



United States
Department of
Agriculture

Forest
Service

Allegheny National Forest
Marienville Ranger District

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File Code: 2850

Date: March 17, 2009

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

Dear Mr. Stewart:

I am writing in response to your February 17, 2009 letter.

Borrow Pits

In this letter, you state, "You will recall your proposal, made at the end of 2007, to pursue an environmental assessment as to the stone source on 3672 and Duhring's choice for you to pursue that assessment." I am assuming you were referring to a letter I sent to Duhring on December 6, 2007. In the December 6, 2007 letter, I wrote the following:

I am willing to consider your request for development of a stone source on Warrant 3672, but only with the appropriate documentation (the analysis to date is sufficient to propose this action for public comment and initiate the NEPA process). I will add the caveat that there may be some expense to you for conducting this documentation process, and I will be happy to discuss this with you should you choose this option. And I reiterate that there is no guarantee of the outcome of this process. (p. 3 of the letter)

Duhring did not respond to this specific offer. I, consequently, disagree with your assertion that Duhring chose to pursue the environmental assessment option.

In March 2008, Forest Supervisor Leanne Marten instructed me to cease issuance of Notice to Proceeds for oil and gas proposals on the Marienville Ranger District that include the removal of common variety minerals from pits located on National Forest System lands unless procedures for disposing of mineral material owned by the United States have been followed as outlined in 36 CFR 228, Subpart C and Forest Service Manual (FSM) 2850. Forest Supervisor Marten sent a letter on March 28, 2008 to oil and gas firms operating on the Allegheny National Forest informing them of this direction. To adhere to Forest Supervisor Marten's direction, the Marienville Ranger District has not and will not move forward with any stone pit expansion or development projects related to oil and gas proposals until it is able to comply with 36 CFR 228, Subpart C and FSM 2850.

As noted in the December 6, 2007 letter, among other correspondence the Forest Service has sent to Duhring, Duhring has the option to use a privately owned source to acquire a durable



surfacing material for use in implementing its oil and gas developments on National Forest System lands.

Road Surfacing

I agree with Duhring's assessment that a durable surfacing material is necessary on the surface of its roads in Warrant 3672. This is a Best Management Practice that is noted in each Operating Plan, and in the PA DEP Oil and Gas Operators Manual (2001), among other documents.

In a related item, I am in receipt of your February 24, 2009 letter regarding your Commercial Road Use Permit and bill for collection for haulage on Forest Service roads in 2009. We are reviewing the information you provided in your letter and will notify you shortly of any modifications to the permit and bill.

Please feel free to contact me if you need clarification regarding this letter.

Sincerely,

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