



United States
Department of
Agriculture

Forest
Service

Allegheny National Forest
Marienville Ranger District

Rt. 66
Marienville, PA 16239
(814) 927-6628
FAX (814) 927-2285

File Code: 2830

Date: July 10, 2008

Arthur J. Stewart
Duhring Resource Company
203 Center Street
PO Box 726
Sheffield, PA 16347

Re: Warrant 3672

Dear Mr. Stewart,

Thank you for your July 3, 2008 letter regarding oil and gas well proposals in Warrant 3672. Specifically, you are responding to options for timber removal within this area as outlined in my June 20, 2008 memo.

Your recent letter clearly states that Duhring Resource Company ("Duhring") has no intention of purchasing the timber nor entering into a cut, skid or deck agreement.

Your letter also suggests that the ANF could hire professional forest consultants to assist in timber sale and removal. Although I appreciate your suggestion, this is not a viable option for the ANF since we are bound by federal laws and regulations that outline the acceptable process for commercial timber sales on National Forest System lands.

As mentioned in my June 20, 2008 memo, the Allegheny National Forest ("ANF") will not be pursuing a commercial timber sale for removal of timber in Warrant 3672. I have determined that timber harvest and removal by commercial sale would not meet the required time limits you have established due to such things as the length of time to process a package, length of time needed to complete the bid process, and length of time for a purchaser to actually implement the activity on the ground. As a result, the only options that remain are for Duhring to either purchase the timber or enter into a cut, skid and deck agreement as previously done on OGM Case 595 in the same warrant.

For more information on these options please refer to previous letters sent to you by Forest Supervisor Marten dated March 12, 2008 and March 26, 2008.

Please contact me as soon as possible if Duhring chooses to either purchase the timber or move forward with a cut, skid and deck agreement. I will ensure personnel are assigned to help the process. It is my understanding that you and Lauren Miles, the Forest Service OGM Administrator assigned to your project, have a layout meeting scheduled for July 14, 2008. Feel free to contact me prior to that meeting to inform me of which timber removal option you would prefer. If not, hopefully you and Mr. Miles will make progress on this issue when you meet on



the 14th. Please remember that, until one of these options is executed, entry upon and removal of timber from National Forest System lands is prohibited.

Sincerely,

/s/ Robert T. Fallon
ROBERT T. FALLON
District Ranger