



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: 2830-2/7720-1

Date: February 10, 2009

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

Dear Mr. Stewart:

This is in response to your January 28, 2009, letter regarding projects on Lots 8, 9 and 434. Specific responses to your letter follow:

**Road permit (Lot 8, OGM Case B-028, Wells #79, #86, #87, #88 and #89; Lot 9, OGM Case B-029, Wells #35, #36, #37, #41; and Lot 434, OGM Case B-041, Wells #7-11):**

A signed Application for Permit, Non-Federal Commercial Use of Roads Restricted by Order, was included with your letter. We will continue to move forward with processing this application, pursuant to the Allegheny National Forest Supplement to Forest Service Manual 7732 approved on June 22, 2007. The information provided on the number of wells and proposed road distances will be considered, in conjunction with our documentation, to help calculate the fees and generate a road use permit bill of collection. All calculations, data, and assumptions used will be included in the road use permit sent to you for signature.

Please note that in the near future you will also be receiving a mailing with 2009 road use permits for signature and their respective bill for collection. As you are aware, road use permits are authorized on an annual basis. The 2009 permits and bills you will be receiving shortly are renewal of existing permits and not related to new road use permits needed in conjunction with new wells. These permits will need to be signed and paid for to ensure continued use of roads for haulage.

**Lot 8 Well Locations (OGM Case B-028, Wells #79, #86, #87, #88 and #89)**

Pertaining to the discussions on Lot 8 well locations we had on January 22, 2009, my understanding is that the following has been agreed to:

*Well #86:*

- The pad for Well #86 will be built as an extension of the access roadway and Duhring Resource Company ("Duhring") will shape and stabilize the ground to the east of the well to accommodate the frac pipe trailer. This pad and well location will be placed as it was flagged in the field on January 22, 2009.



- Since the area identified for the frac pipe trailer will extend across the North Country Trail, the area will not be constructed in a permanent manner. Thus, Duhring will seed and mulch it upon completion so that the area will have an appearance similar to that of today. In addition, it was agreed that tree planting will be conducted to provide additional aesthetic buffering from the North Country Trail. This will be coordinated with the OGM Administrator after operations are complete.
- To provide additional aesthetic buffering from the North Country Trail, the ANF is agreeable to moving forward with the possible relocation for a small section of the North Country Trail. It was also recognized in the field that this relocation could be favorable to the public, providing an improved overview of a stream and valley below that is currently not visible from the trail. However, the appropriate level of environmental analysis must be completed before relocation can occur, as well as coordination with the local chapter of the North Country Trail and other interested members of the public. It must be noted that this will take additional time and could result in a decision to not relocate the trail. Thus, a Notice to Proceed will not be issued until this decision is made. If the decision is made to relocate the trail, Duhring will provide the equipment and personnel resources to complete the relocation work consistent with the decision.

*Wells # 79, #87, #88, and #89:*

- Road and well locations have been marked and agreed to.

**Timber (Lot 9, OGM Case B-029, Wells #35, #36, #37, #41)**

Specific to Lot 9 timber, you request that the

*"ANF "market" the Lot 9 timber, with the term "market" having the same meaning as set forth in 30 U.S.C. 226(0)(4)(A)...As to the current Lot 9 project (wells 35, 36 etc.) I ask that the ANF market the timber with the speed that is respectful of Duhring's ownership rights."*

The above reference is in regards to a commercial timber sale. Pursuant to Forest Service Manual 2464, the Forest Service has 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 Forest Service's timber settlement procedures, and not commercial sale procedures, will be followed.

Timber settlement procedures provide either purchase of the timber or the cutting, skidding, and decking of timber by Duhring. You have clearly stated that Duhring does not intend to purchase the timber. Thus, the other option would be for Duhring to execute a cut, skid, and deck agreement. I note that Duhring has availed itself of the latter option in dealing with the Forest Service in the recent past. Further information on these options and explanations has been submitted to you by the Forest Supervisor in memos dated March 12, March 26, and April 12, 2008.

Since timber settlement procedures, and not commercial sale procedures, will be followed, the Forest Service will not be preparing, advertising, awarding or requiring timber removal under a bid package.

Information on timber and purchase prices for Lot 8 (OGM Case B-028, Wells #79, #86, #87, #88 and #89) and Lot 434 (OGM Case B-041, Wells #7-11) will be shared when the information is available.

If you find any of the information in this letter to be inconsistent with what we agreed to in the field, or have any other questions or concerns, please notify me at your earliest convenience.

Sincerely,

*/s/ Anthony V. Scardina*  
ANTHONY V. SCARDINA  
District Ranger