



Public Notice

U.S. Army Corps
of Engineers

In Reply to Application Number
CENAB-OP-RPA-2013-00689-P02 (Upper Susquehanna River
Mitigation Bank Phase 2)

Baltimore District

PN-13-50

Comment Period: August 7, 2013 to September 8, 2013

THE PURPOSE OF THIS PUBLIC NOTICE IS TO SOLICIT COMMENTS FROM THE PUBLIC REGARDING THE DEVELOPMENT OF THE PROPOSED UPPER SUSQUEHANNA RIVER MITIGATION BANK PHASE 2 AND THE POTENTIAL OF THE PROPOSED MITIGATION BANK TO PROVIDE APPROPRIATE COMPENSATORY MITIGATION FOR ACTIVITIES AUTHORIZED BY DEPARTMENT OF THE ARMY PERMITS. THE PROPOSED WORK IS DESCRIBED BELOW. NO DECISION HAS BEEN MADE AT THIS TIME AS TO WHETHER OR NOT THE PROPOSED MITIGATION BANK WILL BE APPROVED.

The Upper Susquehanna River Mitigation Bank Phase 2 is proposed as a modification to the Pennsylvania Statewide Umbrella Mitigation Banking Instrument approved by the Corps through the Baltimore, Pittsburgh, and Philadelphia Districts on July 2, 2013. We are requesting comments to determine if approval should be granted for this location as a commercial mitigation bank site for the purpose of providing compensatory mitigation for unavoidable aquatic resource impacts, including wetlands and streams, authorized by Department of the Army (DA) permits.

A copy of the proposed Upper Susquehanna River Mitigation Bank Phase 2 Mitigation Site Plan is attached to this public notice. The Mitigation Site Plan provides a summary of the information regarding the proposed mitigation bank in accordance with the Department of Defense/Environmental Protection Agency Final Rule on Compensatory Mitigation for Losses of Aquatic Resources (33 CFR Parts 325 and 332 and 40 CFR Part 230).

Oversight of this Mitigation Bank will be undertaken by the Pennsylvania Interagency Review Team (IRT), which is comprised of Federal and State regulatory and resource agencies. The Baltimore District, U.S. Army Corps of Engineers serves as chair of the IRT, and the Pennsylvania Department of Environmental Protection serves as co-chair the IRT.

In addition to the submitted Mitigation Site Plan, this District has also received and approved an application for a Department of the Army permit pursuant to Section 404 of the Clean Water Act (33 U.S.C. 1344) for construction of the stream and wetland restoration, rehabilitation and re-establishment work. The proposed work is described below:

MITIGATION BANK SPONSOR:

First Pennsylvania Resource, LLC
Attn: Mr. Will Donaldson
380 Southpointe Blvd.
Suite 405
Canonsburg, Pennsylvania 15317

WATERWAY AND LOCATION OF THE PROPOSED WORK:

The proposed mitigation bank is located in an unnamed tributary to the Cowanesque River and adjacent wetlands, in Brookfield Township, Tioga County, Pennsylvania (41° 56' 02.72" N, -77° 36' 21.27" W). The physical address for the Upper Susquehanna River Mitigation Bank Phase 2 is 300 Dibble Hollow Road, Westfield, Pennsylvania, 16950. The sponsor proposes to utilize approximately 129.3 acres for establishment of the mitigation bank.

BANK DESCRIPTION:

The proposed Upper Susquehanna River Mitigation Bank Phase 2 would provide compensatory mitigation for unavoidable wetland and stream channel impacts for projects authorized by the Corps. The proposed mitigation bank will involve the rehabilitation of 5.65 acres of currently degraded existing wetlands (5.51 acres of palustrine emergent wetlands, and 0.14 acre of palustrine scrub-shrub wetlands) which will be planted with native wetland tree species to obtain a palustrine forested wetland system; the conservation (preservation) of 0.25 acres of existing forested wetlands; the restoration of 2,804 linear feet of currently degraded stream channel (including 368 linear feet of stream channel re-establishment through removal of an on-line existing agricultural pond) with vegetated riparian zone restoration; 556 linear feet of stream channel conservation (preservation) with vegetated riparian zone restoration; 4,146 linear feet of stream channel conservation (preservation) with vegetated riparian zone conservation (preservation); and supporting upland buffer zone restoration of 62 acres and conservation (preservation) of 61.3 acres. The entire 129.3 acre USRMB2 site will receive long-term protection through recordation of a Declaration of Restrictive Covenants for Conservation. The proposed geographic service area for the USRMB2 is the Upper Susquehanna River Subbasin, corresponding to the Pennsylvania State Water Plan, Watershed Subbasin 4, and USGS Hydrologic Unit Code (HUC) 02050106, including portions of HUC's 02050101, 02050103, 02050104, and 02050105 located within Pennsylvania.

WORK REQUIRING DEPARTMENT OF THE ARMY AUTHORIZATION: A Preliminary Jurisdictional Determination for the USRMB2 site was performed by the Corps on May 2, 2013. On May 29, 2013, the Baltimore District authorized construction of the stream and wetland restoration work under Nationwide Permit (NWP) #27 for Aquatic Habitat Restoration, Establishment, and Enhancement Activities. The Corps authorization for

construction of the stream and wetland restoration activities was undertaken as a stand-alone aquatic resource restoration project with the understanding that the permit decision would in no way prejudice the decision whether to use the site as a compensatory mitigation bank. The work authorized under the NWP #27 included the discharge of dredged and/or fill material into wetlands and/or waters for the construction of a stream and wetland restoration site using a natural channel design to restore and preserve self-sustaining functional stream, wetland, and riparian corridors. The work consists of realignment of the stream at specified locations, installation of in-stream structures, grading of the streambanks, removal of an on-line agricultural pond, and planting of live stakes and wetland plant species, resulting in permanent impacts to approximately 4,366 linear feet (1.01 acres) of streams and 69,585 square feet (1.60 acres) of wetlands. The project is located in an unnamed tributary to the Cowanesque River and adjacent wetlands, off of Dibble Hollow Road in Westfield, Brookfield Township, Tioga County, Pennsylvania.

The purpose of this proposed mitigation bank is to provide compensatory mitigation for future unavoidable impacts to aquatic resources that result from activities permitted by the Corps under Section 404 of the Clean Water Act and/or Section 10 of the Rivers and Harbors Act of 1899. The mitigation bank would be used to comply with special conditions for compensatory mitigation requirements of permitted projects by providing in-kind compensation for authorized aquatic resource impacts. The mitigation bank may only be used for future projects after all appropriate and practicable steps to avoid and minimize adverse impacts to aquatic resources, including wetlands and streams, have been demonstrated. Remaining unavoidable aquatic resource impacts must be compensated to the extent appropriate and practicable. The utilization of approved and established mitigation banks with available credits is given preference to other forms of compensatory mitigation in the hierarchy of potential mitigation options as contained in the Final Rule on Compensatory Mitigation for Losses of Aquatic Resources.

The final mitigation banking instrument does not provide ultimate Department of the Army authorization for specific future projects impacting waters of the United States; exclude such future projects from any applicable statutory or regulatory requirements; or preauthorize the use of credits from the bank for any particular project. The Corps provides no guarantee that any particular individual or general permit will be granted authorization to use this Mitigation Bank to compensate for unavoidable aquatic resource impacts associated with a proposed permit, even though compensatory mitigation may be available within the defined service area.

The decision whether to approve this compensatory mitigation bank will be based on an evaluation of the probable impacts, including cumulative impacts of the proposed activity on the public interest. That decision will reflect the national concern for both protection and utilization of important resources. The benefit, which reasonable may be expected to accrue from the proposal, must be balanced against its reasonably foreseeable detriments. All factors, which may be relevant to the proposal will be considered, including the cumulative effects thereof; among those are conservation, economic, aesthetics, general environmental concerns, wetlands, cultural values, fish

and wildlife values, flood hazards, flood plain values, land use, navigation, shoreline erosion and accretion, recreation, water supply and conservation, water quality, energy needs, safety, food and fiber production, mineral needs, and consideration of property ownership and in general, the needs and welfare of the people.

The Corps of Engineers is soliciting comments from the public; Federal, State, and local agencies and officials; Indian Tribes; and other interested parties in order to consider and evaluate the impacts of this proposed activity. Any comments received will be considered by the Corps of Engineers to determine whether to approve or disapprove the use of the site as a mitigation bank. To make this decision, comments are used to assess impacts on endangered species, historic properties, water quality, general environmental effects, and the other public interest factors listed above. Comments are used in the preparation of an Environmental Assessment and/or an Environmental Impact Statement pursuant to the National Environmental Policy Act. Comments provided will become part of the public record for this action. Comments are also used to determine the need for a public hearing and to determine the overall public interest of the proposed activity. Written comments concerning the work described above related to the factors listed above or other pertinent factors must be received by the District Engineer, U.S. Army Corps of Engineers, Baltimore District, Attn: Mike Danko, Carlisle Regulatory Field Office, 401 East Louther Street, Carlisle, Pennsylvania, 17013, within the comment period specified above.

The applicant must obtain any State or local government permits which may be required.

A preliminary review of this application indicates that the proposed work will not affect Federal listed threatened or endangered species or their critical habitat, pursuant to Section 7 of the Endangered Species Act, as amended. As the evaluation of this application continues, additional information may become available which could modify this preliminary determination.

Review of the latest published version of the National Register of Historic Places indicates that no registered properties listed as eligible for inclusion, therein, are located at the site of the proposed work. Currently unknown archeological, scientific, prehistoric, or historical data may be lost or destroyed by the work to be accomplished under the request permit.

Any person who has an interest which may be adversely affected by the issuance of this permit may request a public hearing. The request, which must be in writing, must be received by the District Engineer, U.S. Army Corps of Engineers, Baltimore District, Attn: Mike Danko, Carlisle Regulatory Field Office, 401 East Louther Street, Carlisle, Pennsylvania, 17013, within the comment period as specified above to receive consideration. Also it must clearly set forth the interest which may be adversely affected by this activity and the manner in which the interest may be adversely affected.

It is requested that you communicate this information concerning the proposed work to any persons know by you to be interested and not being known to this office, who did not receive a copy of this notice.

FOR THE DISTRICT ENGINEER:



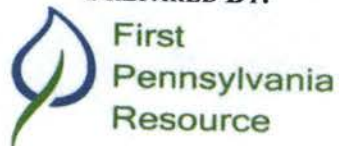
Wade B. Chandler
Chief, Pennsylvania Section

**UPPER SUSQUEHANNA RIVER
PHASE II
MITIGATION BANK
MITIGATION SITE PLAN**

MAY 2013



PREPARED BY:



ATTN: WILL DONALDSON
380 SOUTHPOINTE BLVD., SUITE 405
CANONSBURG, PA 15317

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- Exhibit 4: PASPGP-4 Cumulative Impact Screening Form
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I. INTRODUCTION

A. Bank Name and Organization

First Pennsylvania Resource, LLC ("Bank Sponsor") proposes to establish the Upper Susquehanna River Phase II Mitigation Bank ("USRMB2") within the Pennsylvania Statewide Umbrella Mitigation Banking Instrument ("PSUMBI"). The purpose of the PSUMBI is to provide compensatory mitigation for unavoidable impacts to streams and wetlands as a result of activities authorized under Section 401 and 404 of the Clean Water Act, Section 10 of the Rivers and Harbors Act, Pennsylvania Department of Environmental Protection ("PADEP") Chapters 102, 105, and 106 regulatory programs, and Department of the Army Permits provided such activities have met all applicable requirements and are authorized by the appropriate agencies.

B. Authorities

The establishment, use, operation and maintenance of the PSUMBI and the USRMB2 are carried out in accordance with the following authorities:

1. Clean Water Act (33 USC 1251 et seq.);
2. Rivers and Harbors Act (33 USC 403);
3. Fish and Wildlife Coordination Act (16 USC 661 et seq.);
4. Regulatory Programs of the Corps of Engineers, Final Rule (33 CFR Parts 320-332);
5. Guidelines for Specification of Disposal Sites for Dredged and Fill Material (40 CFR Part 230);
6. Memorandum of Agreement between the Environmental Protection Agency and the Department of the Army concerning the Determination of Mitigation Under Clean Water Act, Section 404 (b)(1) Guidelines (February 6, 1990);
7. Regulatory Guidance Letter No. 05-01. U.S. Army Corps of Engineers, February 14, 2005;
8. Compensatory Mitigation for Losses of Aquatic Resources; Final Rule. 33 CFR Parts 325 and 332, Department of the Army, Corps of Engineers and 40 CFR Part 230, Environmental Protection Agency, April 10, 2008;
9. Regulatory Guidance Letter No. 08-03. U.S. Army Corps of Engineers, October 10, 2008;
10. Pennsylvania Department of Environmental Protection, Chapters 102, 105, and 106 regulatory programs; and
11. Pennsylvania State Programmatic General Permits (PASPGP) 3 and 4 and the requirements of Title 25 PA Code 105 rules and regulations.

C. Location

The USRMB2 is located approximately 4 miles northwest of Westfield, Pennsylvania on the boundary of Tioga and Potter Counties. A vicinity map showing the USRMB2 location is included as Figure 1: Vicinity Map. A location map providing greater detail of the USRMB2 is included as Figure 2: Site Location Map.

The USRMB2 address is:

300 Dibble Hollow Road
Westfield, PA 16950

The USRMB2 latitude and longitude coordinates are:

N 41° 56' 02.72"

W 77° 36' 21.27"

Driving directions from the intersection of State Route 349 and State Route 49 in Westfield are as follows:

- Continue west on State Route 49 for 3.7 miles;
- Turn right on Dibble Hollow Road heading north for 0.4 miles;
- When you reach a yellow locked gate across Dibble Hollow Road, you have reached the southern boundary of the privately held property that contains the USRMB2.

Arrangements should be made with the Sponsor prior to visiting the USRMB2.

II. PHASING

This Mitigation Site Plan ("MSP") is being submitted for approval by the Interagency Review Team ("IRT") as an addendum to the PSUMBI. Upon approval, the MSP for the USRMB2 will be attached to the PSUMBI, and the USRMB2 will be deemed a component of the PSUMBI. Credits will be released consistent with the schedule of credit availability in accordance with this MSP and the PSUMBI. Credits released for the USRMB2 will be accounted for in the overall Bank ledger for the PSUMBI. Bank Sites will have separate ledgers and separate entries in RIBITS, but all ledgers will be governed by the PSUMBI.

III. BANK GOALS AND OBJECTIVES

The goal of the USRMB2 is to restore and preserve self-sustaining, functional stream, wetland, and riparian corridors to replace the functions and values lost from adverse impacts to streams and wetlands due to various permitted development projects within the Upper Susquehanna River Subbasin (State Water Plan Watershed Subbasin 4). The USRMB2 development efforts will provide an in-kind replacement for the direct loss or functional degradation of stream, wetland, and riparian resources that result from unavoidable aquatic resource impacts. In addition, the structural establishment of these functional improvements in advance of the compensated functional impacts will serve to eliminate the temporal loss of function that may result from alternative mitigation approaches.

The primary USRMB2 stream is classified as a second order unnamed tributary of the Cowanesque River. According to the Tioga County Conservation District ("TCCD") Watershed Program, the Cowanesque River Subbasin is the most heavily impacted region in Tioga County (TCCD, 2005). This region has historically attracted agricultural production due to its fertile and relatively farmable lands. This trend continues presently and is reflected at the USRMB2. Large portions of the Bank Site's riparian zones have been impacted by the historical conversion from forested habitat to herbaceous dominated land cover suitable for grazing. An additional 11.1 acres of the USRMB2 currently exist as managed timber areas with a monoculture replacing what was once forest habitat. Beyond the loss of natural vegetative cover, the USRMB2 has been

severely impacted by anthropogenic modifications including direct channel access of livestock resulting in excessive hoof shear and sediment within the stream channel; a ford crossing for agriculture equipment, demolishing the stream bank and in-stream habitats; and the impoundment of the main onsite tributary to form an agricultural pond. The USRMB2 is especially vulnerable as it also displays the unstable stream channel and sediment transport conditions commonly found in the glaciated low plateau physiographic province.

