



United States
Department of
Agriculture

Forest
Service

Allegheny National Forest
Bradford Ranger District

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File Code: 2830

Date: 5/6/06

Arthur Stewart
Duhring Resources Co.
7 Branch Street
Warren, PA 16365

Dear Mr. Stewart,

We have completed our project analysis for your proposed drilling of 5 oil and gas wells, in Warrant 2752/Lot 8, Sheffield Township, Warren County, Pennsylvania.

This letter serves as a notice that we have fulfilled our commitments under the Minard Run Decision to analyze impacts.

This is your Notice to Proceed, as we have received your signed Timber Sale Settlement Contract, Road Use Permit, and proof of payment. An executed copy of the Timber Sale Settlement Contract and Commercial Road Use Permit will be mailed to you for your records.

There are five threatened and endangered species known to occur on or near the Allegheny National Forest. These include small whorled pogonia, bald eagle, Indiana bat, and the clubshell/northern riffleshell mussels. Outstanding and Reserved Mineral Rights owners have certain responsibilities under the Endangered Species Act to protect the 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. Please Note that there may be Heritage Resources in the area. As the developer of any outstanding mineral rights, it is your responsibility to ensure that the resources are not damaged; otherwise you may be subject to the provisions of the Act.

We ask that you follow the attached mitigations and precede any significant departure from the mitigation measures and constraints guide with a telephone call to this office for consultation.

If you have questions, please contact Tom Farrell or Colleen Kelly of my staff at (814) 362-4613.

Sincerely,

Robert A. Skovall FOR

JOHN R. SCHULTZ
District Ranger



Duhring Resource Company – Wt 2752, Lot 8, Sheffield Township, Warren County, 5 wells, roads and pipelines

Visual and Recreation Concerns:

Access to these 5 new wells will be via FR 148 and a new non-system road off of FR 148. Both a mapping exercise and field review place the well sites within MA 3.0 within Variety Class B (Common); Concern Level 1 (Most Sensitive) and within the foreground (distance zone) of the NCNST, (North Country National Scenic Trail). The ANF Forest Plan specifics that the VQO (Visual Quality Objective) of this area should meet PR (Partial Retention), page 4-87. The area currently meets PR, but once new well pads, road and pipeline are installed; the area will not meet PR. The new well sites will be located within 50 - 100 feet of the NCNST, which runs between Cherry Run (south) and FR 148 (north). There is both small and medium stemmed leafy vegetation (birch, beech, black cherry and some hemlock) existing between the new well sites and the NCNST. To help alleviate the visual and recreation concerns and to help the area retain the VQO of PR, the following mitigations measures are prescribed:

Mitigation Measures:

1. Maintain a minimum leafy vegetative buffer of 100' between the well pads, roads and pipelines and the NCNST. (Leave as much woody leafy vegetation as possible between the NCNST and new well pads, roads and pipelines.)
2. If needed, plant native vegetation (hemlock and white pine) to screen activities (well locations and roads) from the NCNST. Trees and/or shrubs shall be planted in groups of 3, 5, or 7.
3. Foreground stumps shall be pulled and scattered at least 100' from the NCNST or disposed of in a pit.
4. Slash shall be pulled back at least 25' and not seen from the NCNST and shall be lopped and scattered to a 3' depth for an additional 75' along the NCNST corridor.
5. Well jacks and/or tank batteries (earth tone colors) shall be placed out of viewing distance of the NCNST.
6. Operation of ATVs by OGM operators shall not occur on the NCNST.

Respectfully Submitted,

/s/ Julie A. Moyer

Julie A. Moyer
Outdoor Recreation Planner

Management Requirements and Constraints

A. Wildlife

1. Retain snags with bark or den trees adjacent to the flagged well sites and road ROW. 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. Please notify the Bradford District wildlife biologist if any stick nests are found near or adjacent to any work locations prior to development.
3. All work should stop immediately if any Federally proposed or listed species is found or observed on the project site during the implementation process. The operator should call ANF Bradford District wildlife biologist to conduct an assessment or recommend future mitigation measures.
4. Complete all proposed work in a timely fashion to reduce disturbance and displacement to fish and wildlife species.
5. 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.

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. E & S Plans should be reviewed and approved by qualified technicians. These plans with appropriate controls should be implemented prior to beginning any work. Erosion control barriers should remain in place until project is completed. Disturbed areas must be successfully re-vegetated within 60 days of the end of construction or within 60 days of the beginning of the first growing season following construction that occurs in late fall or winter. Re-vegetation means 75% coverage as measured by transect.
2. It is the developer's responsibility to place culverts where they are needed in access roads where seeps and drainages occur. Culverts should be 18" dia. CMP or 15" dia. casing and installed diagonally with outlet downhill and a 6" drop per 10 feet of running width. The following table outlines recommended spacing of culverts based on percentage slope:

Slope	Spacing of Culverts
2-5%	300- 500'
6-10%	200- 300'
11-15%	100- 200'

3. Excavated material will be kept out of and away from springs and streams.
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 will 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 very wet weather, and heavy equipment will not operate on the lease at that time.
7. Do not sidecast excavated road materials and avoid accumulating or spreading these materials in upland draws, depressions, intermittent streams, and/or spring seeps.
8. Roads crossing streams or spring seeps should be surfaced with limestone gravel to minimize increased acidic impacts to water quality. Also, impacts can be reduced during construction if the applicant places geotextiles under proposed well pads and roadways where they cross wetland seeps and springs.

C. Transportation Systems

1. Road locations will be approved by the Bradford District prior to marking timber for removal. Use existing roadways, skid trails, or travel paths for access to proposed well sites whenever possible.
2. Rock surfacing on roads will be commensurate with use and season of the year. Road use should prevent ruts and maintain road crown. At least 6" of stone will be applied to all roads intended for permanent access. Stone will be obtained from a commercial source.
3. Road grades will not exceed 8-10%.
4. Do not sidecast excavated road materials and avoid accumulating or spreading these materials in upland draws, depressions, intermittent streams, and spring seeps.
5. It is suggested that a gate be installed at the entrance of OGM roads to ensure that the FS resources are not damaged by non-OGM development purposes.

D. Equipment

1. Equipment must be stored, serviced, and fueled in upland areas away from transport pathways and all aquatic habitats.

E. Timber

1. All merchantable timber will be marked by the Forest Service and sold by contract. Timber will be paid for prior to cutting.
2. Timber will not be skidded across watercourses, springs or seeps.
3. Slash will be removed 15 feet from the road ditch and scattered beyond this limit.
4. The operator will give the Forest Service at least two weeks notice for marking and future development on this lease covered by this analysis.

F. Public Safety

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1. Electric lines will be buried with the pipeline. When the electric line is above ground it will be suspended from poles to maintain at least 10' above the ground and when crossing the road, the line will maintain 16' above the road.
 2. Pipelines will be buried 36" deep in road ROW.
 3. Automatic jacks will have warning signs to alert the public.

G. Recreation, Archeology, and Aesthetics

1. The developer is encouraged to use earth tone colors such as brown and green when painting well jacks and tanks.
2. Slash from clearing roads, well sites, and other areas will be kept out of springs, seeps, and streams. Timber is not to be skidded across streams.

H. Monitoring

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

Permits

1. The operator is requested to provide the Forest Service with copies of State approved drilling permits.
2. The operator needs to update any of their existing road use permits for Forest Roads used in the project.