

NOTICE OF SALE

Department of Natural Resources & Conservation Timber Sale

The Maxville Timber Sale is located within Section 36, T8N-R14W and Section 36, T9N-R13W, on the State's Anaconda Unit. Approximately 12,831 tons, consisting primarily 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 **April 24, 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 **\$14,627.00** 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 Southwestern Land Office in Missoula (406-542-4200), or the Anaconda Unit Office (406-563-6078).

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

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

Publication Dates: March 23, 30, April 6, 13, 2006

TIMBER SALE PROSPECTUS
MONTANA DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

Timber Sale Name: Maxville			
Timber Sale Location: 10 Miles N of Philipsburg, Montana			
For specific sale information, contact: Brian Robbins			
Phone	406-563-6078	Anaconda	Unit Office
For copies of the Timber Sale Contract and bid forms, contact:			
Phone	406-542-4300	Forest Management Bureau	DNRC Missoula Office
Phone	406-542-4200	Southwestern	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** and any special **Road Use and Maintenance fees** in addition to stumpage payments.
8. The successful bidder must sign an agreement that prohibits exporting State logs.
9. 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.
10. 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.
11. 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.
12. Bidders should examine the Timber Sale Contract and sale area prior to bidding. Additional information is available at the phone numbers shown above.
13. Estimated stand data in this prospectus and volume estimates in the sale contract are not guaranteed.
14. 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			
299	Net Sale Area (acres)	2.79	Miles of road construction
July 31, 2008	Contract ending date	7.58	Miles of road reconstruction/maintenance
33 %	Cable logging required (% of volume)	.27	Miles of temporary road
Operating Season: Road Construction: 6/15 – 10/15; Logging: 6/15 – 2/1			
Charges and Appraised Costs			
\$14,627.00	Bid Guarantee (total \$)		
20% of bid value	Performance Bond		
\$0.00	Collected Road Maintenance And Road Use Charges (\$ per ton)		
\$2.33	Collected Forest Improvement Fee (\$ per ton)		
\$4,982.71	Quarterly Installment of Forest Improvement Payments (\$ per payment, first 5 payments)		
\$51,527	Road Development Costs - Appraised Purchaser-Do (total \$)		
\$ (included above)	Road Maintenance Costs - Appraised Purchaser-Do (\$ per ton) grader work		
\$0.00	Slash Disposal Costs - Appraised Purchaser-Do (\$ per ton)		
\$0.19/Ton (\$2,500)	Timber Stand Improvement Costs - Appraised Purchaser-Do (\$ per ton); Grass Seed; weed spraying		

TABLE 2: Timber Cruise Data and Minimum Bids*									
SPECIES	PP	DF	WL	LP	ES	WF	CE	DD	TOTAL or AVE
Minimum Acceptable Bid									\$22.80/T
Gross Cubic Feet (in thousands)		523		12					535
% Cull and Breakage		.22		.15					.22
Net Cubic Feet (in thousands)		407		10					417
Pounds per cubic foot		62		56					62
Net tons		12,554		276					12,831
Gross MBF (Scribner 5.6" top DIB)		2,317.4		51.5					2,368.9
%Cull and Breakage		.22		.15					.22
Net MBF		1,797.9		43.8					1,841.7
Average logs per MBF		20.1		21.4					20.1
Average DBH (XDBH)		11.56		9.53					11.50
Average tons per acre harvested in leave-tree marked units									42.9
Average tons per acre harvested in cut-tree-marked units									0
Average MBF cut per acre on the timber sale									6.16
Range of cut trees per acre based on unit cruise									102.3
Calculated Sampling Error (<i>net</i> tons): 10.5 %									
The total cruised volume will fall between 11,485 and 14,176 Tons in 9 out of 10 cruises									
Tons Per Thousand Board Feet Conversion Factor = 12,831 net tons per 1,841.7 net MBF = 6.97 tons per MBF									

*Cruise data is summarized for material to a 5.6" minimum top diameter. The timber sale contract requires utilization of material to a 4.6" minimum top diameter.

TABLE 3: Unit Harvest Volume and Harvest Schedule					
Unit	Section	Acres	Estimated Net Tons	Estimated Net MBF	Removal Date
Douglas Cr. Cable	36	53	2,948	423	10/15/2007
Douglas Cr. Tractor	36	109	5,185	744	10/15/2007
Maxville 36 Cable	36	46	1,577	226	10/15/2007
Maxville 36 Tractor	36	91	3,121	448	10/15/2007
Total		299	12,831	1841	10/15/2007

Additional Sale Information:

1. **The Purchaser will be required to deliver 300 pounds of grass seed as specified in the Timber Sale Contract. Grass seed must be delivered to the Anaconda Unit Office prior to beginning operations.**
2. **Road construction activities are only allowed between June 15 and October 15, unless approved by the Forest Officer. Final road blading must be done by 10/24/2007.**
3. **The Purchaser will be required to furnish and install a 24 X 32' CMP in accordance with 124 permit specifications in the Douglas Creek Section. In the Maxville 36 section, the Purchaser will be required to furnish and install (2) 18" X 42' CMP's. The Purchaser will also be required to furnish and install 8 each rubber flapper water diverters as shown in road logs.**
4. **Cable yarding is required on 99 acres (Max reach 850', fixed position carriage, lateral yard – 75').**
5. **one cattle guard and powder river gate at the entrance to the Maxville 36 haul road.**
6. **The Purchaser may be allowed to remove "other material" that does not meet minimum sawlog specifications at a separately negotiated rate.**
7. **The Purchaser will be required to apply one herbicide application, upon completion of harvest activities, to all ROW's used (approximately 5.5 miles). ROW width is 40' (20' feet each side of road centerline). Weed spraying must be done between June 15 – July 15, when conditions allow.**

TABLE 4: Total Net Cubic Feet (5.6" top diameter) by Diameter Class and Species (Cut trees)

DBH Class	Thousand Cubic Feet								TOTAL
	PP	DF	WL	LP	ES	WF	CE	DD	
≥7 and < 9		14		2					16
≥9 and < 11		59		1					60
≥11 and < 13		76		1					77
≥13 and < 15		81		4					85
≥15 and < 17		54		2					56
≥17 and < 19		44		0					44
≥19 and < 21		31		0					31
≥21 and < 23		20		0					20
≥23 and < 25		12		0					12
≥25 and < 27		5		0					5
≥27		11		0					11
TOTAL		407		10					417

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

DBH Class	PP	DF	WL	LP	ES	WF	CE	DD	TOTAL
≥7 and < 9		19		2					21
≥9 and < 11		28		0					28
≥11 and < 13		20		0					20
≥13 and < 15		15		1					16
≥15 and < 17		7		0					7
≥17 and < 19		5		0					5
≥19 and < 21		3		0					3
≥21 and < 23		1		0					1
≥23 and < 25		1		0					1
≥25 and < 27		0		0					0
≥27 and < 29		0		0					0
TOTAL		99		3					102