The TCCD Watershed Program lists three geographic priorities for the Cowanesque River Subbasin: the protection of riparian areas, flood protection, and erosion prevention (TCCD 2005). The goals of this project strongly align with these priorities. The deforested onsite riparian areas and the managed timber areas will be replanted, promoting a diverse forest community. Additionally, the riparian areas onsite that exist in a forested state will be protected from further logging activities and the expansion of livestock production. The project will work to ensure stream channel stability through heavy riparian planting and natural channel design. Heavy native woody stem plantings will improve the stream health by filtering runoff, absorbing nutrients, and providing habitat for both aquatic and terrestrial wildlife species. This project will also utilize flood conveyance and storage measures including the restoration of stream bank vegetation, restoration of the natural stream meander, and grading of the stream banks.

The TCCD Watershed Program stresses the importance of maintaining the designated uses for water quality with the Cowanesque River Subbasin (TCCD 2005). Water quality concerns stem from the high rate of agricultural and energy development in the area. Moreover, streams located in the glaciated low plateau physiographic province are composed of very unstable, unconsolidated glacial outwash. The restoration and conservation of the USRMB2 represents an opportunity to provide direct and supplementing improvements to support recognized high quality cold water fisheries and approved trout waters. The primary USRMB2 stream is designated as a Cold Water Fishery (CWF) under Chapter 93 of the Pennsylvania Clean Streams Law. The Cowanesque River, the overall receiving stream, is designated as a Cold Water Fishery (CWF) as well as an Approved Trout Waters. In addition, Dodge Hollow Run that discharges to the Cowanesque River just upstream of the Bank Site's unnamed tributary discharge is identified as a Designated Use HQ-CWF (High Quality – Cold Water Fishery) and an Existing Use Exceptional Value (EV) stream. Dodge Hollow Run is further recognized as a Trout Natural Production Fishery.

The USRMB2 proposes to establish the following resource types in the amounts described below using the indicated proposed methods:

Forested Wetlands

Total Area: 5.9 acres composed of:

Wetland (PEM to PFO) Restoration: 5.51 acres

Wetland (PSS to PFO) Restoration: 0.14 acres

Wetland (PFO) Conservation: 0.25 acres

Stream Mitigation

Total Linear Footage: 7,506 L.F. composed of:

Channel Restoration with Riparian Restoration: 2,804 L.F. (including 368 L.F. of

channel reestablishment through an in-line agricultural pond removal)
Channel Conservation with Riparian Restoration: 556 L.F.
Channel Conservation with Riparian Conservation: 4,146 L.F

Supporting Upland/Riparian

Total Area: 123.3 +/- acres composed of:
Forest Restoration: 62 acres
Forest Conservation: 61.3 acres

IV. SUITABILITY OF THE BANK SITE

A. Site Selection

The USRMB2 was selected after careful consideration of multiple alternatives in the watershed. Many alternatives were eliminated as a result of unwillingness on the part of the property owner to permanently restrict the property. The remaining alternatives were ultimately rejected due to a lack of the degraded resources within the project areas to yield a significant restoration project. This site was selected firstly because of its ability to accomplish ecologically self-sustaining aquatic resource restoration, rehabilitation, and enhancement. The USRMB2 is surrounded by mature forested habitat that can provide natural species transfer. The stream directly connects to a mature, stable environment downstream. Furthermore, the USRMB2 is adjacent to additional restoration projects being carried out in conjuncture with the USRMB2. The Sponsor explored the USRMB2 with the Potter County and Tioga County Conservation District to ensure it met all local guidelines and watershed needs. Following site visits, both the Fish and Wildlife Service and the PADEP preliminarily approved the USRMB2 prior to production of full construction plans.

The high resource value of the primary onsite stream and the degraded condition of the wetlands and streams make this an attractive site from a mitigation perspective, as there is significant potential for functional improvements. The Bank Site's wetlands and streams have been degraded through anthropogenic alterations including historic and current agricultural activities (i.e. direct livestock access and grazing), direct channel impacts which support property access, and timbering activities.

The location of the USRMB2 will provide compensatory mitigation options to counties within Pennsylvania that are receiving pressures from evolving development in the surrounding area. Providing ecological benefits such as improvements to water quality, fish and wildlife habitat, erosion control, and flood conveyance and storage will ensure that the aquatic resources within the watershed remain in good health. The primary service area for the USRMB2 is the Upper Susquehanna River Subbasin (State Water Plan Watershed Subbasin 4). Secondary service areas in adjacent State Water Plan Watershed Subbasins may be allowed on a case-by-case basis. A Service Area map illustrating the primary service area of the USRMB2 is included as Figure 3: Service Area Map.

B. Baseline Information

The USRMB2 includes an unnamed tributary to the Cowanesque River, PFO and PEM wetlands, upland grass pastures, and upland mid-successional forests. All jurisdictional streams and

wetlands identified onsite have been degraded through anthropogenic alterations including historic and current agricultural activities (i.e. direct livestock access and grazing) and the establishment of non-native pasture grasses (i.e. fescue). Typical site photographs are included as Exhibit 1: Representative Site Photographs. Additional site conditions are as follows:

1. Soils

The soil types depicted by the U.S. Department of Agriculture Natural Resource Conservation Service ("NRCS") soils map within the Bank Site boundary are typical to their relative location in the landscape, with poorly drained silt loams dominating the stream valley and well drained loams along the valley slopes. The majority of the stream valley is mapped as hydric soil types and consists of Morris (MoB and MoC) and Wellsboro (WeC and WeD) soils. Soils along the valley slopes are dominated by Oquaga (OgC and OgD) and Oquaga/Lordstown (OTF) soils. The mapped locations of the soils are shown on Figure 10: Environmental Inventory Map. The identified soils and brief summary of their attributes are included below.

- Morris gravely silt loam (MoB and MoC): Somewhat poorly drained, 3-8% slopes (MoB) and 8-15% slopes (MoC), located in depression landscape features.
- Wellsboro channery loam (WeC and WeD): Moderately well drained, 8-15% slopes (WeC) and 15-25% slopes (WeD), located on foot slopes of valley sides.
- Oquaga channery loam (OgC and OgD): Well drained, 18-15% slopes (OgC) and 15-25% slopes (OgD), located on side slopes and crest of hills.
- Oquaga and Lordstown soils, very steep (OTF): Well drained, 25-70% slopes, located on shoulder and side slopes of hills.

2. Wetlands

A wetland delineation performed in April 2013 on the USRMB2 and adjacent PRM sites identified the presence of approximately 5.51 acres of palustrine emergent (PEM) wetlands, 0.14 acres of palustrine scrub shrub (PSS) wetlands, 0.2 acres of palustrine open water (POW) wetlands, and 0.25 acres of palustrine forested (PFO) wetlands within the USRMB2. The approximate size and location of the jurisdictional areas identified onsite are shown on Figure 5: Preliminary Development Map. The jurisdictional areas within the USRMB2 have not yet been confirmed, pending a site visit from the USACE. PEM wetlands onsite were found within the floodplain of the main tributary and along hillside slopes throughout the USRMB2. The majority of these wetlands are located within active cattle pasture. The POW wetland identified onsite consists of an agricultural impoundment located in-line with the main tributary draining the USRMB2. The PSS wetlands are located upstream of the agricultural impoundment and obtains hydrology from the backwatering of the dam.

The majority of the wetlands onsite consisted of actively grazed PEM systems. Dominant vegetation found within the PEM wetland areas included sensitive fern (*Onoclea sensibilis*) shallow sedge (*Carex lurida*), soft rush (*Juncus effusus*), Canada rush (*Juncus canadensis*), fox sedge (*Carex vulpinoidea*), and reed canary grass (*Phalaris arundinacea*). Dominant vegetation found within the PFO wetland systems onsite consisted of red maple (*Acer rubrum*) and Eastern cottonwood (*Populus deltoids*) in the tree layer, musclewood (*Carpinus caroliniana*) in the shrub layer, and jewelweed (*Impatiens capensis*) and sensitive fern in the herb layer. Indicators of wetland hydrology within the wetlands identified onsite included soil saturation within the upper 12 inches of the soil surface, a high water table, surface water, passing the FAC neutral test, and

the presence of oxidized rhizospheres on living roots. Wetlands within the project limits obtain hydrology from a high groundwater table, groundwater seeps originating at the side slopes of hills, and areas with perched water tables.

3. Streams

The stream onsite originates from small headwaters which discharge through one main channel within the USRMB2. Due to anthropogenic alterations, the majority of the stream exists in a degraded condition and exhibits poor channel dimension, pattern, and profile resulting in bank instability and incision. The most acute stream channel impacts are an agricultural pond located in-line with the main tributary proposed for restoration and a ford crossing for agriculture equipment on the southern portion of the USRMB2.

Much of the riparian corridor is also degraded. Almost half of the stream channel on the USRMB2 (3,360 linear feet) possesses riparian corridors consisting of active and fallow agricultural fields, which largely lack both a tree and shrub layers. In this degraded condition, this system offers limited available aquatic and terrestrial habitat, is a major source of sediment, and contributes to poor water quality downstream.

4. Stream and Wetland Assessment

In order to document the existing conditions of onsite streams and wetlands, assessments were performed in accordance with the guidance outlined in the Pennsylvania Riverine Conditions Level 2 Rapid Assessment Protocol ("PA-RAP"). The PA-RAP is an assessment methodology used for determining the current condition of a stream or wetland and the compensation using mitigation credits that will result from the restoration of that resource under the Compensation Protocol. The PA-RAP results for the USRMB2 are available upon request to any member of the IRT.

C. Threatened and Endangered Species

The USRMB2 was screened for potential impacts to species of special concern using the Pennsylvania Natural Diversity Inventory ("PNDI") Project Planning Review tool. The PNDI Review verified that no impacts to federally or state-listed threatened, endangered, or special concern species or resources within the USRMB2 are anticipated. The receipt generated from the screening exercise is included in Exhibit 2: PNDI Receipt. Additionally, a bog turtle habitat screening was not performed given that the USRMB2 is located on the border Potter and Tioga County and not within the counties known to contain bog turtles or their preferred habitat.

The USRMB2 has the potential to create habitat for the Indiana bat. The Indiana bat is listed as "endangered" under the federal endangered species act. Like many North American bat species, the Indiana bat population in Pennsylvania has been severely impacted by the spread of white-nose syndrome. The USFWS puts the Indiana bat mortality rate in Pennsylvania above 60%. The Pennsylvania Indiana Bat population is further threatened by increased habitat loss as a result of development related to the growing energy industry.

While Indiana Bats hibernate in caves and mines during the winter months, potential summer habitat for the species occurs throughout the Commonwealth. Summering Indian bats roost in upland and riparian forests. By reforesting areas of upland and riparian forest, the USRMB2 has the potential to create additional habitat for this endangered species. The Bank Sponsor also

intends to incorporate the planting recommendations laid out by the USFWS in the document "Guidance on Developing and Implementing an Indiana Bat Conservation Plan."

D. Cultural Resources

In order to gain information regarding the presence of historical and cultural resources within the project study limits, a Cultural Resource Notice Form was sent to the Pennsylvania Historical and Museum Commission ("PHMC") for review on January 29, 2013. The application is attached as Exhibit 3: Cultural Resource Clearance Application

V. BANK ESTABLISHMENT

A. Determination of Credits

Tables showing the projected stream and wetland functional credit gain using the USACE-sponsored functional model within PSUMBI are included in Exhibit 6: USACE Functional Ratio Method Calculation. Upon approval of the Compensation Protocol, either model, or both, may be used to provide compensatory mitigation. The Bank ledger is attached as Exhibit 7: Bank Ledger.

A description of the physical work delivering functional gain is described below:

Restoration is proposed for 3,360 +/- linear feet of stream channel, including 2,804 +/- linear feet of active channel restoration and an additional 556 linear feet of channel conservation with riparian zone restoration in the near and channel adjacent areas. Restoration as a combined approach of stream rehabilitation and re-establishment of dimension, pattern, and profile of these reaches utilizing natural channel design techniques will improve the overall channel condition, stabilize channel banks, and reestablish hydraulic connectivity to flood prone areas. An in-stream impoundment for an existing agricultural pond will be removed to reestablish approximately 368 linear feet of stream channel to its historical location.

In-stream structures will be installed to maintain a stable width/depth ratio, maintain channel capacity, decrease near-bank shear stress, reduce water velocity, and improve in-stream habitat. Bank grading (bank layback) and bankfull bench creation will be undertaken as needed to prevent stream bank soil loss and provide as-needed cross sectional capacity adjustments, resulting in stable passage of flood flow and appropriate sediment transport. Additionally, live stakes will be installed along both banks to provide stream bank stabilization.

Riparian zone rehabilitation along one or both sides of the stream channel is proposed along 3,360 +/- linear feet of stream channel within the USRMB2. Currently, the proposed riparian zone restoration areas onsite consists of actively grazed pasture, which largely lacks both a tree and shrub layers. The USRMB2 also contains existing mature forest, which will be conserved as a supplement to the riparian rehabilitation areas, including forested areas within and beyond the riparian zone of influence along the banks of the primary tributary's channel.

The 129.3-acre conservation easement area includes 5.65 +/- acres of wetlands and 62 +/- acres of riparian uplands proposed for restoration from existing grazed herbaceous and managed timber conditions to a diverse forested community. Heavy native woody stem plantings are

proposed to improve the stream health by filtering runoff, absorbing nutrients, and providing habitat for both aquatic and terrestrial wildlife species.

B. Mitigation Work Plan

In accordance with the PSUMBI, the Mitigation Work Plan for the USRMB2 is attached as Exhibit 5: Mitigation Work Plan. This plan includes:

- Hydrology and Channel Design Parameters
- Erosion and Sediment Control Plan
- Construction Details
- Grading Plan and Profile
- Planting Specifications
- Planting Details
- Planting and Seeding Schedules

C. Performance Standards

The USRMB2 requires no special deviation from the performance standards set forth within the PSUMBI in Exhibit A.

VI. OPERATIONS

A. Site Protection Instrument

The Bank Sponsor has attached the proposed Site Protection Instrument for the USRMB2 as Exhibit 8: Revised Site Protection Instrument. The responsibilities set forth within the Site Protection Instrument may be transferable to an acceptable conservation organization upon fulfillment of project objectives with the property ownership remaining with the titled owner. The Bank Sponsor will provide for the perpetual protection and preservation of the USRMB2 through maintenance agreements or restrictive covenants. These provisions will conform to the current Pittsburgh District, U.S. Army Corps of Engineers ("USACE") and PADEP guidance. The restrictions of the attached Site Protection Instrument have been reviewed by the IRT.

B. Maintenance Plan

The Bank Sponsor agrees to perform all necessary maintenance to ensure the continued viability of the USRMB2 once initial construction is complete. The need to perform maintenance will be assessed in the monitoring reports and during monitoring site visits, and if deemed necessary by the Bank Sponsor or the IRT, the appropriate required maintenance will be conducted.

Upon Bank Closure, all of the terms and conditions set forth in the Long-Term Management and Maintenance Plan, described in Section J of this document, will take effect.

C. Monitoring Requirements

The USRMB2 will perform at least one monitoring report annually between Tiers 1-3 until all credits are sold or final success criteria are met, whichever is later, pursuant to Exhibit B in the PSUMBI. In any event where the Bank Sponsor can demonstrate the meeting of performance criteria culminating in a request for release of credits, a Tier 2 monitoring event shall occur. In any event of Default, a Tier 3 monitoring event will be required to demonstrate a renewal of

compliance. If this Mitigation Site Plan is amended to alter crediting, a Tier 3 monitoring report will be required. In all other cases, a Tier 1 monitoring event will be the minimum allowed, unless the IRT requests otherwise, in which case the wishes of the IRT shall prevail.

D. Long-term Management and Maintenance Plan

A Long-Term Management and Maintenance Plan ("LTMM Plan") ensures that the USRMB2 is managed, monitored, and maintained in perpetuity. The Bank Sponsor has set aside \$28,000 for the Long-Term Steward fee to fund the LTMM Plan. This plan, described below, establishes objectives, priorities and tasks to monitor, manage, maintain and report on the jurisdictional waters of the U.S. within the Bank Site. An annual report will be submitted to the IRT by November 30th containing photographic information and a brief discussion of any maintenance needed keep the property in a mature non-threatened state.

