

## DUHRING RESOURCE COMPANY

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

Phone (814) 968-3337

Fax (814) 968-3330

September 28, 2007

SENT BY FACSIMILE & FIRST CLASS MAIL

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

RE: Lot 7

Dear Mr. Scardina:

After receiving the Lot 7 Notice to Proceed on September 12, 2007, Duhring completed the timber removal from Wells 17, 18, and 19 on September 14, 2007. On September 14, 2007, our excavation contractor moved to those three locations and on September 21, 2007, completed construction thereof, including installation of pipelines (but excluding stoning of locations).

On the afternoon of September 21, 2007, we moved the contractor to the west side of Route 948 where the remaining 12 locations on Lot 7 are located. As you know, Duhring does not control the timber removal on those 12 westerly locations. Your timber contractor, Mr. Al Smith, is removing that timber.

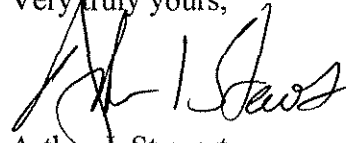
When we moved the contractor on September 21, 2007, Mr. Smith had just finished removing the last of the timber from three locations on the westerly side. During the week of September 24, 2007, our contractor employed only one-half of a crew on Lot 7 (one operator instead of two) because two operators would have finished the three locations in a matter of two or three days.

As I dictate this, on the morning of September 28, 2007, your timber contractor still only has the three locations cleared of timber (Wells 8, 9, and 13). He has made some progress on portions of other locations, but Duhring cannot move into an area where only part of the timber has been removed. I understand that the timber contractor has had reasons for the slow progress -- he is doing another job and has had to move his skidders there, and he lost a cutter/operator through resignation.

Whatever the reasons, however, I am faced with the reality that my excavating contractor will have no place to work on Monday morning. Duhring is already down to 25 percent of the excavation work it should be doing. As you know, Duhring had arranged to have two excavation crews working for it throughout the summer. Now Duhring is down to one-half of a crew.

As I believe you are aware, Duhring has no privity with or control over Mr. Smith. Since the contractual relationship is between the Forest Service and Mr. Smith, I ask you to contact Mr. Smith and take steps to have the timber removed faster. Duhring was able to get the timber off the three locations which it controlled, in three days' time. Surely, the timber can come off of the westerly part of Lot 7 at a faster pace.

Very truly yours,



Arthur J. Stewart

AJS/ame