

DUHRING RESOURCE COMPANY

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September 19, 2007

Kathleen Morse, Forest Supervisor
Allegheny National Forest
222 Liberty Street
P.O. Box 847
Warren, PA 16365

Mr. Anthony Scardina
Allegheny National Forest
Bradford Ranger District
29 Forest Service Drive
Bradford, PA 16701

RE: ANF Timber Harvesting Lots 8 and 9, Warren County

Dear Ms. Morse and Mr. Scardina:

I write in follow up to my telephone call, September 11, 2007, with Mr. Scardina. At about 10:30 on September 11, a log truck was parked upon one of Duhring's roadways. This occurred at the time when the well, located behind the log truck, was to have been pumped by Duhring's pumper. I instructed the pumper to skip that well and try to return later in the day.

All of Duhring's pumpers operate on a particular schedule. Thus, the return, later in the day, would have cost two extra trips (one to start and one to stop the well).

I want to stress, again, that Duhring and the Forest Service are co-owners. In the context of its current timber removal operation, the Forest Service must take steps to reasonably account for Duhring's rights. The Forest Service routinely fails to take such steps.

For the benefit of Mr. Scardina, I enclose a photocopy of Duhring's September 5 letter to Ms. Morse. In that letter Duhring insists that the Forest Service submit a Plan of Operations concerning the usage of Duhring's facilities (roadways, tank batteries, locations, etc.) that the Forest Service or its contractors intend to utilize during the course of timber harvest operations.

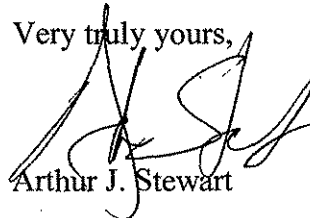
Over the past several years, I have raised this timber harvest issue with numerous Forest Service personnel including the both of you. On June 29, Mr. Scardina promised to be sensitive to this issue. During the September 11 telephone call, Mr. Scardina indicated that he had instructed his staff to coordinate the timber operations with Duhring. However, the assurances Duhring has been given by Forest Service staff have never been

kept. The September 11 incident in particular, and the timber harvest on Lots 8 and 9 in general, are good examples. Duhring's facilities obviously are being used, yet the Forest Service has not even extended the courtesy of a phone call let alone a written plan, to Duhring.

Another good example are the piles of limestone being accumulated by the Forest Service at the base of F.R. 148. The Forest Service is utilizing the entrance to Duhring's new tank battery as a storage space for that limestone. However, Duhring purposely left the eastern end of its tank battery open so that the new tanks could be installed through that opening. The limestone completely blocks that eastern opening. The tanks are now delivered, and we are making alternative arrangements to have those tanks installed. A picture, depicting the problem, is enclosed.

Duhring should not have to accept operational hardships or safety risks associated with your timber operations when those hardships and risks could be mitigated by proper Forest Service planning. Therefore, with respect to Lots 8 and 9, I renew my insistence that the Forest Service provide Duhring with a Plan of Operations before carrying on additional work that involves Duhring's facilities. The Plan of Operations should contain the items summarized in my letter to Ms. Morse of September 5, 2007.

Very truly yours,

A handwritten signature in black ink, appearing to read 'AJS', is written over the typed name 'Arthur J. Stewart'.