- a. Periodic Patrols. At least one annual walk-through survey will be conducted to qualitatively monitor the general condition of these habitats in perpetuity. General topographic conditions, hydrology, general vegetation cover and composition, invasive species, and erosion will be noted, evaluated and mapped during a site examination. Notes to be made will include observations of species encountered; water quality; general extent of wetlands and streams, and any occurrences of erosion; structure failure; or invasive or non-native species establishment. The report should provide a discussion of any recent changes in the watershed.
- b. Invasive Species Monitoring. Each year's annual walk-through survey (or a supplemental survey) will include a qualitative assessment (e.g. visual estimate of cover) of invasive species. Additional actions to control invasive species will be evaluated and prioritized in coordination with the IRT.
- c. Signage. Signage will be installed and maintained at property boundaries to prevent casual trespass while allowing necessary access. During each site visit, notes will be made as to the condition of signs, crossings, and property boundaries. Recommendations to implement repair or replacement to signage, crossings, or property boundary markers will be made, if applicable.
- d. Fencing. Fencing will be erected and maintained during the Initial Monitoring Period in order to prevent trespassing and allow maturation of the project. After this time the Long-Term Steward will determine the need to keep this fencing in consultation with the IRT. If there is no need, the fencing will be allowed to deteriorate naturally.
- e. Crossings and Structures. There are no crossings or other structures to maintain within the USRMB2.
- f. Forestry Management Practices. Vegetation will be reduced in any areas recommended by authorities, and as approved by the IRT, for fire control. Any practices to reduce diseased or dead vegetation will be allowed if the vegetation compromises the long-term viability of the project or any installed structure on the USRMB2.
- g. Trash and Trespass. At least once yearly trash will be removed and any necessary measures to prevent or repair damage from vandalism and trespass impacts will be taken.
- h. Right to Inspection. The IRT and its authorized agents shall have the right to inspect the USRMB2 and take actions necessary to verify compliance with this Long-Term Management Plan. The Long-Term Management Plan herein shall be

enforceable by any proceeding at law or in equity or administrative proceeding by the IRT, including the Corps or PADEP. Failure by any agency (or owner) to enforce the Long-Term Management Plan contained herein shall in no event be deemed a waiver of the right to do so thereafter. If the Long-Term Steward fails to succeed to adhere to the requirements Long-Term Maintenance and Monitoring Plan, the IRT Chairs may locate a new Long-Term Steward or request that the Sponsor assist in the process if occurring after Bank Closure.

E. Financial Assurances

The USRMB2 will be constructed to the specification of its approved Chapter 105, NPDES, and PASPGP-4 permits and within the requirements set forth in PSUMBI. The Bank Sponsor evaluated multiple options for Financial Assurances. The Bank Sponsor is seeking to use utilize Performance Bonds to fund aspects associated with the expenses identified below. The performance bonding entity has a rating of A+ (Fitch Ratings, 2010). A model document conforming to PSUMBI's sample document with minor alterations is attached per the bonding company's request as Exhibit 9. A complete line item budget has been provided separately to the IRT for detailed review.

Financial Assurances are required to include the following items:

- Construction/Development
 - Land Acquisition
 - Planning
 - Engineering
 - Legal Fees
 - Mobilization
 - Construction
- Initial Monitoring Period
 - Year 1-10 Maintenance, Monitoring, Reporting, and Contingency
- Fees and Costs Associated with Maintenance, Monitoring, Reporting, Contingency for Long-Term Steward
- Catastrophic Event Fund
- Costs Associated with Locating a Replacement Site

VII. REFERENCES

Pennsylvania Department of Conservation and Natural Resources (DCNR). "Glaciated Low Plateau Section Appalachian Plateaus Province." Available at <http://www.dcnr.state.pa.us/topogeo/field/map13/13glps/index.htm>. Accessed March 2013.

Tioga County Conservation District (TCCD). 2006. "Tioga County Chesapeake Bay Tributary Strategy." Available at http://www.tiogacountypa.us/Departments/Conservation_District/Documents/tc_tributary_strategy_06.pdf. Accessed March 2013.

U.S. Fish and Wildlife Service (USFWS). 2012. "Guidance on Developing and Implementing an Indiana Bat Conservation Plan" Available at http://www.fws.gov/northeast/pafo/pdf/IBATconservationplanguidance_PAFO_040412.pdf. Accessed March 2013.

FIGURES



Topographic imagery from US Geological Survey.
 Horizontal Datum is NAD 83 PA North.
 Study limits are approximate.

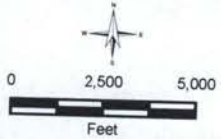
PROJECT STUDY LIMIT: +/- 129.3 ACRES
 LATITUDE: 41° 56' 02.72" N
 LONGITUDE: 77° 36' 21.27" W
 U.S.G.S. QUADRANGLE: POTTER BROOK
 DATE: 2010
 WATERSHED(S): TIOGA
 HYDROLOGIC UNIT CODE(S): 02050104

Copyright © 2010

FIGURE 1

USRMB PHASE 2 INCLUDING ADJACENT PRM PROJECTS
 VICINITY MAP

POTTER & TIOGA COUNTIES, PENNSYLVANIA





Topographic imagery from US Geological Survey.
 Horizontal Datum is NAD 83 PA North.
 Study limits are approximate.

PROJECT STUDY LIMIT: +/- 129.3 ACRES
 LATITUDE: 41° 56' 02.72" N
 LONGITUDE: 77° 36' 21.27" W
 U.S.G.S. QUADRANGLE: POTTER BROOK
 DATE: 2010
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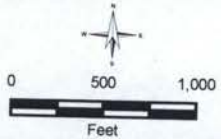
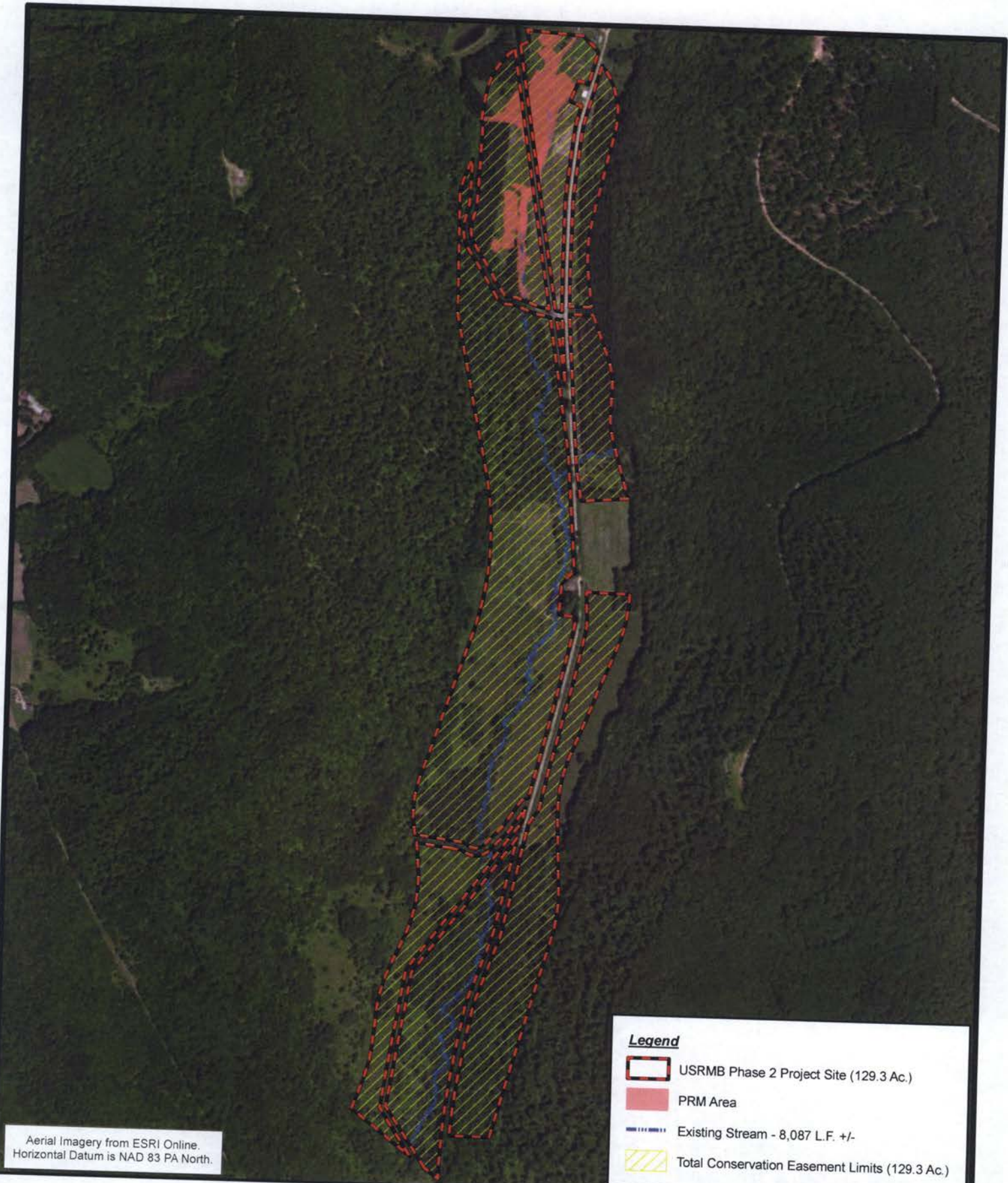


FIGURE 2
USRMB PHASE 2 INCLUDING ADJACENT PRM PROJECTS
SITE LOCATION MAP

POTTER & TIOGA COUNTIES, PENNSYLVANIA





Aerial Imagery from ESRI Online.
Horizontal Datum is NAD 83 PA North.

Legend





-  USRMB Phase 2 Project Site (129.3 Ac.)
-  PRM Area
-  Existing Stream - 8,087 L.F. +/-
-  Total Conservation Easement Limits (129.3 Ac.)



FIGURE 3
USRMB PHASE 2 INCLUDING ADJACENT PRM PROJECTS
PROTECTED AREAS MAP

POTTER & TIOGA COUNTIES, PENNSYLVANIA



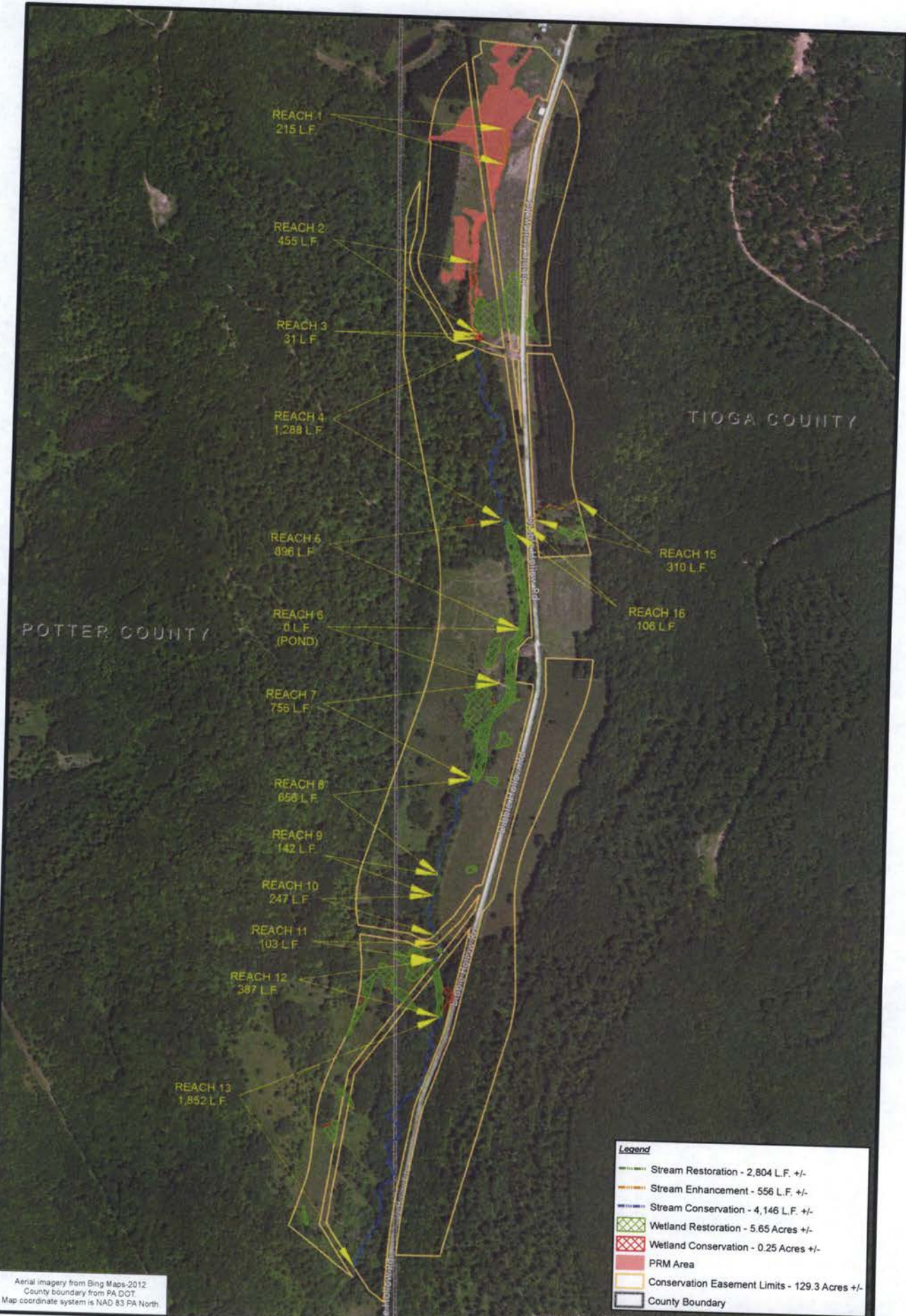


FIGURE 5

USRMB PHASE 2 INCLUDING ADJACENT PRM PROJECTS
PRELIMINARY DEVELOPMENT MAP

POTTER & TIOGA COUNTIES, PENNSYLVANIA



Figure5_USRMB_Phase2_PreliminaryDevelopmentMap_MBI.mxd



FIGURE 6

USRMB PHASE 2 INCLUDING ADJACENT PRM PROJECTS
 ENTIRE RESTORATION AREA MAP

POTTER & TIOGA COUNTIES, PENNSYLVANIA



Figure6_USRMB_Phase2_SpringvilleProjectCompensationMap_MBI.mxd



0 500 1,000
Feet

0 0.05 0.1 0.2 0.3
Miles

FIGURE 7

USRMB PHASE 2
INCLUDING ADJACENT
PRM PROJECTS
CHAPTER 93 USE MAP
POTTER & TIoga COUNTIES,
PENNSYLVANIA

REFERENCE

- 1.) CH93 data from PA DEQ
- 2.) Trout data from PA Fish & Boat Commission
- 3.) Aerial imagery from ESRI Online-2011
- 4.) Use boundary is approximate

Legend

- Chapter 93 Designated Use Streams
- Chapter 93 Existing Use Streams
- Approved Trout Waters 2012
- Conservation Easement Limits

Stream CH93 Designated Use
Use Description: CWF-(Cold Water Fishes)

Copyright © 2012, Bart, Dolan, Kay, Inc., Harris, Source: Esri, DigitalGlobe, GeoEye, USDA, USGS, AeroGRID, IGN, IGP, swisstopo, and the GIS User Community

