



File Code: 2820-2

Date: April 10, 2008

Arthur J. Stewart
Duhring Resource Co.
P. O. Box 726
Sheffield, PA 16347

Dear Mr. Stewart:

This memo is in response to your April 7, 2008 letter regarding timber removal on Lot 8 and Warrant 3672.

In your letter, you state that Duhring Resource Company ("Duhring") would be requesting its attorney to pass a copy of the letter on to Attorney Wiegand, per my April 4, 2008, letter. As such, I will only address a couple of items your raised.

First, you state that in dealing with the Forest Service, Duhring has not availed itself of the cut, skid and deck option. Five years ago (with Forest Service permission) Duhring cut certain trees and pushed others over.

The statement in my April 4th letter was in reference to that instance, from 2002, where Duhring did avail itself of the option of not purchasing the timber. At that time, we worked with Duhring directly on the cutting of the timber, but did not do so in writing. Since 2002, we have been utilizing a written agreement with operators that have chosen this option (i.e., cut, skid and deck).

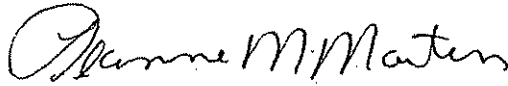
Second, you state that staff members told you during the April 3, 2008, meeting that Duhring should pay more than fair market value for the timber on Lot 8 and Warrant 3672 because the Forest Service did not want the timber harvested. You go on to state that Mr. Fallon pointed out that the Spring Creek decision determined that timber should not be harvested in the area of Warrant 3672.

At no time during the April 3rd meeting did Forest Service staff state that Duhring should pay more than fair market value. They did, however, answer a question regarding whether or not the value of the timber increased once it was cut and decked. In addition, District Ranger Fallon did clarify at one point that the removal of this timber for access and well pads was for Duhring's convenience, since they proposed access to the subsurface and not the Forest Service. He went on to state that the Forest Service had already considered removing timber in this location and had decided against it in the 2004 Spring Creek decision primarily due to access concerns.



Finally, you requested that I fax our timber purchasers' mailing list so you could move forward with advertising the timber for sale. As stated in my April 4, 2008, letter, the United States owns the timber. Duhring has no title to or ownership interest that would authorize Duhring to dispose of U.S. Government property. For this reason, a copy of our timber purchasers' mailing list will not be forthcoming.

Sincerely,

A handwritten signature in cursive script that reads "Leanne M. Marten". The signature is written in black ink and is positioned above the printed name and title.

LEANNE M. MARTEN
Forest Supervisor

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
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1. Article Addressed to: <p>Duhing Resources P.O. Box 726 Sheffield, PA 16347</p>	B. Received by (Printed Name) <i>Amy E.</i>	C. Parcel Number <i>111 1111</i>
	<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input type="checkbox"/> No If YES, enter delivery address below:</p>	
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	<p>4. Restricted Delivery / Extra Fee <input type="checkbox"/> Yes</p>	
2. Article Number (transfer from service label)	<div style="border: 1px solid black; padding: 5px; display: inline-block;">7002 0510 0000 1409 4407</div>	
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