Arthur J. Stewart

AJS/ame
Enclosure

Duhring Resource Company
P.O. Box 726
203 Center Street
Sheffield, PA 16347

5-Sep-07

Bill to:
Allegheny National Forest
P.O. Box 847
Warren, PA 16365

Lots 8 & 9 Billing

Labor & Equipment Description	hours	rate	sub-total	TOTALS
Labor				
1) 8/16/07 Repair oil and gas line	4	\$ 27.50	\$ 110.00	
2) 8/17/07 Repair oil and gas line	12	\$ 27.50	\$ 330.00	
3) 8/20/07 Repair oil and gas line	6	\$ 27.50	\$ 165.00	
4) 8/21/07 Repair oil and gas line	4	\$ 27.50	\$ 110.00	
5) 8/22/07 move ph 20 line	2	\$ 27.50	\$ 55.00	
6) 8/23/07 Repair oil and gas line	4	\$ 27.50	\$ 110.00	
7) 8/24/07 Repair oil and gas line	15	\$ 27.50	\$ 412.50	
8) 8/27/07 Watch for lines 4 new culvert pipes	3	\$ 27.50	\$ 82.50	
9) 8/28/07 Supervise culverts	8	\$ 27.50	\$ 220.00	
Generator				
1) weld pipe numerous dates	9	\$ 10.00	\$ 90.00	
Water truck				
1) 8/21 & 8/24/07	2	\$77	\$154	
Total labor and equipment			\$ 1,839.00	\$ 1,839.00
Parts/Contractors Description				
	quan.	cost	sub-total	
1) 2" couplers	19	2.42 \$	45.98	
2) 1.5" couplers	5	2.41 \$	12.05	
3) 2" SDR 9	67	0.87 \$	58.29	
4) 1.5" SDR 9	3	0.67 \$	2.01	
5) Peat Sorb	4	36.75 \$	147.00	
6) 1.5" transitions	1	19.21 \$	19.21	
7) 1.5" ball valve	1	15.63 \$	15.63	
Total parts/contractors			\$ 300.17	\$ 300.17
15% surcharge parts/contractors			\$ 45.03	\$ 45.03
TOTAL DUE				\$ 2,184.20

CULVERT PIPE REPLACEMENT / DYNE EXCAVATING

REPAIR OIL/GAS LINES

THURS

8-16-07

STEVEN & RYAN 3:30-5:30 pm 2 HRS EACH

1 REPLACEMENT = 2 2" COUPLERS 10' SDR9

FRI

8-17-07

LARRY & RYAN 9:00-3:00 pm 6 HRS EACH

3 REPLACEMENTS = 8 2" COUPLERS 24' SDR9

MON

8-20-07

LARRY & RYAN 9:00-12:00 pm 3 HRS EACH

2 REPLACEMENTS = 4 2" COUPLERS 19' SDR9

TUES

8-21-07

LARRY, RYAN, JOHN, STEVEN 11:00-12:00 1 HR EACH

1 REPLACEMENT = 2 2" COUPLERS 6' SDR9 1 HR VAC TRUCK

3 BAGS PEAT SUB

TOTAL: 14 2" COUPLERS 59' SDR9 PLASTIC

26 TOTAL MAN HOURS

1 HR VAC TRUCK

3 1/2 HRS GENERATOR USE (RUN TIME 30 MIN PER REPAIR)

TOTAL AS OF 8-21-07

WED

8-22-07

MOVE LINE OUT OF CULVERT ON PHASE 20

REINSTALL ALONG NEW CULVERT

LARRY & RYAN 1 HR EACH

GENERATOR 30 MIN 1 2" COUPLER

THURS

8-23-07

LARRY & RYAN 1 HR EACH

12:00-1:00 PM

GENERATOR 30 MIN

1 1 1/2" Coupler

1 1 1/2" TRANSITION

000159
THURS 8-23-07

W 8-23-07 RYAN 1 HR EA.
2:30-3:00 REPAIR (LOWER) 2" GASLINE
30MIN GENERATOR 1 6' OF 2" SDR9 2 2" COUPLERS

FRI 8-24-07

RYAN & LARRY 10-3:00 5 HRS EACH
JOHN & STEVEN 11:30-2:00 2 1/2 HRS EACH
GENERATOR 3 HRS
1 BAG PEAT SOBS VAC TRUCK 1 HR

- BUTT FUSE TO REPAIR 2 3" LINES 8' OF 3" PLASTIC
- REPAIR 1 1/2" LINE 2 1 1/2" COUPLER 1' OF 1 1/2" PLASTIC

MON 8-27-07

RYAN 3 HRS WATCH FOR LINES 4 NEW CUVERT PIPES
8:30-11:30PM

W 8-28-07

* RYAN & LARRY 10:00PM - 12:00 2 HRS EACH
SUPERVISE CUVERTS INSTALLED 2 NEW PIPES
RD 163 (LINES ON BOTH SIDES OF ROAD PER PLAN)