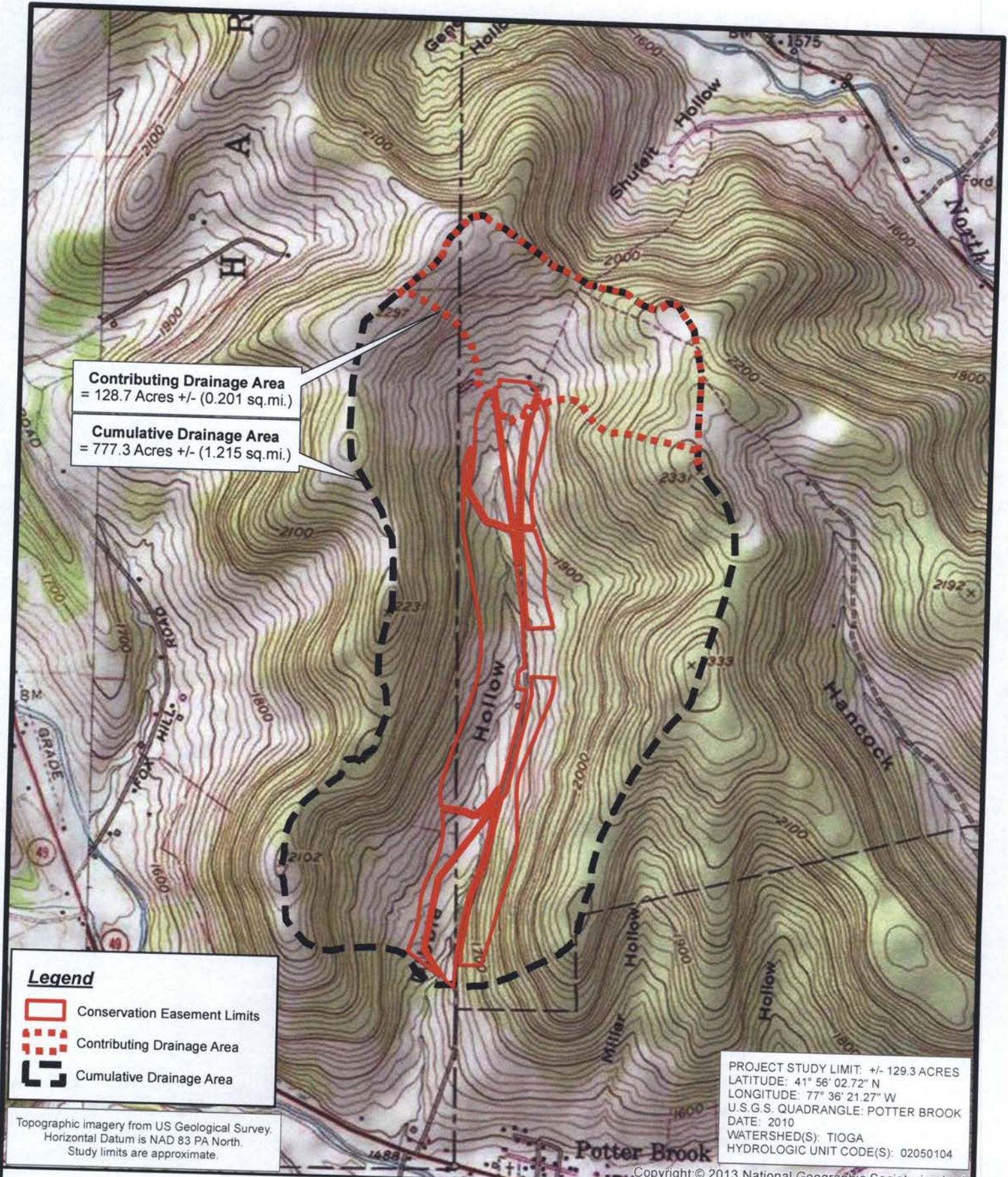


FIGURE 8

USRMB PHASE 2 INCLUDING ADJACENT PRM PROJECTS
DRAINAGE AREA MAP

POTTER & TIOGA COUNTIES, PENNSYLVANIA

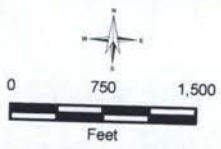
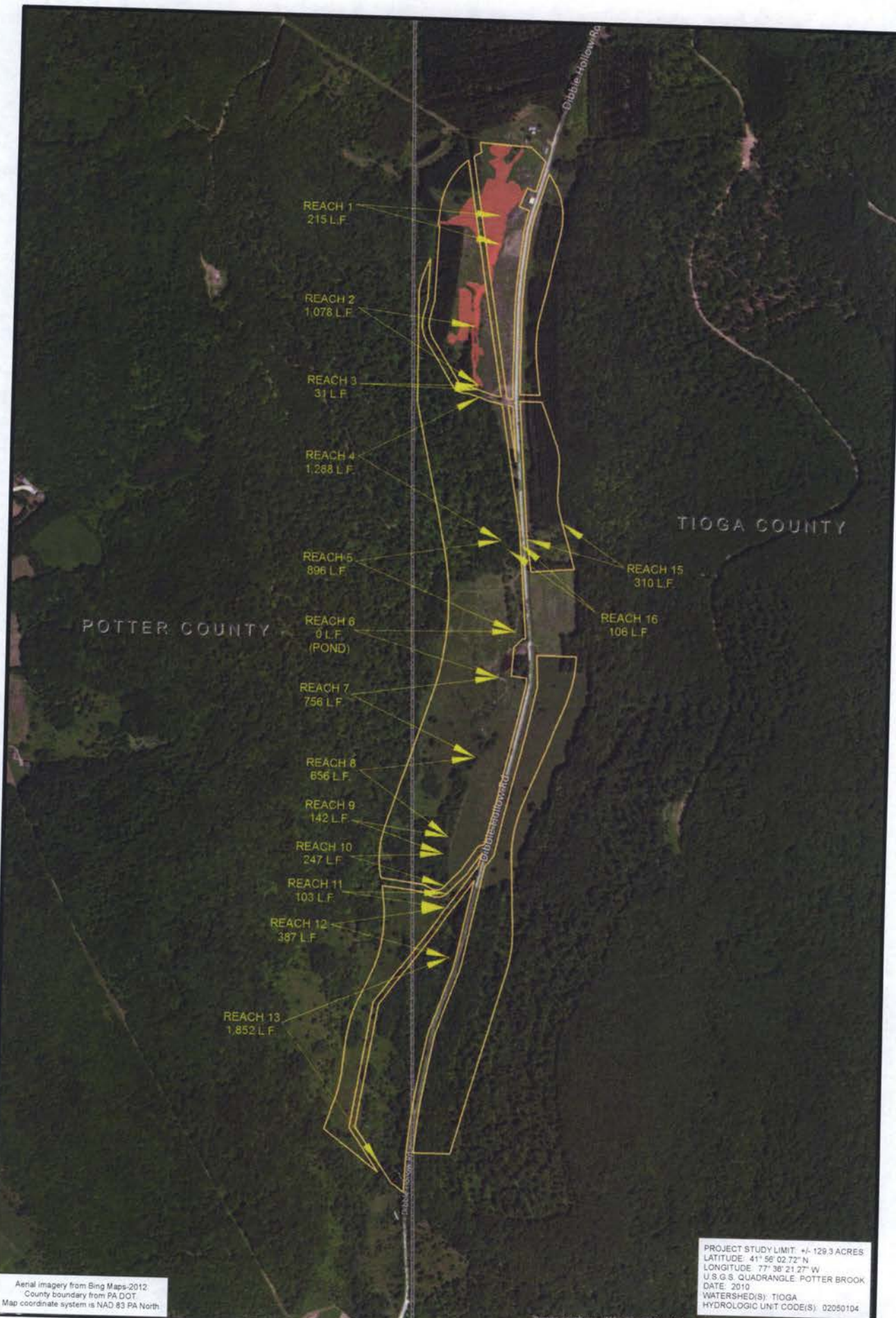


Figure8_USRMB_Phase2_DrainageAreaMap_MBI.mxd



Aerial imagery from Bing Maps-2012
 County boundary from PA DOT
 Map coordinate system is NAD 83 PA North

FIGURE 9

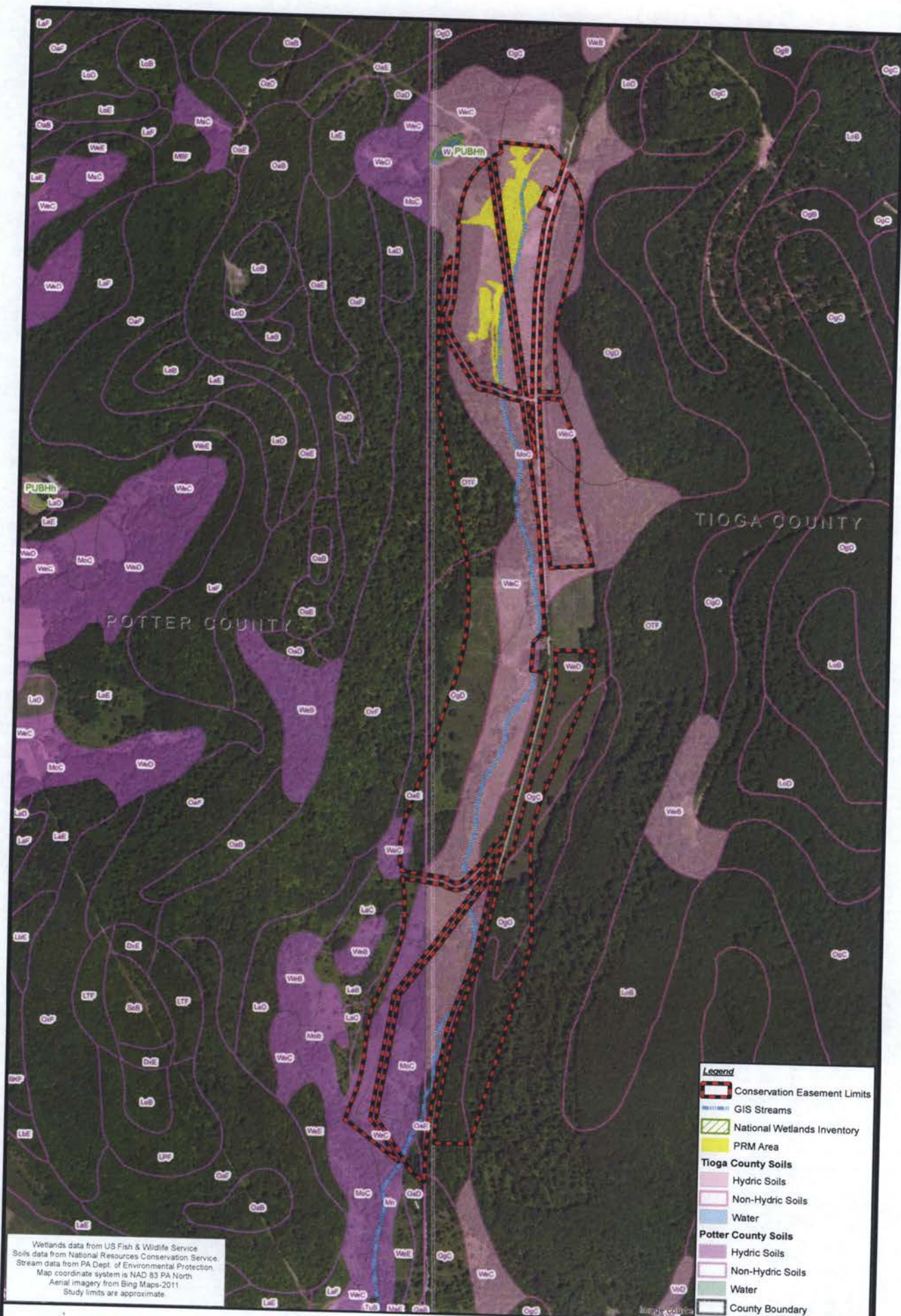
USRMB PHASE 2 INCLUDING ADJACENT PRM PROJECTS
 EXISTING CONDITIONS AERIAL MAP

- Legend**
- Conservation Easement Limits - 129.3 Acres +/-
 - PRM Area
 - County Boundary

POTTER & TIOGA COUNTIES, PENNSYLVANIA



Figure9_USRMB_Phase2_ExistingConditionsAerialMap_MBI.mxd



Wetlands data from US Fish & Wildlife Service
 Soils data from National Resources Conservation Service
 Stream data from PA Dept. of Environmental Protection
 Map coordinate system is NAD 83 PA North
 Aerial imagery from Bing Maps 2011
 Study limits are approximate

- Legend**
- Conservation Easement Limits
 - GIS Streams
 - National Wetlands Inventory
 - PRM Area
 - Tioga County Soils**
 - Hydric Soils
 - Non-Hydric Soils
 - Water
 - Potter County Soils**
 - Hydric Soils
 - Non-Hydric Soils
 - Water
 - County Boundary



FIGURE 10
 USRMB PHASE 2 INCLUDING ADJACENT PRM PROJECTS
 ENVIRONMENTAL INVENTORY MAP
 POTTER & TIOGA COUNTIES, PENNSYLVANIA



Figure10_USRMB_Phase2_EM_MB.mxd

EXHIBIT 1

REPRESENTATIVE SITE PHOTOGRAPHS

Upper Susquehanna River Mitigation Bank - Phase II Representative Site Photos



Palustrine emergent wetland located within the headwaters of the project site.



A majority of the streams onsite lack a sufficient riparian buffer and retain an existing buffer consisting of non-native vegetation such as bull thistle, multiflora rose, and a variety of pasture grasses.

Upper Susquehanna River Mitigation Bank - Phase II Representative Site Photos



Excessive hoof shear and sediment within the stream channel due to direct cattle access and lack of a sufficient riparian buffer is prevalent in the northern portion of the site.



Vertical and lateral instability, as seen in this photo, is prominent within the northern portion of the project site.

Upper Susquehanna River Mitigation Bank - Phase II
Representative Site Photos



High quality stream channel located within the northern half of the site which exhibits a mid-successional hardwood riparian buffer and an absence of cattle access.



Mid-successional riparian buffer with tree, shrub, and herbaceous vegetative layers present within the northern portion of the site.

Upper Susquehanna River Mitigation Bank - Phase II
Representative Site Photos

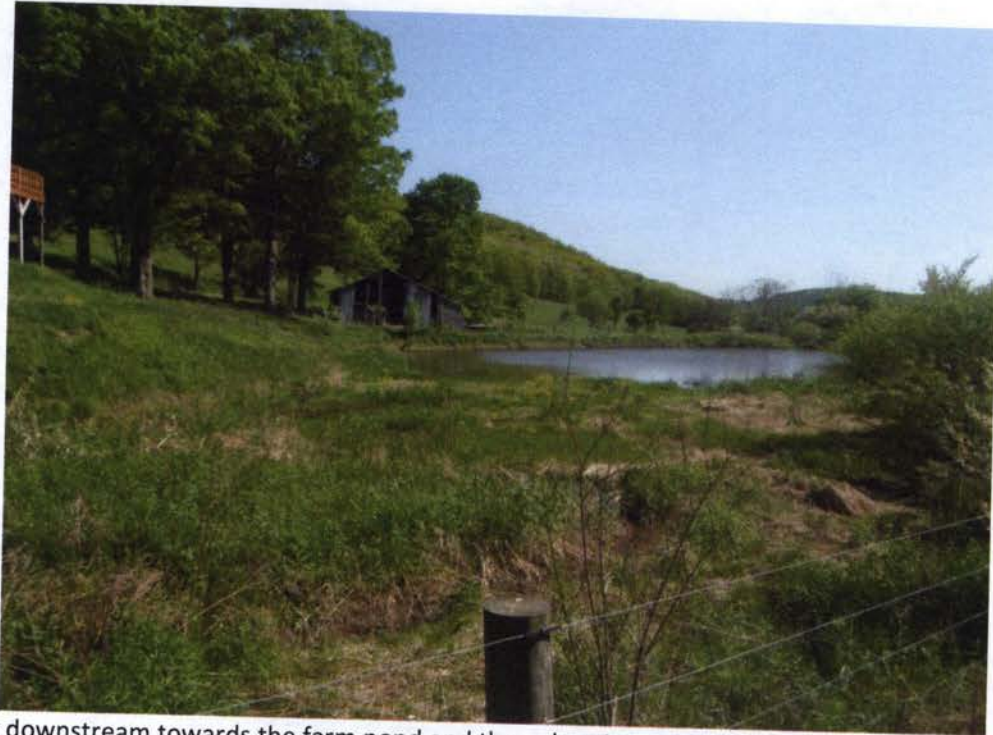


Excessive instability causing erosional sloughing of the stream banks within the central portion of the site upstream from the farm pond.



Headcut and mid-channel bar located within the central portion of the site upstream from the farm pond.

**Upper Susquehanna River Mitigation Bank - Phase II
Representative Site Photos**



Facing downstream towards the farm pond and the palustrine emergent wetland formed from the accumulation of sediment within upper portion of the impoundment.

