

DUHRING RESOURCE COMPANY

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

Phone (814) 968-3337

Fax (814) 968-3330

July 7, 2008

SENT BY FACSIMILE & FIRST CLASS MAIL

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

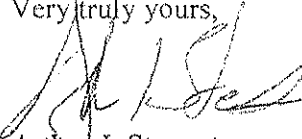
RE: Well Development: Lots 8 and 9

Dear Mr. Scardina:

I write in response to your letter of June 5, 2008. Concerning the stone pits, Duhring does not agree with the material set forth in your letter. However, those matters are addressed in the pending litigation and need not be addressed here.

Concerning timber removal, it will hopefully be the case that Highland Forest Resources, Inc., will take the timber. Until you have a decision from Highland, there is no point in devoting further energy to that topic.

Concerning the matters you have titled "Lot 8 and Lot 9 Concerns," we have not yet heard from Sheldon Winters. I have left telephone messages at his work and cell phones asking him to contact Duhring in order to establish a time to meet in the field.

Very truly yours,  
  
Arthur J. Stewart

AJS/ame