



United States
Department of
Agriculture

Forest
Service

Allegheny National Forest
Bradford Ranger District

29 Forest Service Dr.
Bradford, PA 16701
(814) 362-4613
FAX (814) 362-2761

File Code: 2830

Date: June 8, 2007

Arthur J. Stewart, Esq.
Duhring Resource Company
600 Market St.
Warren, PA 16365

Dear Mr. Stewart:

Enclosed is a copy of my June 8, 2007 letter to the Pennsylvania Department of Environmental Protection filing the Forest Services official objection to well permit applications received in this office on May 26, 2007. The objection is for four (4) wells located in Sheffield Township, Warren County, PA on Warrant 2445. Also enclosed is the letter of objection related to two wells on Warrant 2752 that were previously objected to on April 3, 2007. I am very concerned with these two wells because of the proximity to wetlands and the possible impact to them as a result of your development.

I am very committed to maintaining a cooperative working relationship with you and would like to meet in the field again to discuss issues related to these well locations. I know that both you and Sheldon Winters have tried to set up a field meeting, however have been unable to make a connection. A field meeting, however, is essential if we are to process your application in a timely manner. Please remember that until you receive written authorization from me, you are not authorized to extract any pit material from Forest Service property or to otherwise develop Forest Service Property.

Sincerely,

Lois Demarco

LOIS DEMARCO
Acting District Ranger

Enclosures

cc: Kathleen Morse, James Seyler





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Date: June 8, 2007

Robert Gleeson
Pennsylvania Department of Environmental Protection
Northwest Regional Office
230 Chestnut Street
Meadville, PA 16335-3481

Dear Mr. Gleeson:

The Forest Service, surface landowner of the Allegheny National Forest (ANF) in northwest Pennsylvania, files this official objection to the well permit applications submitted by Duhring Resource Company in a revised proposal package on May 26, 2007. The objection is for four (4) wells located in Sheffield Township, Warren County, Pennsylvania on Warrant 2445. This objection pertains to Title 58, Section 601.205 of the Pennsylvania Oil and Gas Act, "Well Location Restrictions."

The wells in objection in Warrant 2445, Lot 9 are numbered D-26, D-27, and D-29. The well in objection in Warrant 2445, Lot 12 is numbered 12-2. These are all located within the Sheffield and Ludlow Quadrangles. The well plats for the objected wells were submitted to the Bradford District Office on May 26, 2007. Objections were raised for the following reasons:

- Well D-26 – This well is located on a steep slope approximately 210 feet from Rock Run. There is not adequate distance between the well site and Rock Run to avoid impact to the stream during construction. This site is not accessible as planned. While acceptable road grades can be achieved, side hill slopes are too steep for standard oil and gas road building practices.
- Well D-27 – This well is located on a steep slope approximately 145 feet from Rock Run. There is not adequate distance between the well site and Rock Run to allow for site construction that would not impact the stream. This site is not accessible as planned. While acceptable road grades can be achieved, side hill slopes are too steep for standard oil and gas road building practices.
- Well D-29 – As planned, this well is situated on a steep slope within 100 feet of Rock Run. There is not adequate distance between the well site and Rock Run to allow for site construction that would not impact the stream. This site is not accessible as planned. While acceptable road grades can be achieved, side hill slopes are too steep for construction of the road. If this well site were moved 100 feet up-slope, construction would occur on a natural bench, rather than a side-slope, thus avoiding the potential for adverse impacts.
- Well 12-2 – This well is located on a steep side slope approximately 160 feet from Rock Run. This site is not accessible as planned. There is not adequate distance between the well site and Rock Run to allow for site construction that would not impact the stream.



This site is not accessible as planned. While acceptable road grades can be achieved, side hill slopes are too steep for standard oil and gas road building practices.

I am extremely concerned that the four wells proposed in close proximity to Rock Run will result in adverse impacts to the stream (such as excessive sedimentation, appreciable water temperature increase and turbidity). Concerns are heightened given the fact that this stream has been designated by the DEP as a High Quality Cold Water Fisheries stream.

I would also like to remind you of a previous objection filed for two wells located in Warrant 2752, Lot 7 on April 3, 2007. Both of these wells have had minor relocation as a result of field visits by Mr. Stewart and Robert Maykowski, DEP Supervisory Water Quality Specialist. I am concerned because I have not had any formal notification of proposed changes. My staff has tried to reschedule a meeting with Mr. Stewart but have not been successful in meeting with him in the field. They have revisited the site, and based upon their interpretation of new flagging and staking, I call your attention to the following concerns:

- Well 7-21 – The mapped location of this well continues to represent unacceptable impacts to water resources. The well is located between one small wetland and another greater than one acre in size. This does not leave adequate space to construct a well pad without impacting one or both of these areas. In addition, the primary access road will impact approximately 100 feet of wetland, thereby triggering the requirement for a U.S. Army Corps of Engineers Sec. 106 permit.
- Well 7-22 – The mapped location of this well continues to present unacceptable impacts to water resources. I am greatly concerned that if standard oil and gas practices are followed, i.e. road construction downslope of the well pad, unacceptable impacts to the wetland will occur.