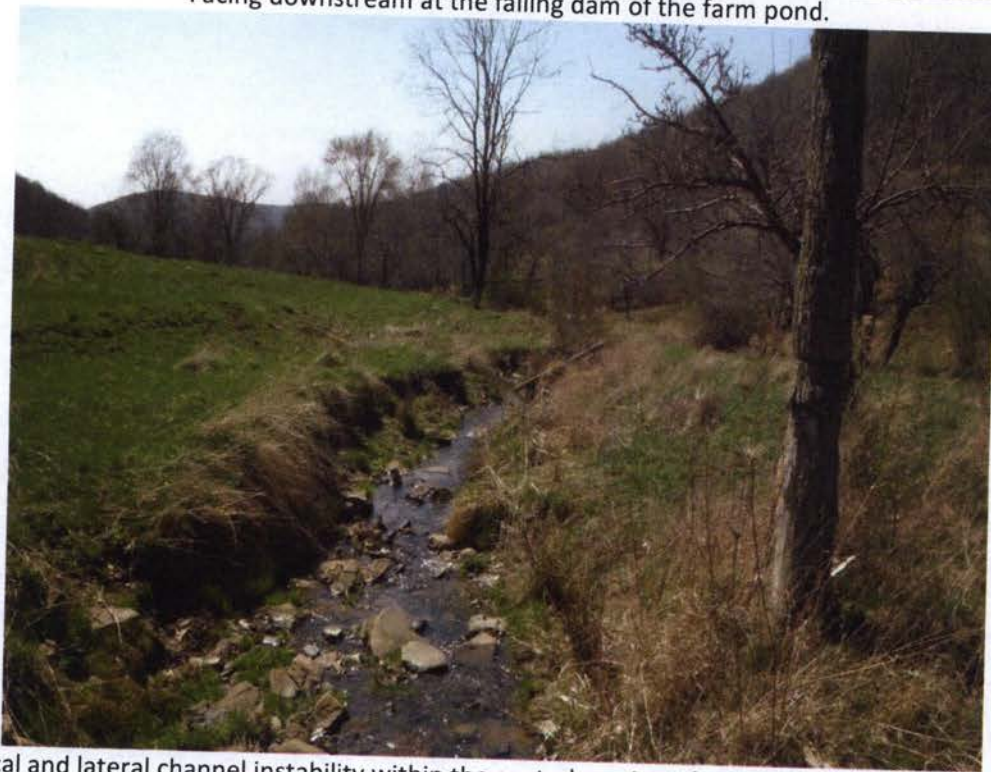


Farm pond located in-line with the main tributary proposed for restoration.

Upper Susquehanna River Mitigation Bank - Phase II
Representative Site Photos



Facing downstream at the failing dam of the farm pond.



Vertical and lateral channel instability within the central portion of the site downstream from the farm pond.

**Upper Susquehanna River Mitigation Bank - Phase II
Representative Site Photos**



Moderately stable portion of the main stream reach within an area with a riparian buffer.



Bank instability and undercutting along the left stream bank due to channel migration and a lack of riparian buffer.

Upper Susquehanna River Mitigation Bank - Phase II
Representative Site Photos



Existing agriculture equipment ford access crossing in the southern half of the site.



Braided stream channel within wetland system directly downstream of the ford crossing.

**Upper Susquehanna River Mitigation Bank - Phase II
Representative Site Photos**



Vertical and lateral channel instability along the stream reach below the braided system in the southern portion of the site.

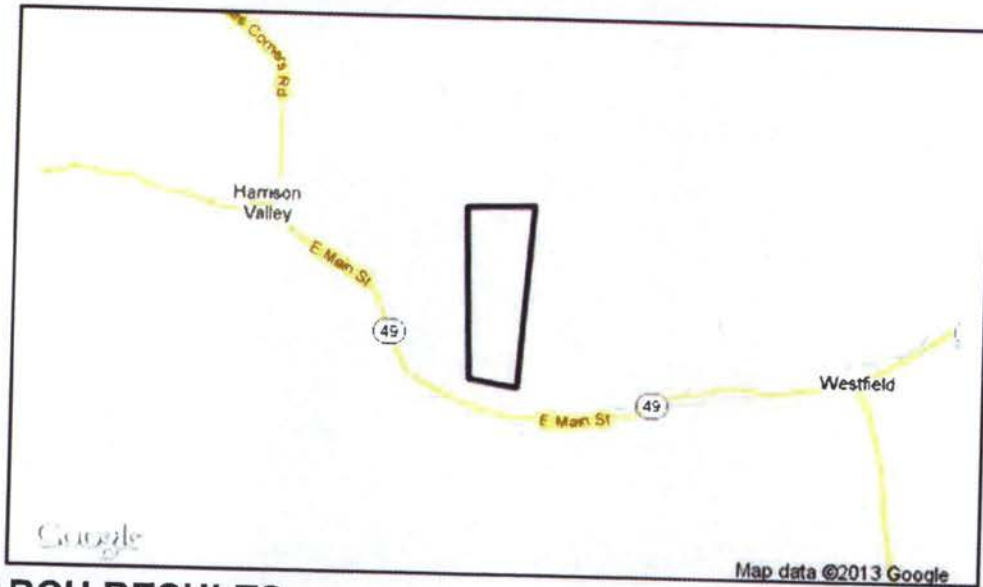


High quality stream channel with the appropriate dimension, pattern, and profile located along the southern boundary of the project site.

EXHIBIT 2
PNDI RECEIPT

1. PROJECT INFORMATION

Project Name: **Upper Susquehanna River Mitigation Bank - Phase 2**
 Date of review: **2/4/2013 12:21:25 PM**
 Project Category: **In-stream / Riverine Activities and Projects, Other**
 Project Area: **604.6** acres
 County: **Potter, Tioga** Township/Municipality: **Harrison, Westfield Twp, Brookfield**
 Quadrangle Name: **POTTER BROOK** ~ ZIP Code: **16950, 16927**
 Decimal Degrees: **41.931017 N, -77.592487 W**
 Degrees Minutes Seconds: **41° 55' 51.7" N, -77° 35' 33" W**



2. SEARCH RESULTS

Agency	Results	Response
PA Game Commission	No Known Impact	No Further Review Required
PA Department of Conservation and Natural Resources	No Known Impact	No Further Review Required
PA Fish and Boat Commission	No Known Impact	No Further Review Required
U.S. Fish and Wildlife Service	No Known Impact	No Further Review Required

As summarized above, Pennsylvania Natural Diversity Inventory (PNDI) records indicate no known impacts to threatened and endangered species and/or special concern species and resources within the project area. Therefore, based on the information you provided, no further coordination is required with the jurisdictional agencies. This response does not reflect potential agency concerns regarding impacts to other ecological resources, such as wetlands.

3. AGENCY COMMENTS

Regardless of whether a DEP permit is necessary for this proposed project, any potential impacts to threatened and endangered species and/or special concern species and resources must be resolved with the appropriate jurisdictional agency. In some cases, a permit or authorization from the jurisdictional agency may be needed if adverse impacts to these species and habitats cannot be avoided.

These agency determinations and responses are **valid for two years** (from the date of the review), and are based on the project information that was provided, including the exact project location; the project type, description, and features; and any responses to questions that were generated during this search. If any of the following change: 1) project location, 2) project size or configuration, 3) project type, or 4) responses to the questions that were asked during the online review, the results of this review are not valid, and the review must be searched again via the PNDI Environmental Review Tool and resubmitted to the jurisdictional agencies. The PNDI tool is a primary screening tool, and a desktop review may reveal more or fewer impacts than what is listed on this PNDI receipt. The jurisdictional agencies **strongly advise against** conducting surveys for the species listed on the receipt prior to consultation with the agencies.

PA Game Commission

RESPONSE: No Impact is anticipated to threatened and endangered species and/or special concern species and resources.

PA Department of Conservation and Natural Resources

RESPONSE: No Impact is anticipated to threatened and endangered species and/or special concern species and resources.

PA Fish and Boat Commission

RESPONSE: No Impact is anticipated to threatened and endangered species and/or special concern species and resources.

U.S. Fish and Wildlife Service

RESPONSE: No impacts to federally listed or proposed species are anticipated. Therefore, no further consultation/coordination under the Endangered Species Act (87 Stat. 884, as amended; 16 U.S.C. 1531 *et seq.*) is required. Because no take of federally listed species is anticipated, none is authorized. This response does not reflect potential Fish and Wildlife Service concerns under the Fish and Wildlife Coordination Act or other authorities.

4. DEP INFORMATION

The Pa Department of Environmental Protection (DEP) requires that a signed copy of this receipt, along with any required documentation from jurisdictional agencies concerning resolution of potential impacts, be submitted with applications for permits requiring PNDI review. For cases where a "Potential Impact" to threatened and endangered species has been identified before the application has been submitted to DEP, the application should not be submitted until the impact has been resolved. For cases where "Potential Impact" to special concern species and resources has been identified before the application has been submitted, the application should be submitted to DEP along with the PNDI receipt. The PNDI Receipt should also be submitted to the appropriate agency according to directions on the PNDI Receipt. DEP and the jurisdictional agency will work together to resolve the potential impact(s). See the DEP PNDI policy at <http://www.naturalheritage.state.pa.us>.

5. ADDITIONAL INFORMATION

The PNDI environmental review website is a **preliminary** screening tool. There are often delays in updating species status classifications. Because the proposed status represents the best available information regarding the conservation status of the species, state jurisdictional agency staff give the proposed statuses at least the same consideration as the current legal status. If surveys or further information reveal that a threatened and endangered and/or special concern species and resources exist in your project area, contact the appropriate jurisdictional agency/agencies immediately to identify and resolve any impacts.

For a list of species known to occur in the county where your project is located, please see the species lists by county found on the PA Natural Heritage Program (PNHP) home page (www.naturalheritage.state.pa.us). Also note that the PNDI Environmental Review Tool only contains information about species occurrences that have actually been reported to the PNHP.

6. AGENCY CONTACT INFORMATION

PA Department of Conservation and Natural Resources

Bureau of Forestry, Ecological Services Section
400 Market Street, PO Box 8552, Harrisburg, PA.
17105-8552
Fax:(717) 772-0271

U.S. Fish and Wildlife Service

Endangered Species Section
315 South Allen Street, Suite 322, State College, PA.
16801-4851
NO Faxes Please.

PA Fish and Boat Commission

Division of Environmental Services
450 Robinson Lane, Bellefonte, PA. 16823-7437
NO Faxes Please

PA Game Commission

Bureau of Wildlife Habitat Management
Division of Environmental Planning and Habitat Protection
2001 Elmerton Avenue, Harrisburg, PA. 17110-9797
Fax:(717) 787-6957

7. PROJECT CONTACT INFORMATION

Name: Ben Snyder
Company/Business Name: Timmons Group
Address: 1001 Boulders Parkway, STE 300
City, State, Zip: Richmond, VA 23225
Phone: (804) 200-6381 Fax: (804) 560-1648
Email: Ben.Snyder@timmons.com

8. CERTIFICATION

I certify that ALL of the project information contained in this receipt (including project location, project size/configuration, project type, answers to questions) is true, accurate and complete. In addition, if the project type, location, size or configuration changes, or if the answers to any questions that were asked during this online review change, I agree to re-do the online environmental review.

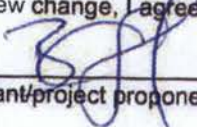
 applicant/project proponent signature 2/4/13 date

EXHIBIT 3

CULTURAL RESOURCE CLEARANCE APPLICATION

SECTION H. PROJECT BOUNDARIES AND DESCRIPTION

REQUIRED

Indicate the total acres in the property under review. Of this acreage, indicate the total acres of earth disturbance for the proposed activity. (Total acres:151.23, Disturbed acres:12.2)

Attach a 7.5' U.S.G.S. Map indicating the defined boundary of the proposed activity. (Attached)

Attach photographs of any building over 50 years old. Indicate what is to be done to all buildings in the project area. (None)

Attach a narrative description of the proposed activity. (Attached)


Attach the return receipt of delivery of this notice to the Pennsylvania Historical and Museum Commission.

REQUESTED

Attach photographs of any building over 40 years old. (None)

Attach site map, if available. (Attached)

SECTION I. SIGNATURE BLOCK

 Applicant's Signature	2/4/13 Date of Submission of Notice to PHMC
--	--



January 29, 2013

Mr. Steven McDougal
Pennsylvania Historical and Museum Commission
Bureau of Historic Preservation
Commonwealth Keystone Building, 2nd Floor
400 North Street
Harrisburg, PA 17120-0093

**RE: Request to Initiate Consultation
Specht Mitigation Site
Harrison Valley, Harrison & Brookfield
Townships., Potter & Tioga Counties**

Dear Mr. McDougal,

I am pleased to provide the attached Request to Initiate Consultation for the Specht Mitigation Site to the PHMC for review. The Site straddles the western boundary of Potter County with Tioga County and portions of the Project Site are located within each county. The purpose of this coordination request is to ensure that the proposed stream and wetland restoration project does not impact cultural resources.

A review of the Site's existing site conditions was conducted by Circa ~ Cultural Resource Management (Circa~) on behalf of First Pennsylvania Resources (FPR) and a Management Summary based on the review results was completed to support this Consultation request. Based on the results of the project review, Circa~ recommends that the proposed project will not have any impacts to any archaeological sites listed on or potentially eligible for listing on the National Register of Historic Places. Therefore, no further work is recommended. A copy of Circa's~ site research and report is attached for your review along with multiple project condition maps to assist with your project review and determination.

Please review the attached information supporting the federal and state permitting efforts which will authorize the construction of the Specht Mitigation Site. I will give you a call on Tuesday, February 5th to answer any questions that you may have about the Project. Until then, please do not hesitate to contact me directly at (804) 200-6442 or Circa's~ Lead Archaeologist, Carol Tyrer at (757) 880-4187 if you have any questions or require additional information. Thank you for your time and attention to this project.

Respectfully,
Timmons Group



Ben Virts, PWS, PWD
Sr. Environmental Project Manager

Attachments:

- 1) PHMC Request to Initiate Consultation
- 2) Management Summary
- 3) Representative Site Photos
- 4) Project Maps
 1. Vicinity Map
 2. Site Location Map
 3. Project Limits Aerial Map
 4. Topographic Map
 5. Existing Land Cover Map
 6. Representative Site Photos Map
 7. Project Grading and Disturbance Map

CC: Carol Tyrer, Circa ~ Cultural Resource Management (via electronic mail)

BHP Use Only
ER # _____

**Request to Initiate Consultation in Compliance with the State History Code and
Section 106 of the National Historic Preservation Act**

Applicant Information (print neatly, this will be used in the return envelope)			
Applicant Name	First Pennsylvania Resource, LLC c/o Will Donaldson		
Street Address	1738 E. Third St., 175		
City	Williamsport	Phone Number	504-493-6148
State/ZIP	PA 17701-3870		

Contact Person to Receive Response (if applicable) (print neatly, this will be used in the return envelope) - APPLICANT'S CONSULTANT			
Name/Company	Ben Virts/Timmons Group		
Street Address	1001 Boulders Parkway, Suite 300		
City	Richmond	Phone Number	804-200-6442
State/ZIP	VA 23225	Fax Number	804-560-1648

Project Information			
Project Title	Specht Mitigation Site		
Project Location and/address	300 Dibble Hollow Rd Westfield, PA 16950		
Municipality	Harrison & Brookfield Townships	County Name	Potter & Tioga Counties
If this project was ever reviewed before, include previous ER # _____			

Project Type (Check all that apply)			
Will Your Project Be Government Funded/Sponsored or On Government Land?			
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Specify Agency and Program Name Below			
State Agency:	_____	Program:	_____
Federal Agency:	_____	Program:	_____
Local/Other: _____			
Will Your Project Require Permits or Approvals?			
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Specify Agency and/or Program Name Below			
Anticipated Permits:			
State Agency:	PADEP	Program:	CWA 404 & NPDES
Federal Agency:	USACE	Program:	CWA 401/Chapter 105

Agency Office to Receive Copy of Response (Check all that apply)			
Army Corps of Engineers:	<input type="checkbox"/> Philadelphia	<input checked="" type="checkbox"/> Baltimore	<input type="checkbox"/> Pittsburgh
DEP Office:	<input checked="" type="checkbox"/> Central Office	<input type="checkbox"/> Regional Office:	_____
<input type="checkbox"/> District Mining Office:	_____	<input type="checkbox"/> Oil & Gas Office:	_____
<input type="checkbox"/> Other: (provide address)	_____		

BHP Use Only
ER #

Required Project Information for BHP/SHPO Review

Total Acres in the property under review: 151.23

Total acres of earth disturbance for this proposed activity: 12.2

Are there any buildings or structures within the project area? Yes No

Project located in or adjacent to a historic district? Yes No Unsure Approximate age of buildings:

Name of Historic District _____

Submissions Must Also Include:

MAP LOCATION: A 7.5 USGS Map showing the project boundary and the Area of Potential Effect (APE). The APE should include indirect effects, such as visual and audible impacts. Federal Projects must provide an explanation of how the APE was determined.