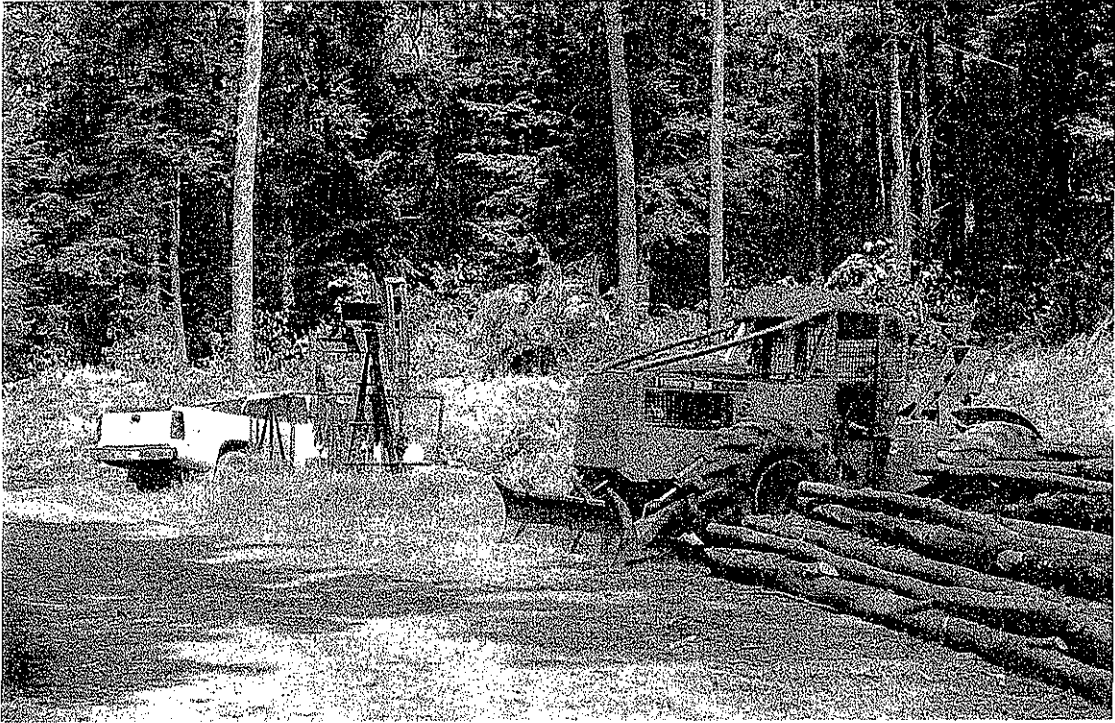
* RYAN & LARRY 12:00-2:00 2 HR EACH
REPAIR 2" & 1 1/2" LINE
GENERATOR 1:00 HR

2' OF SDR9 2" 2 2" COUPL.
2' OF 1 1/2" PLASTIC 2 1 1/2" COUPL.

TOTAL GEN. 5 1/2 HR VAC 1 HR MAN HRS 32 HRS 5 2" COUPL 8' 2" 1 1/2" COUPL

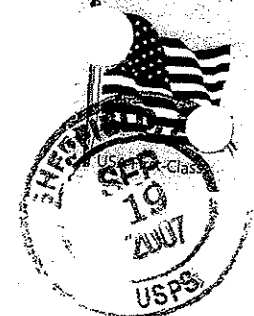
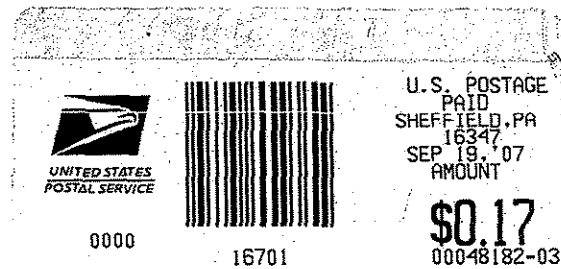
GRAND TOTAL:

MAN HRS 58
GENERATOR 9 HRS PEAT SOBS 4 BAGS
VAC TRUCK 2 HRS 1 1/2 TRANS 1
2" COUPLERS 19 1 1/2" BALL VALVE 1
1 1/2" COUPLERS 5
2" SDR9 67'
1 1/2" DRILL 3'



000161

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