is \$850.00 representing 10% of the minimum bid price. This sale notice, first published on May 19, 2010 constitutes the decision document for BLM for purposes of protests and appeals, under 43 CFR subpart 5003 – Administrative Remedies. Protests of this Forest Management Decision must be received at the **Bureau of Land Management, Lewistown Field Office, 920 NE Main Street, PO Box 1160, Lewistown, MT 59457** within 15 days after the first publication of this notice. As interpreted by BLM, the regulations do not authorize the acceptance of protests in any form other than an original written and signed hard copy that is delivered to the physical address of the advertising BLM office. Faxes or e-mails will not be considered a valid protest.

Department of Natural Resources and Conservation

THE DNRC LIME/RUBY SALVAGE TIMBER SALE is located within Section 16, T16N-R19E on the State's Lewistown Unit. Approximately 5,500 tons, consisting primarily of lodgepole pine sawlogs is offered for sale.

Sealed bids will be opened at the Department of Natural Resources and Conservation, 2705 Spurgin Road, Missoula, Montana on **June 21, 2010 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 **\$275.00**, representing 5% of the minimum bid of the 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.

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 the Natural Resources and Conservation, Trust Land Management Division, in Missoula (406-542-4300), or the Northeast Land Office, in Lewistown, MT (406-538-7789).

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

/s/ SHAWN THOMAS, Chief
Forest Management Bureau
Trust Land Mgmt Division

Publication Dates: May 19, 26, June 2, 9, 2010

TIMBER SALE PROSPECTUS
MONTANA DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

Timber Sale Name: Lime Ruby Salvage			
Timber Sale Location: Fergus County, Section 16, T16N-R19E			
For specific sale information, contact: Ron Buck			
Phone	406-535-1909	Northeastern Land Office	Lewistown Unit Office
For copies of the Timber Sale Contract and bid forms, contact:			
Phone	406-542-4300	Forest Management Bureau	DNRC Missoula Office
Phone	406-538-7789	Northeastern	Land Office

General Bidding Information

1. Bids must be submitted on standard Department of Natural Resources & Conservation (Dept) bid forms. **This sale is in conjunction with the BLM's timber sale. The bidder is required to submit a separate bid for each sale and the bid price should be the same for each sale. The highest responsible bidder will be awarded both sales and will have separate contracts.**
2. Timber will be sold to the highest responsible bidder; however, the Dept reserves the right to reject any or all bids. 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.
3. 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.
4. 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 **\$2,000.00 minimum or 20% of the total bid value of the sale**, whichever is greater. 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.
5. 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.
6. All applicable **Road Use and/or Maintenance fees** will also be paid by the Purchaser in addition to stumpage payments.
7. 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.
8. 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.
9. 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.
10. 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. **A sale tour is planned for June 14th. Meet at the Northeastern Land Office in Lewistown at 10:00 a.m. Please contact Ron Buck at (406-535-1909) if you plan on attending.**
11. 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.
12. 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			
156	Net Sale Area (acres)	1.80	Miles of road construction
July 1, 2012	Contract ending date	N/A	Miles of road reconstruction
18%	Cable logging required (% of volume)		
Operating Season: Dry or frozen ground conditions			
Charges and Appraised Costs			
\$ 275.00	Bid Guarantee (total \$)		
\$2,000.00 minimum	Performance Bond		
None	Collected Road Maintenance And Road Use Charges (\$ per ton)		
\$ 0.62	Collected Forest Improvement Fee (\$ per ton)		
\$568.33	Quarterly Installment of Forest Improvement Payments (\$ per payment, first 5 payments)		
\$ 31,940.00	Road Development Costs - Estimated Purchaser-Do (total \$)		
\$ 5.32	Road Development Costs – Estimated Purchaser-Do (\$ per ton)		
None	Slash Disposal Costs - Appraised Purchaser-Do (\$ per ton)		
None	Timber Stand Improvement Costs - Appraised Purchaser-Do (\$ per ton)		

TABLE 2: Timber Cruise Data and Minimum Bids									
SPECIES	PP	DF	WL	LP	ES	WF	CE	DD	TOTAL or AVE
Minimum Acceptable Bid									\$1.00/Ton
Gross Cubic Feet (in thousands)				235					235
% Cull and Breakage				10					10
Net Cubic Feet (in thousands)				212					212
Pounds per cubic foot				56					56
Net tons				5500					5500
Gross MBF (Scribner 5" top DIB)				944					944
%Cull and Breakage				10					10
Net MBF				850					850
Average logs per MBF				20					20
Average DBH				9					9
Average tons per acre harvested in leave-tree marked units									39
Average tons per acre harvested in cut-tree-marked units									N/A
Average MBF to cut per acre on the timber sale									5.5
Average range of cut trees per acre									100
Calculated Sampling Error (<i>net</i> MBF): 9.5% and (net tons): 9.5%									
Tons Per Thousand Board Feet Conversion Factor = 5,500 net tons per 850 net MBF = 6.5 tons per MBF									