PHOTOS: Photos of all buildings or structures in the APE. If the property is over 50 years old submit a Historic Resource Survey Form with this initial request. The forms are available at <http://www.phmc.state.pa.us/bhp>, under "Forms and Guidance" link.

PROJECT DESCRIPTION NARRATIVE: Provide a detailed project description describing the project, any ground disturbance, any previous land use, and age of all effected buildings in the project area. Attach a site map showing the location of all buildings in the project area.

I have reviewed all DEP Permit Exemptions listed on the DEP website www.dep.state.pa.us.

In addition, federal agencies must provide:

Measures that will be taken to identify consulting parties including Native Americans.

Measures that will be taken to notify and involve the public.

The information on this form is needed to determine whether potential historic or archaeological resources are present. Additional historic information or investigation may be requested to determine the significance of the resources or the effects of the project on those resources. *Form and attachments must be submitted by mail. Submissions via e-mail will not be accepted.*

Signature Block

Applicant's Signature



Date

1-29-13

Please Print and Mail Completed Form and Required Information to:

**PA Historical & Museum Commission
Bureau for Historic Preservation
400 North Street
Commonwealth Keystone Building 2nd Floor
Harrisburg, PA 17120-0093**

*Circa~ Cultural Resource Management, L.L.C.
453 McLaws Circle, Suite 3
Williamsburg, Virginia 23185
(757) 220-5023*

**Management Summary
Specht Mitigation Site
Potter and Tioga Counties, Pennsylvania
January 2013**

Introduction

In January 2013, Circa~ Cultural Resource Management, LLC (Circa~) conducted a review of the Specht Mitigation project site (Project Site) located in Potter and Tioga counties, Pennsylvania (see Figures 1 - 7, attached). The property consists of approximately 151.23 acres. The Project Site will restore and preserve self-sustaining, functional stream, wetland, and riparian corridors to replace the functions and values lost from adverse impacts to streams and wetlands due to various authorized development projects within the Upper Susquehanna River Sub-basin (State Water Plan Watershed Sub-basin 4). The development efforts will provide an in-kind replacement for the direct loss or functional degradation of stream, wetland, and riparian resources that result from unavoidable aquatic resource impacts. In addition, the structural establishment of these functional improvements in advance of the compensated functional impacts will serve to eliminate the temporal loss of function, which may result from alternative mitigation approaches.

The Project Site will include the restoration or conservation of all stream channels onsite and the restoration or, if currently existing as native hardwoods, conservation of their associated riparian zones. Targeted aquatic functions to be restored include improvements to wildlife habitat, water quality, flood conveyance and storage, and erosion control through the implementation of natural channel design, vegetation controls, and long-term land protection.

Restoration modifications will vary as appropriate throughout the Project Site and will include, but are not limited to, natural channel design techniques, channel cross section and pattern corrections, bank stabilization and bioengineering techniques, grade control and in-stream structures, in-line pond removal, and establishment of forested riparian zones. The project will also restore and conserve riparian zones along both banks of streams including wetlands identified within the limits of the proposed conservation easement.

The size of the deeded riparian protection zone (perpetual conservation easement) will vary throughout the Project Site depending on the site constraints; however, the Project Sponsor proposes to target a conservation easement area with a width which includes 400 feet from the limits of the 100-Year floodplain where practical. This conservation easement area includes the primary stream channel onsite, the 100-year floodplain, Riparian Zone of Influence (RZOI), and a 300-foot Conservation Area. The 134.4 +/- acres within the

proposed project limits is being entered into a perpetual conservation easement by the Project Sponsor and Property Owner.

Environmental Background

The tract is located in the ridge and valley region uplands and the stream within the Project Site is classified as a 2nd order unnamed tributary of the Cowanesque River. Elevations across the tract range from 2,060 feet above mean sea level (AMSL) near the top of the ridge slope, with steep to moderate slopes descending to 1,880 feet AMSL the narrow stream valley. The stream is partially degraded and somewhat channelized with a small pond, stream crossing, cattle grazing and watering area, and flood-scouring. The proposed stream improvements include removing the pond, creating a meandering channel, which should help impeded flood waters, and fencing to keep the cattle out.

A review of aerial photographs from 2003 to the present show very little change in the project area and the surrounding area over the last 10 years (Figures 1 - 7). Some areas have been recently timbered, see attached figures.



Figure 1. 2003 aerial view of project area, from Google Earth.



Figure 2. 2005 aerial view of project area, from Google Earth.

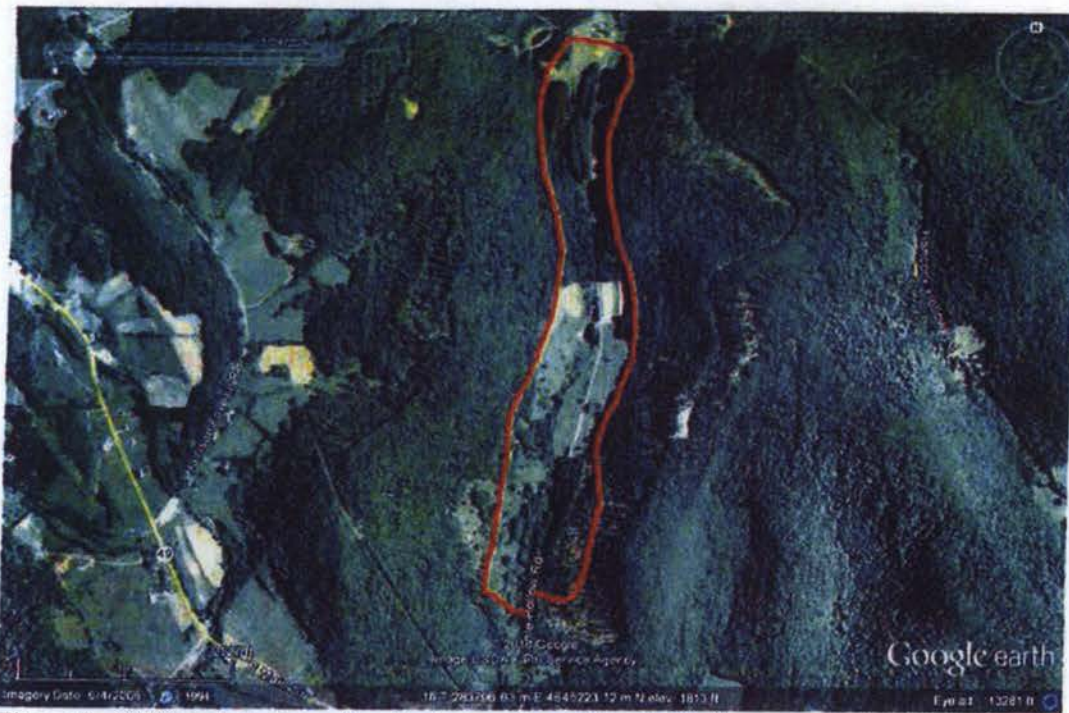


Figure 3. 2006 aerial view of project area, from Google Earth.



Figure 4. 2008 aerial view of project area, from Google Earth.



Figure 5. 2009 aerial view of project area, from Google Earth.

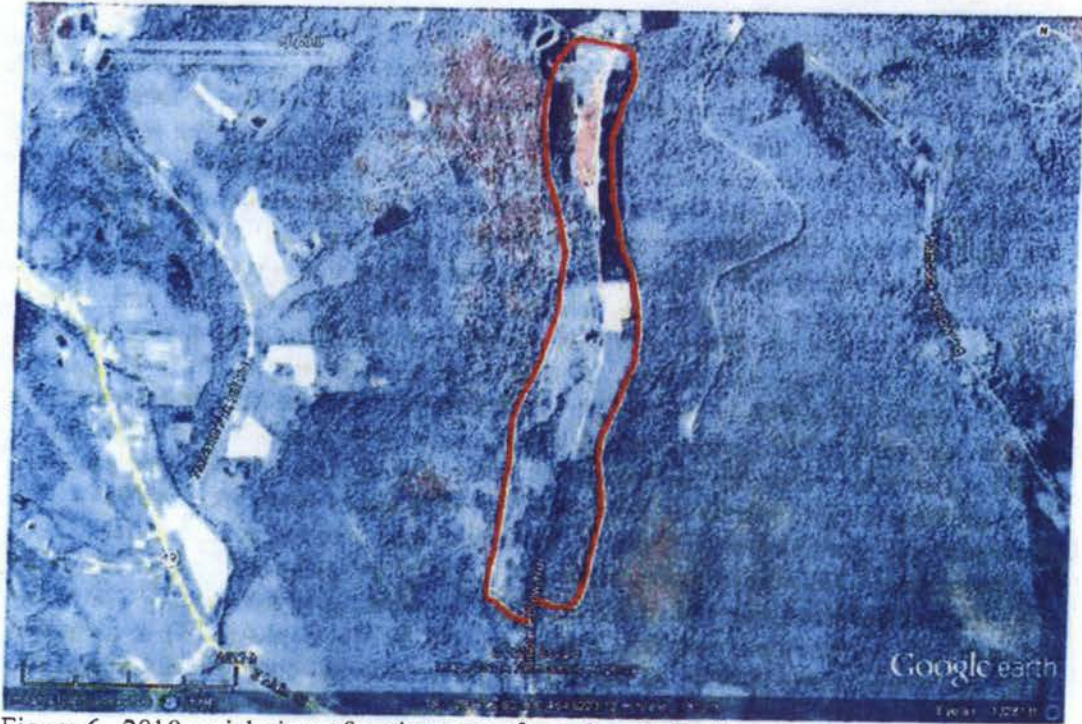


Figure 6. 2010 aerial view of project area, from Google Earth.



Figure 7. Current aerial view of project area, from Google Earth.

Soils Identified Within the Project Area

According to the Natural Resources Conservation Service (NRCS), Morris silt loam, 8% to 15% slopes (MoC) is the primary soil identified within the project area covering approximately 46% of the central, northern, and eastern portions of the project tract (Figure 8). Oquaga channery loam soil, 20% to 30% slopes (OgD) is identified within the northeastern, western, and eastern portions of the project area covering approximately 19% of the project tract. Oquaga and Lordstown, very steep soils (OTF) is identified within the northeastern, northwestern, western, and eastern portions of the project area covering approximately 11% of the project tract. Wellsboro channery loam soil, 15% to 25% slopes (WeD) is identified within the eastern portion of the project area covering approximately 7% of the project tract. Wellsboro channery loam soil, 8% to 15% slopes (WeC) is identified within the eastern and central portions of the project area covering approximately 6% of the project tract. Oquaga channery loam soil, 12% to 20% slopes (OgC) is identified within the eastern portion of the project area covering approximately 5% of the project tract. Morris silt loam soil, 3% to 8% slopes (MoB) is identified within the western and southwestern portions of the project area covering approximately 2% of the project tract. Oquaga channery loam soil, 20% to 30% slopes (OaE) is identified within the southwestern portion of the project area covering approximately 2% of the project tract. Lackawanna channery loam soil, 3% to 8% slopes (LaB) is identified within the southwestern portion of the project area covering approximately 1% of the project tract. Lackawanna channery loam soil, 8% to 15% slopes (LaC) is identified within the extreme southwestern portion of the project area covering approximately less than 1% of the project tract. Mixed alluvial soil, 0% to 5% slopes (Mn) is identified within the extreme southern portion of the project area covering approximately less than 1% of the project tract. Oquaga channery loam soil, 30% to 60% slopes, extremely stony (OxF) is identified within the extreme northern portion of the project area covering approximately less than 1% of the project tract.

Morris Soils (MoC, MoB)

Morris soil is a very-deep, somewhat-poorly-drained, moderately permeable soil formed in till derived from red sandstone, siltstone, and shale found on tilled plains and slightly concave uplands (NRCS 2013). Solum thickness is over 40 inches and depth to bedrock is over 60 inches in this very strongly acid to moderately acid soil. A dense fragipan is present starting at a depth of 10 inches to 22 inches below the soil surface. This fragipan restricts root penetration and water movement throughout the solum. Content of rock fragments is 10% to 40% above the fragipan and 15% to 50% within and below the fragipan and the rock fragments are angular or rounded sandstone, siltstone, or shale. This soil features a very low to medium surface runoff. Many areas of this soil have been cleared but are now idle. Where cleared, this soil can support hay, pasture, and small grains with some corn. Dominant woodland species include red maple, elm, hemlock, black ash, sugar maple, white pine, and oak.

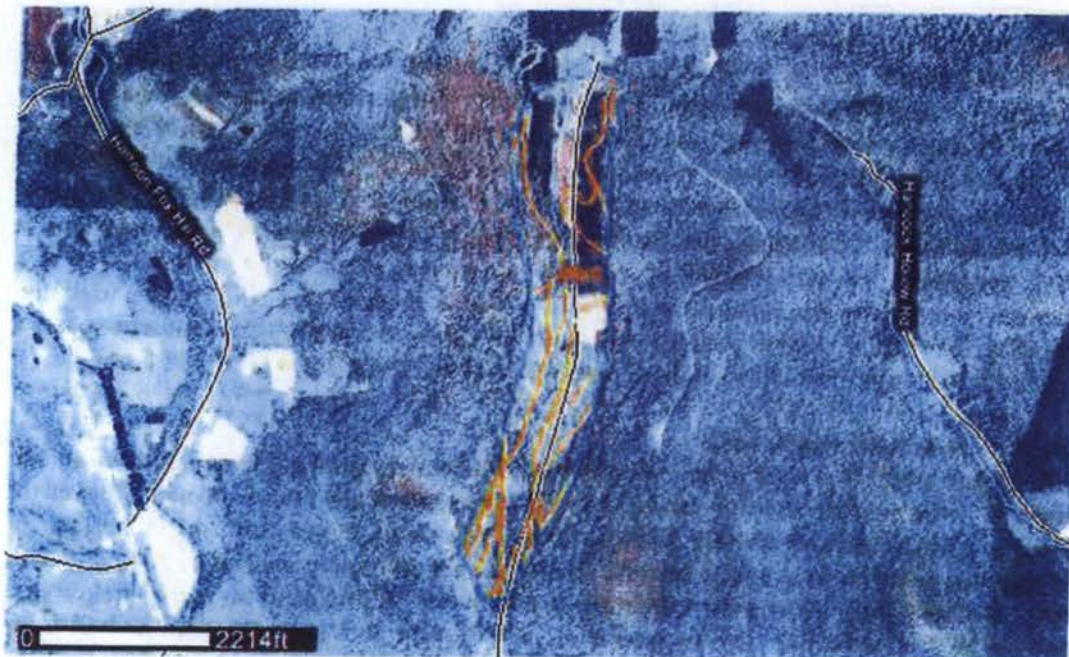


Figure 8. Project area soil map, from NRCS website.

Oquaga Soils (OgD, OTF, OgC, OaE, OxF)

Oquaga soil is a moderately-deep, somewhat-excessively-drained, moderately-permeable soil formed in a thin mantle of till over sandstone, siltstone, and shale bedrock found on nearly level to very steep uplands (NRCS 2013). Depth to bedrock is 20 inches to 40 inches in this extremely acid to moderately acid soil. Content of rock fragments is 15% to 60% in the surface horizons. This soil features a medium internal drainage and a negligible to very high surface runoff. Most of this soil is forested or used for unimproved native pasture and can support hay, small grains, and corn on gentler slopes. Where wooded, native vegetation includes sugar maple, beech, white pine, white ash, oak, and hemlock.