Given the locations of these wells we believe that standard Best Management Practices (BMP's) will not be effective in protecting water resources. Therefore, I am requesting your assistance in working with the Forest Service and the operator to identify site-specific mitigation measures and/or alternative drilling technologies to address these concerns. If you need additional documentation or details about these concerns, please contact Paul Weese at (814) 362-4613.

Sincerely,



LOIS DEMARCO
Acting District Ranger

cc: Arthur J. Stewart, Esq.



United States
Department of
Agriculture

Forest
Service

Allegheny National Forest
Supervisor's Office

222 Liberty Street
PO Box 847
Warren, PA 16365
(814) 723-5180
FAX (814) 726-1465

File Code: 2830

Date: April 3, 2007

Robert Gleeson
Pennsylvania Department of Environmental Protection
Northwest Regional Office
230 Chestnut Street
Meadville, PA 16335-3481

Dear Mr. Gleeson:

The Forest Service, surface landowner of the Allegheny National Forest (ANF) in northwest Pennsylvania, files this official objection to the well permit applications submitted by Duhring Resource Company. The objection is for seven (7) wells located in Sheffield Township, Warren County, Pennsylvania on Warrant 2752. This objection pertains to Title 58, Section 601.205 of the Pennsylvania Oil and Gas Act, "Well Location Restrictions."

The wells in objection in Warrant 2752, Lot 7, are numbered 7-18, 7-20, 7-21, and 7-22. The Well (Farm) name is Lot 7 and is located within the Sheffield and Ludlow Quadrangles. The well plats for the objected wells were submitted to the Bradford District Office on March 20, 2007. As proposed, Well 7-18 and the access road would directly impact the North Country National Scenic Trail (NCNST) as administrated by the National Park Service. The NCNST was federally designated as a National Scenic Trail in 1980 under Public Law 90-543. Wells 7-20 and 7-21 are proposed within large spring seeps (wetlands) that drain directly into a wetland west of SR 948. Well 7-22 is proposed within this wetland. Please see the attached pictures.

In addition to objecting to these seven (7) wells, the Forest Service would like to bring to your attention the situation regarding four (4) other wells and their associated roads that are proposed on side slopes greater than 40%. In addition to being on steep side slopes many of these wells are within close proximity (200 feet or closer) to Rock Run, a High Quality Cold Water Fisheries stream as designated by the Pennsylvania Fish and Boat Commission. The first of these wells is numbered 8-43 located in Warrant 2752, Lot 8. The Well (Farm) name is Lot 8 and is within the Ludlow Quadrangle (submitted to the Bradford District Office on March 20, 2007). The other three (3) wells are numbered D-25, D-26, and D-27 located in Warrant 2445, Lot 9. The Well (Farm) name is Lot 9 and is within the Ludlow Quadrangle (submitted to the Bradford District Office on March 22, 2007).

Given the location of these wells we believe that standard Best Management Practices (BMP's) will not be effective in protecting water resources. Therefore, we request your assistance in working with us and the operator to identify site-specific mitigation measures and/or alternative drilling technologies to address these concerns. If you have any questions, please contact Paul Weese at (814) 362-4613.

Sincerely,

/s/ Kathleen S. Morse
KATHLEEN S. MORSE
Forest Supervisor



Duhring Resource Company Well sites/road Objections

Warrant 2752/Lot 7



Wetland adjacent to SR 948, looking upslope towards well sites 7-20 & 7-22



Wetland adjacent to SR 948.



