



United States
Department of
Agriculture

Forest
Service

Allegheny National Forest
Bradford Ranger District

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Bradford, PA 16701
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File Code: 2830-2

Date:

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

DRAFT
Drafted 10/28/08

Dear Mr. Stewart:

We have completed our project analysis of oil, gas, and minerals (OGM) Case B-029 for your proposed drilling of 8 wells, and associated pipelines, tank batteries, and roads (as identified on the attached map) in Warrant 2445/Lot 9, Sheffield Township, Warren County, Pennsylvania.

This is your Notice to Proceed for the eight wells identified on the attached map. We have received your signed Timber Sale Contract, Commercial Road Use Permit, and proof of payment. Also enclosed is your Timber Sale Payment Unit Release. Executed copies of the Commercial Road Use Permit and Timber Sale Contract have been mailed to you for your records.

Please contact Sheldon Winters, Oil and Gas Administrator on the Bradford Ranger District, at (814) 363-6032 as soon as you receive this letter to arrange a pre-work meeting with the Forest Service that includes your timber harvest contractor, road construction contractor, and field representative, prior to beginning the harvesting and road building operations. Please review and follow the attached operating plan.

If an alternative method of drilling is requested from the PA-DEP for dusting of drill cuttings, it is recommended that an unlined pit be utilized to capture all drill cuttings or a deflector shield used to pile the cuttings in one location. If the pit is used, it can then be dewatered, lined, and utilized for the containment of stimulation material. This shall be within the provisions of Title 25, Chapter 78, of the Pennsylvania Code.

Please note that there may be heritage resources in the area. Heritage resources on Federal land are subject to the prohibitions of the Antiquities Act of 1906, and compliance by the mineral owner is mandatory. For additional information, please see the attached Section G.

There are five threatened or endangered species known to occur on or near the Allegheny National Forest. These include the small whorled pogonia, Indiana bat, Northeastern bullrush, and the clubshell and northern riffleshell mussels. Outstanding and reserved mineral rights owners have certain responsibilities under the Endangered Species Act to protect threatened or endangered species and their habitats. To determine what your responsibilities are, you should contact the U.S. Fish and Wildlife Service district office in State College, Pennsylvania.



If you have any questions or concerns regarding the attached Operating Plan, please contact Sheldon Winters, OGM Administrator on the Bradford Ranger District.

Sincerely,

ANTHONY V. SCARDINA
District Ranger

Enclosures

Operating Plan

A. Wildlife

1. Retain snags with bark or den trees adjacent to the flagged well sites and road right-of-way. Bark provides hibernation habitat for a wide variety of bats. If the snags pose a safety hazard, then it is recommended that they be removed.
2. All work should stop immediately if any federally proposed or listed species are found or observed on the project site during implementation. The operator will contact the District so that a wildlife biologist can conduct an assessment or recommend mitigation measures. In addition, the operator should contact the District if any stick nests are found near or adjacent to any work location prior to development.
3. Complete all proposed work in a timely fashion to reduce disturbance of and displacement to fish and wildlife species.
4. Follow all terms and conditions in regulatory permits and other official project authorizations to eliminate or reduce the adverse impacts to endangered, threatened, or sensitive species or their habitats.
5. Please note that although the bald eagle is no longer federally listed as endangered or threatened, there are still responsibilities for protection of this species under the Bald and Golden Eagle Protection Act of 1940.

B. Soil and Water

1. The operator will follow the standards and guidelines of their submitted Soil Erosion and Sedimentation Control Plan and Spill Prevention Plan. Disturbed areas must be stabilized within 30 days following construction and successfully revegetated within 60 days following construction or within 60 days of the beginning of the first growing season following construction that occurs in late fall or winter. Revegetation is achieved when there is 70 percent coverage of perennial vegetation as measured by transect.
2. It is the operator's responsibility to place culverts where they are needed in access roads to drain road surface runoff, and where seeps, springs, streams and other drainages will intersect the proposed roads. Cross culverts to drain ditch water should be at least 18 inch diameter corrugated metal pipes (CMPs) or 15 inch diameter casings and installed diagonally with outlet downhill and a 6 inch drop per 10 feet of running width. The following table outlines recommended spacing of cross culverts to drain ditch water based on percentage slope:

Slope	Spacing of Culverts
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2 to 5 percent	300 to 500 feet
6 to 10 percent	200 to 300 feet
11 to 15 percent	100 to 200 feet

Where streams, springs, seeps, and other drainages intersect the road, the operator should install properly sized culverts or properly select, size, and construct other drainage structures, in accordance with the PA-DEP recommended oil and gas management practices.