Lordstown Soils (OTF)

Lordstown soil is a moderately-deep, well-drained, moderately-permeable soil formed in till and cryoturbated material derived from siltstone and sandstone found on nearly level to very steep slopes on hillsides and hilltops in glaciated bedrock controlled uplands and glaciated dissected plateaus (NRCS 2013). Solum thickness ranges from 20 inches to 40 inches and depth to bedrock is 20 inches to 40 inches in this very strongly acid to neutral soil. Content of rock fragments is 10% to 35% within the solum and the rock fragments are dominantly flat angular fragments and flagstones. This soil features a low to very high surface runoff. Large areas of this soil are in cut-over forests that contain American beech, oak, and sugar maple. Some areas are cleared and used for pasture or hay. Most of this soil is idle or has reverted to woodland or brush. There is however a limited acreage in corn, small grains, and potatoes and some areas have reforested mainly with red pine.

Wellsboro Soils (WeD, WeC)

Wellsboro soil is a very-deep, moderately-well- to somewhat-poorly-drained, moderately-permeable soil formed in till derived from red sandstone, siltstone, and shale found on nearly level to steep glaciated uplands (NRCS 2013). Solum thickness is over 40 inches and depth to bedrock is over 60 inches in this very strongly acid to moderately acid soil. A dense fragipan is present starting at a depth of 12 inches to 30 inches below the soil surface. Content of rock fragments is 5% to 40% throughout the solum and the rock fragments are sub-angular or rounded sandstone, siltstone, or shale. This soil features a low to very high surface runoff. Where cleared, this soil can be used for growing hay, small grains, pasture, and potatoes. Where wooded, this soil can support sugar maple, American beech, red oak, and white pine. Some areas of this soil are idle.

Lackawanna Soils (LaB, LaC)

Lackawanna soil is a very-deep, well-drained, moderately permeable soil formed in till derived from reddish colored sandstone, siltstone, and shale found on nearly level to steep glaciated uplands (NRCS 2013). Solum thickness ranges from 40 inches to 75 inches and depth to bedrock is over 60 inches in this extremely acid to moderately acid soil. A dense fragipan is present starting at a depth of 17 inches to 36 inches below the soil surface. Content of rock fragments is 10% to 40% above the fragipan and 15% to 65% within and below the fragipan and the rock fragments are sub-angular or sub-rounded sandstone, siltstone, or shale. This soil features a low to very high surface runoff. Where cleared, this soil can be used for growing hay, small grains, corn, pasture, and potatoes. A significant acreage has reverted to woodland or brush with dominant species of sugar maple, American beech, red oak, white pine, and birch.

Mixed Alluvial (Mn)

Mixed alluvial soil is a channel-dissected soil found in floodplains and drainageways on the piedmont (NRCS 2013). This soil is susceptible to flooding. The soil material ranges from soft organic silts and clays to dense gravel-sand-silt-clay-alluvium. Depth to bedrock ranges from 36 inches to over 360 inches.

Bureau for Historic Preservation (BHP) Cultural Resources GIS (CRGIS) File Research

Circa~ performed an archival search for the Specht Mitigation site using the CRGIS on the Pennsylvania Historical and Museum Commission (PHMC) website on January 24, 2013. This research was completed to determine if historic resources exist within the project area boundaries. The search identified no archaeological resources and no architectural resources within 1,000 feet of the project area boundaries. Figure 9 shows the approximate project area boundaries and buffer area (orange shaded area) and surveys completed within close proximity. Only one archaeological survey was completed near the buffered area, and that survey identified no resources within the project area boundaries.

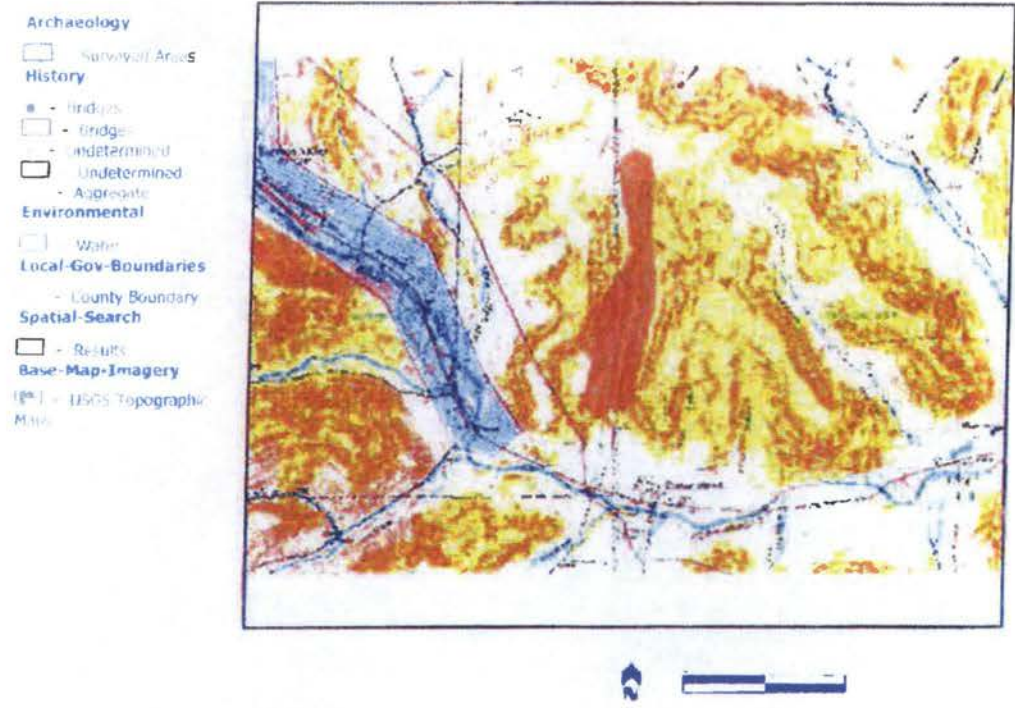


Figure 9. Map from CRGIS on PMHC website.

Results and Summary

In sum, the development within the project area is limited within the narrow steam valley with steep to moderate side slopes. The stream has been altered with the construction of a small pond and straightened from its original course. Two other projects were completed near the project area with similar topography and soil types. Those surveys resulted in negative results. The potential for sites surviving within the altered stream valley is low. Circa~ recommends that the proposed project will not have any impacts to any archaeological sites listed on or potentially eligible for listing on the National Register of Historic Places. Therefore, no further work is recommended.



Photo 1 (Facing North – May 2012) – Central portion of northern grazed pasture area with agricultural outbuildings.



Photo 2 (Facing North – May 2012) – Eastern portion of northern grazed pasture area showing outbuilding and seasonal residential structure (hunting cabin) in photo left. Dibble Hollow Road is located in photo right beyond the fence.



Photo 3 (Facing South – May 2012) – Eastern portion of northern grazed pasture area showing livestock pole-type shelter. Dibble Hollow Road is located in photo left beyond the fence.



Photo 4 (Facing South – May 2012) – Dibble Hollow Road from the northern portion of the project area.



Photo 5 (Facing Southwest – May 2012) – Lower portion of northern grazed pasture area. Remnants of recent (2010) timbering in the adjacent area to the west can be seen in photo left. Managed evergreen timber stands can be seen along the far edge of the pastured area.



Photo 6 (Facing Southeast – May 2012) – Lower portion of northern grazed pasture area looking toward 2010 timbering areas in the distance with managed evergreen timber stands beyond and to the west along Dibble Hollow Road.



Photo 7 (Facing West – June 2012) – Lower portion of the northern pastured area showing adjacent managed evergreen timber stands.



Photo 8 (Facing Southeast – May 2012) – Stream and degraded wetlands located within the area timbered in 2010 to harvest managed evergreen timber stands. Clear-cut stumps and slash remnants can be seen in this photo.



Photo 9 (Facing South – March 2012) – Hardwood forest area containing stream channel in the central portion of the project area.



Photo 10 (Facing Northeast – March 2012) – Representative headwater stream channel within hardwood forest area in the central portion of the project area.



Photo 11 (Facing Northeast – March 2012) – Degraded stream and adjacent pastured riparian area in the central portion of the project area.



Photo 12 (Facing Northwest – March 2012) – Degraded stream and pastured riparian valley shown from the edge of Dibble Hollow Road in the central portion of the project area.



Photo 13 (Facing South – March 2012) - Degraded stream and pastured riparian valley shown from the edge of Dibble Hollow Road in the central portion of the project area.



Photo 14 (Facing North – March 2012) – View of Dibble Hollow Road and adjacent field areas along roadway in the central portion of the project area.



Photo 15 (Facing East – May 2012) – Seasonal Residence (hunting cabin) with pond in foreground near the central portion of the project area. Dibble Hollow Road is located just beyond/behind the residential structure in this photo.



Photo 16 (Facing Southeast – March 2012) – Profile view of the hunting cabin shown in the photo above. A deteriorated outbuilding is located nearby and is featured in photo right.



Photo 17 (Facing South – May 2012) – Overview of valley from deck of hunting cabin showing the adjacent pond and deteriorated outbuilding. This view looks toward the lower portion of the project area and open hay and pasture field areas.



Photo 18 (Facing East – May 2012) - View of damaged and failing pond outfall structure showing an additional view of the deteriorating outbuilding featured in the photo above.



Photo 19 (Facing Northwest – March 2012) – Overview of pond and vicinity including earthen berm, failing outfall, and deteriorating outbuilding.

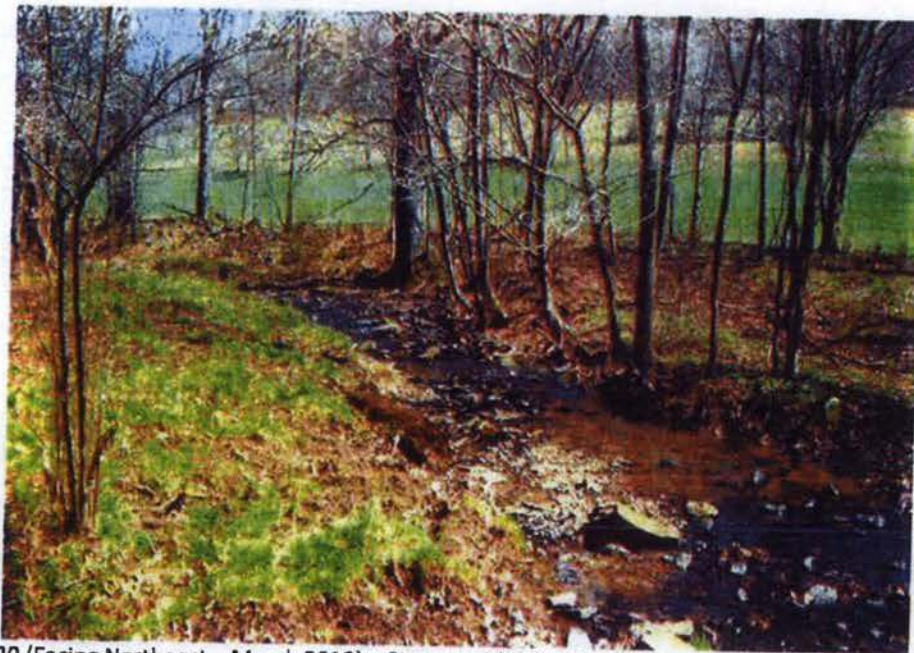


Photo 20 (Facing Northeast – March 2012) – Stream within hardwood forest area in the central portion of the project area showing grazed pasture beyond.



Photo 21 (Facing Southwest – March 2012) – Hay field in lower portion of the project area showing hardwood forest containing the stream channel beyond the field.



Photo 22 (Facing Northwest – March 2012) - Hay field in lower portion of the project area showing hardwood forest containing the stream channel beyond the field.



Photo 23 (Facing North – March 2012) – Dibble Hollow Road and adjacent hay field areas along roadway in the lower portion of the project area.



Photo 24 (Facing Northeast – March 2012) – Dibble Hollow Road and adjacent hay field to the east in the lower portion of the project area.



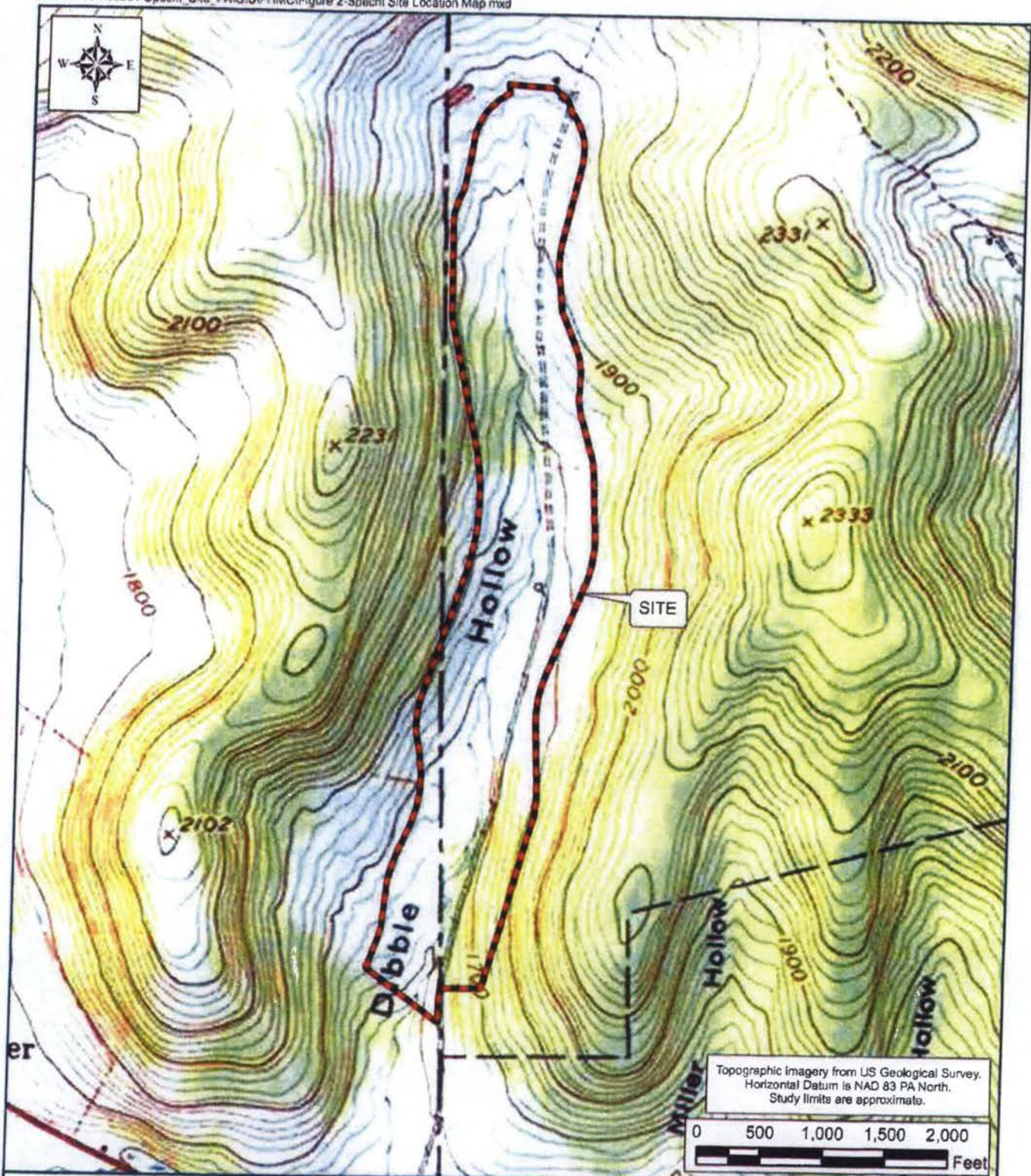
Photo 25 (Facing Northeast – March 2012) – Stream and riparian area in the lower portion of the project area.



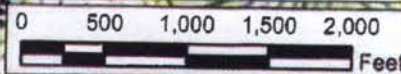
Photo 26 (Facing South – March 2012) – Stream and riparian area within the lower portion of the project area.



Photo 27 (Facing West – March 2012) – Overview of the stream channel, valley, and adjacent hardwood forest riparian areas in the lower portion of the project area shown from the edge of Dibble Hollow Road.