Wetland adjacent to SR 948



Well Site 7-22 Seep draining into wetland



Well Site 7-22



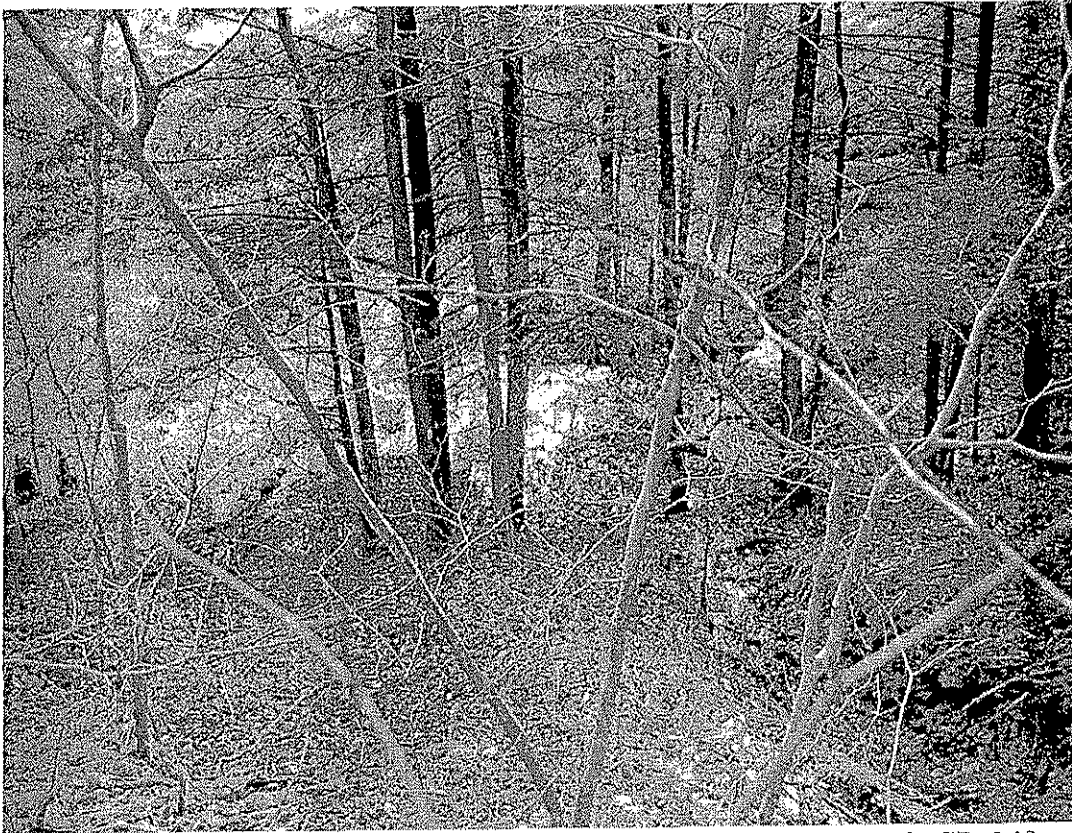
Well Site 7-20 Large Seep



Drainage leading to wetland ((Road layout for 7-20 to 7-22))



Drainage leading to wetland ((Road Layout for 7-20 to 7-22))



Picture of wetland from bank above well 7-22, looking towards SR 948



View of well site 7-18 from North Country National Scenic Trail

Warrant 2445/Lot 9



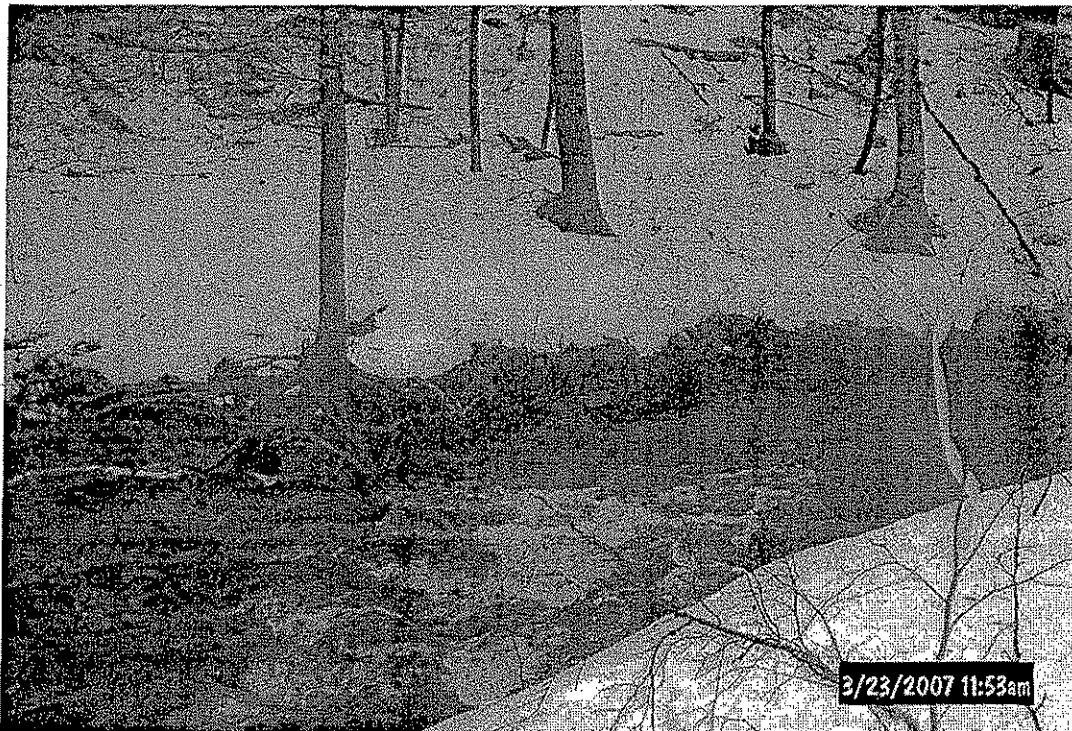
Proposed Crossing of Rock Run for access to wells D-25 to D-27



Rock Run near proposed stream crossing for wells D-25 to D-27



Steep side slope near proposed crossing of Rock Run



Second proposed crossing of Rock Run