3. Do not sidecast excavated road materials and avoid accumulating or spreading these materials in upland draws, depressions, streams, and/or spring seeps.
4. Produced fluids must be handled and disposed of according to Commonwealth of Pennsylvania Oil and Gas Law in accordance with the Clean Streams Act.
5. Road ditch water and runoff from well locations shall not be discharged directly into watercourses. This water will be either discharged onto undisturbed ground or passed through a sedimentation basin.
6. Construction will not take place during the spring thaw or during times of prolonged rainfall when saturated conditions exist.
7. Temporary and permanent seed mixtures should be in accordance with the Pennsylvania Oil and Gas Operators Manual (Chapter 4). However, to avoid introducing non-native invasive plant species to the Allegheny National Forest, operators should use the following seed mixtures:
 - a) Temporary cover or nurse crops: all mixtures and cover rates can be used but, for the late spring and summer seeding mixtures, do not use Japanese or foxtail millet or sudangrass.
 - b) Permanent seed mixtures:
 - (i) Cool season grasses: preferred mixture is Number 3 using smooth brome grass and birdsfoot trefoil. Mixture 1 using fine fescue, perennial ryegrass and birdsfoot trefoil may be used if Number 3 is not available, but it is our preference that fescue mixes not be used.
 - (ii) Warm season grasses: preferred mixtures are Number 5 and 6.
 - c) Mulch: straw is preferred in all cases. If hay is used, the source location and supplier shall be provided and every attempt should be made to obtain hay free

of non-native invasive species.

C. Transportation Systems and Equipment

1. Road locations will be approved by the District prior to marking timber for removal.
2. Rock surfacing on roads will be commensurate with use and season of the year. At least 6 inches of stone will be applied to all roads intended for permanent access. If the operator proposes to utilize commercially graded surfacing material at a depth less than 6 inches, the operator must obtain written approval from the OGM Administrator to place this material at a specified depth in designated locations. Roads should be constructed and maintained in a manner to prevent rutting and to maintain the road crown.
3. Road grades are recommended to be between 2 and 8 percent, with grades up to 15 percent acceptable for short pitches up to 200 feet when sufficient stabilization is provided.
4. It is strongly recommended that a gate be installed at the entrance of OGM roads to ensure that the Forest Service resources are not damaged by non-OGM development users.
5. Equipment must be stored, serviced, and fueled in upland areas away from transport pathways and all aquatic habitats. No long term equipment storage, such as unused storage tanks, vehicles, machinery, pipeline, or other staging materials, is allowed. Litter or trash shall be promptly removed.

D. Timber

1. All merchantable timber will be marked by the Forest Service and sold by contract. Timber will be paid for prior to harvesting.
2. Timber will not be skidded across watercourses, springs, or seeps, except at crossings designated by the Forest Service.
3. Slash will be lopped and scattered to lie within 3 feet of the ground. Slash will be kept out of springs, seeps, and streams.

E. Public Safety

1. Pipelines and electric lines will be buried a minimum of 36 inches deep, where they are identified on the attached map. Utility lines should follow road rights-of-way, as identified on the attached map, to minimize conflict with surface management activities and to protect the utility lines.

2. Automatic jacks will have warning signs. Storage tanks should have warning signs to restrict flames near flammable materials.

F. Recreation and Aesthetics

1. The developer is encouraged to use earth tone colors such as *grey brown* or *forest green* when painting well jacks and tanks. Well pads and storage tank installations should be designed to minimize visual impacts.
2. All disturbed soils and cut or fill slopes will be seeded and mulched as soon as possible.

G. Heritage Resources

1. Private mineral owners are subject to the prohibitions of the Antiquities Act of 1906. The Archaeological Resource Protection Act (ARPA) of 1979 provides clarification and forbids the removal of archaeological resources from Federal land without a proper permit. Section 6 of ARPA states that "no person may excavate, remove, damage, or otherwise alter or deface or attempt to excavate, remove, damage, or otherwise alter or deface any archaeological resource located on public lands or Indian lands unless such activity is pursuant to a permit issued under section 4 of this Act..."
2. Although survey work has revealed no known cultural resource sites near the proposed development, care should be taken to ensure that project activities are limited to those areas marked on the ground, i.e. well pads and access roads. Before operations occur beyond the marked project boundaries, you should contact the District Ranger. Your cooperation will help you avoid civil or criminal actions under the Antiquities Act of 1906 and the Archaeological Resources Protection Act of 1979, which protect cultural resources from unauthorized disturbance, removal, and transport.
3. Any significant change or modification to the reviewed proposal area/work plan for this site MUST be reviewed again by the Forest Service District Archeologist to ensure no further mitigations are required.

H. Monitoring

1. Forest Service personnel will inspect this development periodically while clearing, road building, and drilling occur.
2. The Forest Service will work closely with PA-DEP personnel to ensure that Soil Erosion and Sedimentation Control and Spill Prevention Plans are implemented.

I. Permits

Commercial Road Use Permits or Commercial Road Maintenance Agreements are required for commercial use of any National Forest System road.