TABLE 3: Unit Harvest Volume and Harvest Schedule					
Unit	Type of Harvest	Acres	Estimated Net Tons	Estimated Net MBF	Removal Date
1	Clear cut	9	320	50	Dec. 31, 2010
2	Seed Tree	34	1230	184	Dec. 31, 2010
3	Seed Tree	32	1120	174	Dec. 31, 2010
4	Clear Cut	2	70	11	Dec. 31, 2010
5	Seed Tree	15	515	82	Dec. 31, 2011
6	Seed Tree	12	415	66	Dec. 31, 2011
7	Seed Tree	27	950	148	Dec. 31, 2011
8	Seed Tree	25	880	135	Dec. 31, 2011
Totals		156	5,500	850	

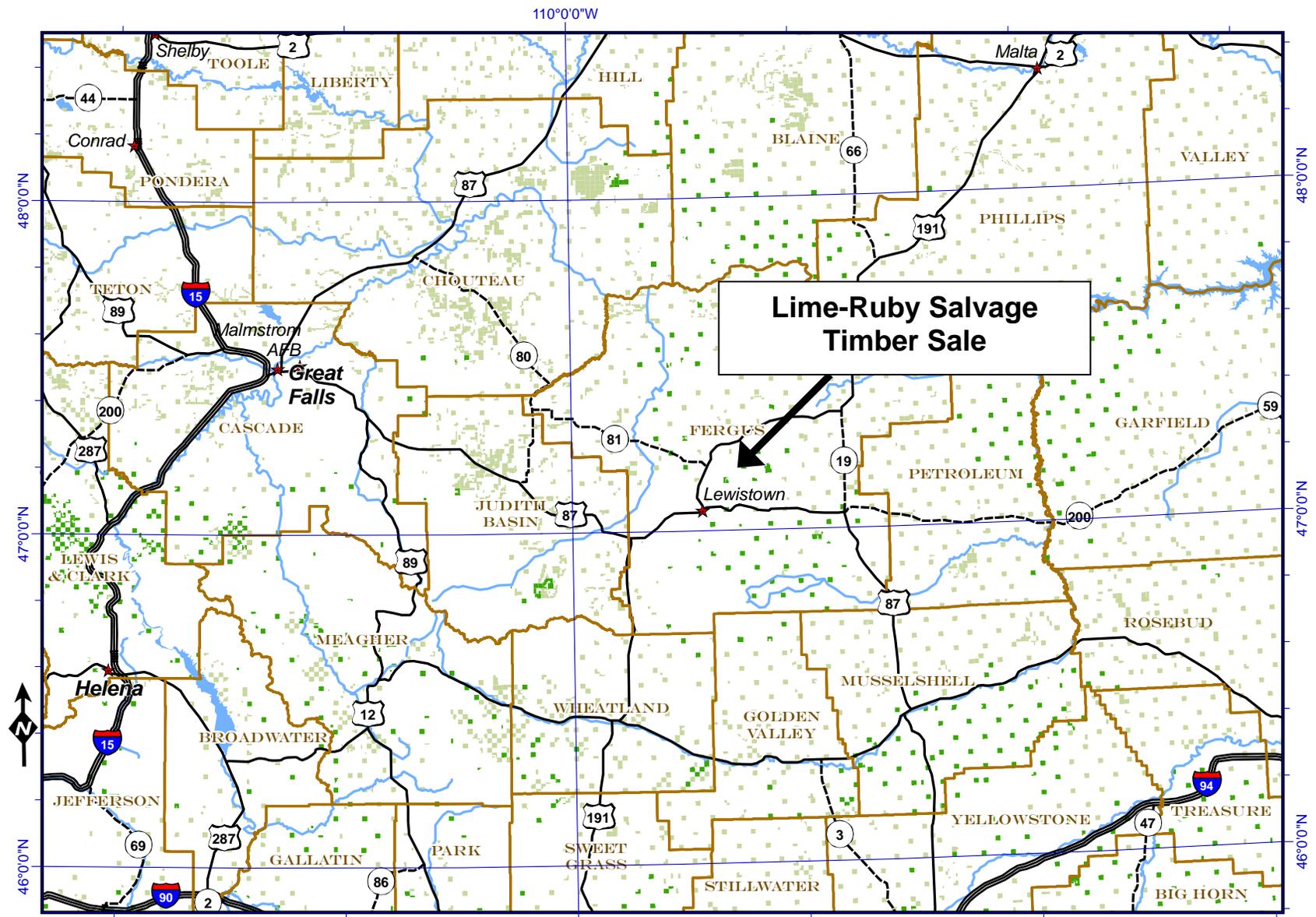
Additional Sale Information:

1. Kern Right-of-Way – Purchaser is to make a one time payment in the amount of \$500.00 to Alice Kern for road use. This payment is to be made prior to hauling and proof of payment will be sent to DNRC.
2. Road Appraisal Costs:

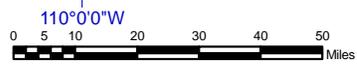
New Road Construction	1.00 miles (5,280 lineal feet) at \$2.50/foot (\$13,200.00/mile)	\$ 13,200.00
New Spur Road Const.	0.80 miles (4,220 lineal feet) at \$2.00/foot (\$10,550.00/mile)	8,440.00
Culvert Installations (7)	300 lineal feet of 18" Plastic at \$23.00/foot (\$15.00 culvert & \$8.00 Install)	6,900.00
Culvert Installations (1)	40 lineal feet of 24" Plastic at \$35.00/foot (\$25.00 culvert & \$10.00 Install)	1,400.00
Gate Installation (1)	16 foot "Powder River" Gate & two sets of brace posts installed	600.00
Final Road Blading (7)	7 miles final road blading at \$200.00/mile	1,400.00
	(Complete Estimated Total)	\$ 31,940.00

Vicinity Map: Lime-Ruby Salvage Timber Sale

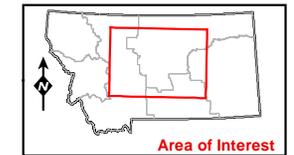
T 16 N, R 19 E, Section 16



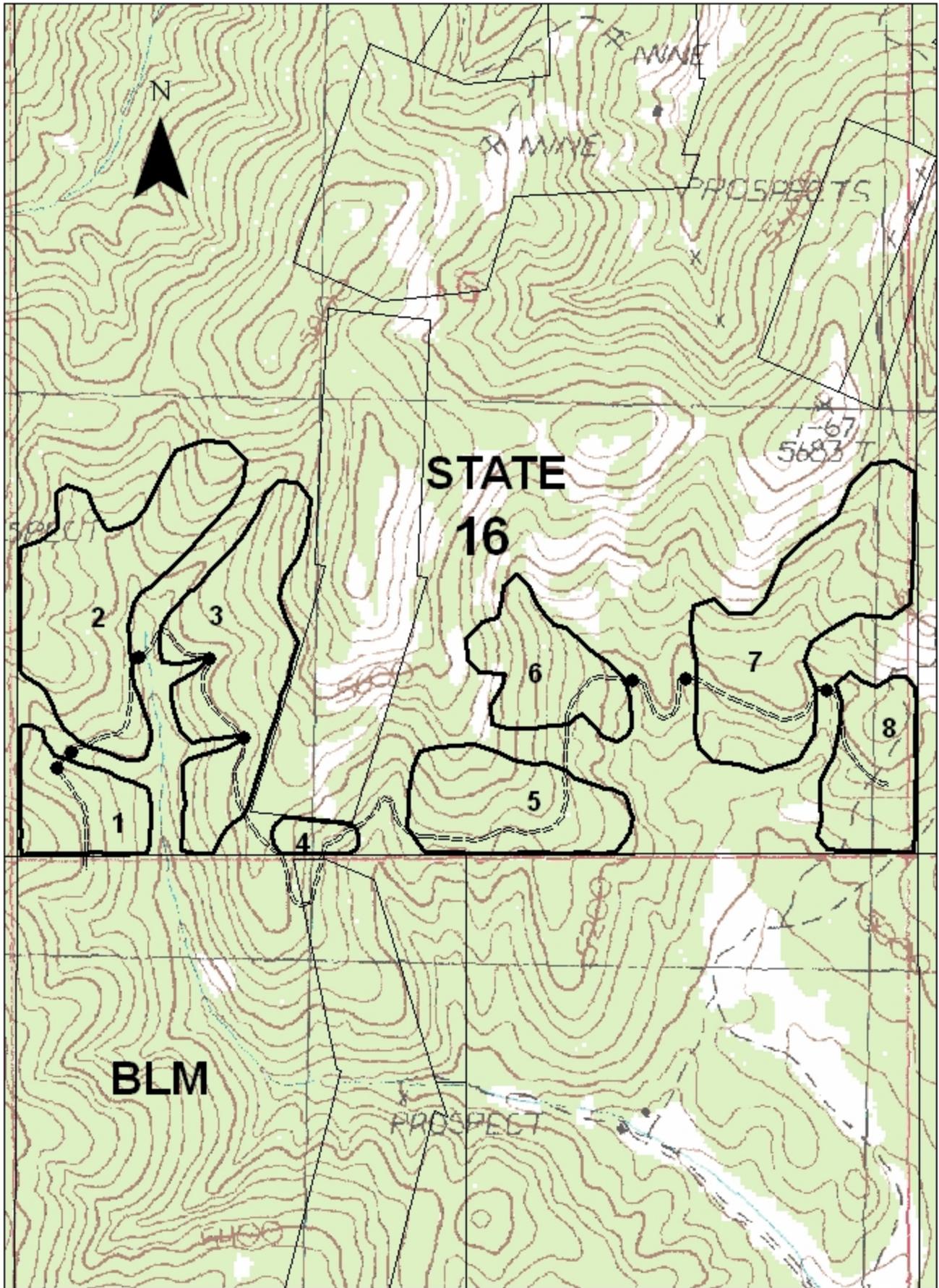
	Interstate Highway		Rivers		Lakes
	U.S. Route		City		DNRC managed for timber
	State Highway		County		DNRC other



21 February 2007
 Montana DNRC
 Technical Services Section/dr



LIME / RUBY SALVAGE TS



0 280 560 1,120 1,680 2,240
Feet

s. 16, T16N, R19E