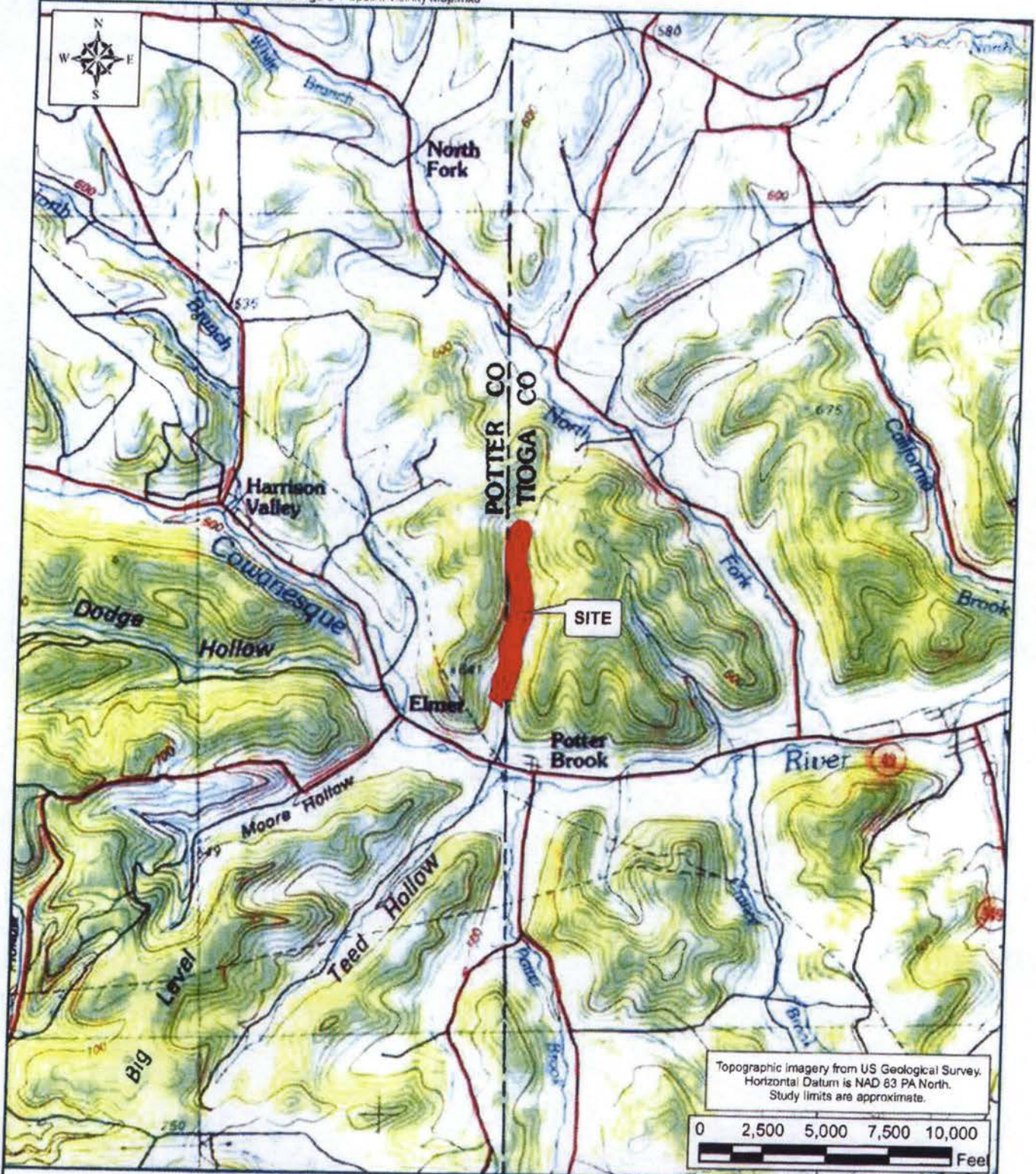


Topographic imagery from US Geological Survey.
Horizontal Datum is NAD 83 PA North.
Study limits are approximate.

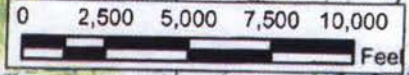


SPECHT MITIGATION SITE POTTER & TIOGA COUNTIES, PENNSYLVANIA MAP 2 OF 7: SITE LOCATION MAP		TIMMONS GROUP <small>YOUR VISION ACHIEVED THROUGH OURS</small>	
TIMMONS GROUP JOB NUMBER: 32931 PROJECT STUDY LIMITS: +/- 151.23 ACRES LATITUDE: 41° 56' 02.72" N LONGITUDE: 77° 36' 21.27" W		U.S.G.S. QUADRANGLE(S): POTTER BROOK DATE(S): 2010 WATERSHED(S): TIOGA HYDROLOGIC UNIT CODE(S): 02050104	

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Topographic imagery from US Geological Survey.
Horizontal Datum is NAD 83 PA North.
Study limits are approximate.



SPECHT MITIGATION SITE
POTTER & TIOGA COUNTIES, PENNSYLVANIA
MAP 1 OF 7: VICINITY MAP

TIMMONS GROUP JOB NUMBER: 32931
 PROJECT STUDY LIMITS: +/- 151.23 ACRES
 LATITUDE: 41° 56' 02.72" N
 LONGITUDE: 77° 36' 21.27" W

TIMMONS GROUP
 YOUR VISION ACHIEVED THROUGH OURS

U.S.G.S. QUADRANGLE(S): POTTER BROOK
 DATE(S): 2010
 WATERSHED(S): TIOGA
 HYDROLOGIC UNIT CODE(S): 02050104

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		SPECHT MITIGATION SITE PROJECT LIMITS AERIAL MAP	
100% MITIGATION MONITORING REPORT 100% MITIGATION MONITORING REPORT 100% MITIGATION MONITORING REPORT		DATE: 12/20/21 SCALE: 1" = 100' SHEET: 1 OF 7	

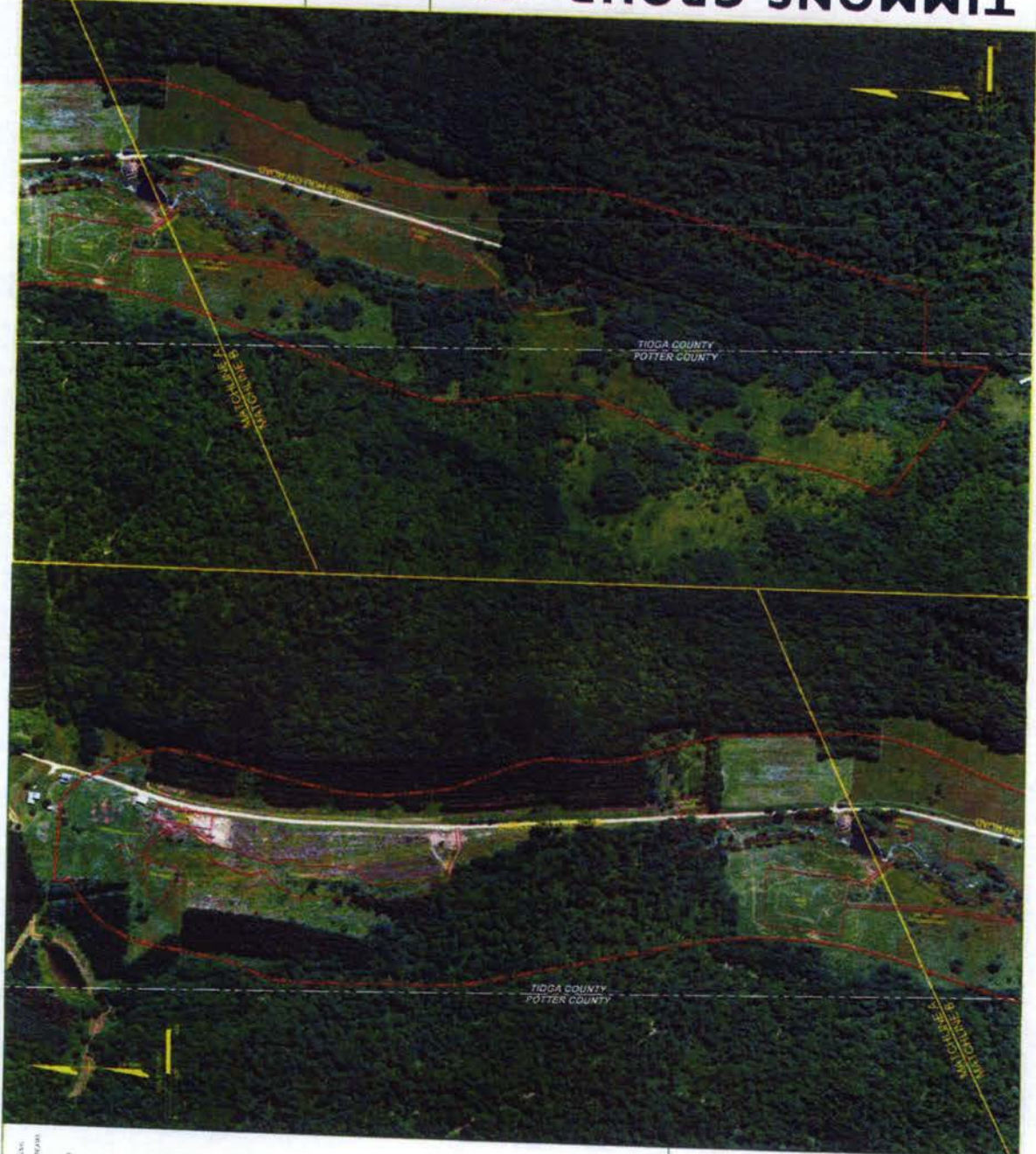


LEGEND

- 100% MITIGATION MONITORING REPORT
- 100% MITIGATION MONITORING REPORT
- 100% MITIGATION MONITORING REPORT

NOTES

1. This map is a project of the Specht Group, Inc. and is not to be used for any other purpose without the written consent of the Specht Group, Inc.
2. This map is a project of the Specht Group, Inc. and is not to be used for any other purpose without the written consent of the Specht Group, Inc.
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LEGEND
 PROJECT AREA (W/INLET AT 20' SPACING)
 EXISTING DISTURBANCE LIMITS
 EXISTING DISTURBANCE LIMITS
 DISTURBANCE LIMITS (20' SPACING)

NOTES
 1. THE LIMITS OF THIS MAP ARE THE PROPERTY OF TIMMONS GROUP.
 2. ANY USE OF THIS MAP IS LIMITED TO THE PROJECT AND SITE SPECIFIC PURPOSES.
 3. ANY CHANGES TO THIS MAP MUST BE APPROVED BY TIMMONS GROUP.
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EXHIBIT 4

PASPGP-4 CUMULATIVE IMPACT SCREENING FORM



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
BUREAU OF WATERSHED MANAGEMENT
WATER OBSTRUCTION AND ENCROACHMENT

DEP USE ONLY

- Category I
 Category II
 Category III

Applicant / Project Name: Upper Susquehanna River Mitigation
Banks, Phase 2

County(s): Tioga

PASPGP-4 CUMULATIVE IMPACTS PROJECT SCREENING FORM

The following questionnaire must be completed and submitted to determine the appropriate Pennsylvania State Programmatic General Permit-4 (PASPGP-4) review procedure. Incomplete submissions will be returned. An "Overall Project," as defined for this form, includes all regulated activities that are reasonably related and necessary to accomplish the "Overall Project" purpose. An "Overall Project" must have a clear purpose, be able to function, and have independent utility. All regulated activities, including the direct and indirect impacts occurring as a result of the regulated activities, which are associated with the "Overall Project", should be considered cumulatively when completing this form. For linear projects, all impacts to waters and wetlands associated with the "Overall Project" should be added together and cumulatively viewed as impacts associated with the "Overall Project", which must have a defined beginning and end point. For linear projects, the application shall include a plan that depicts the location of the beginning and end points of the overall project, and all proposed crossings. See the PASPGP-4 permit document at: www.nab.usace.army.mil/Wetlands%20Permits and Part II, for the definition of Independent Utility and Single and Complete Project (discussion of "Overall Project").

The PASPGP-4 authorizes the discharge of dredged or fill materials and/or the placement of structures, for a single and complete project, including all attendant features, both temporary and/or permanent, which individually or cumulatively results in impacts to 1.0 acre or less of waters of the United States including jurisdictional wetlands. These discharges and placement of structures must comply with all the terms, conditions, and processing procedures identified in this PASPGP-4. Refer to the definitions and sketches in PASPGP-4, Part II for calculating the 1.0-acre eligibility threshold for linear projects.

Determination of PASPGP-4 eligibility – For Category I and II Activities, PADEP/County Conservation Districts will review the applications, if applicable, and verify if work is authorized by PASPGP-4. For Category III Activities, the Corps reviews applications and makes a case by case determination that work is eligible for authorization under PASPGP-4.

Applications for activities that individually or cumulatively impact more than 1.0 acre of waters of the United States, including jurisdictional wetlands, including all attendant features, both temporary and permanent, for a single and complete project; or that impact greater than 250 linear feet of streams, rivers, or other watercourses, except fish habitat enhancement structures authorized under PADEP GP-1 and bank rehabilitation and protection, authorized under PADEP GP-3 that affect 500 linear feet or less, are sent to the Corps as a Category III Activity, under PASPGP-4, Part IV, C, 2. The 1.0 acre area measurement includes the sum total of all waters of the United States including both jurisdictional wetlands and streams, rivers, other watercourses.

- For linear projects, the 250 linear foot Category III Activity threshold for stream impacts is applied to the total cumulative impacts of all crossings associated with the overall linear project, regardless of the type of PADEP authorization or combination of authorizations used to approve the overall project.
- Overall linear projects that have cumulative permanent and temporary impacts to waters of the United States, including jurisdictional wetlands, which exceed 1.0 acre, may still be eligible for PASPGP-4 authorization through a Category III review, provided no single and complete project exceeds the 1 acre threshold (see PASPGP-4, Part II for definition of single and complete project and acreage calculations). This verification of eligibility will be made by the Corps of Engineers.
- For phased projects, including phased linear projects, an overall project plan depicting all previously authorized or proposed impacts to waters and/or wetland is required as part of the application. A plan depicting phase I of the overall project would be submitted with any applications associated with phase I. At a later date, when applications associated with phase II are submitted, an overall plan that depicts the impacts for phase I and phase II is required. For example, if a utility line was previously authorized to run from point A to point B, and the permittee now wants to expand the utility line to point C, the plan will depict from point A to point C. In such a case, the overall project has been expanded to extend from point A to point C; the portion from point A to point B is needed for the section from point B to point C to function and meet the overall project purpose. If plan is not submitted as part of application, the application for the purposes of PASPGP-4 will be considered incomplete and the application may be sent to the Corps as a Category III Activity.

SECTION A: PROPOSED IMPACTS

Provide the size of impacts to waters and/or wetlands associated with your application, including temporary and/or permanent impacts, and direct and indirect impacts.

Included in this calculation are the areas directly and indirectly affected by the regulated activities, including the area of waters and/or wetlands filled, drained and/or flooded as a result of the regulated activities. See PASPGP-4, Part II, Definitions, for calculation of linear footage of stream impact, and Part IV, C, 2 for thresholds which require a Corps review of application (Category III Activity).

PADEP GP-11 allows for the registration of multiple overall projects as one time through submission of a project/work site table that identifies each of the separate overall projects. For work associated with PADEP GP-11 registrations, impacts associated with each project/work site should be list separately. This can be done through a separate PASPGP-4 Project Screening Form for each project/work site, or submission of a separate document/table that identifies each separate project/work site, the proposed work and impact information, as required by this section.

		square feet	linear feet
Permanent Impacts	to waters:	27,891	2,886
	to wetlands:	8,724	
Temporary Impacts	to waters:	17,828	1,478
	to wetlands:	60,835	

SECTION B: OTHER CHAPTER 105/SECTION 10/404 AUTHORIZATIONS

YES NO

1. If known, has any work associated with the Overall Project been previously authorized by the Corps or DEP? If YES, please complete the table below. If additional space is needed, please attach the applicable information. Include the type of authorization or permit, permit or authorization number(s), date(s) of issuance, and permitted impacts (including square feet and/or linear footage), if applicable, with your application/registration form(s). Types of authorizations or permits may be abbreviated and include: Corps Nationwide Permit, Corps Individual Permit, Corps PASPGP, DEP General Permit, DEP Individual Permit (Dam and/or Encroachment) or DEP Environmental Assessment. See PASPGP-4, Part IV, C, 3 for applications which require a Corps review (Category III Activity).

EXAMPLES:

- a. If application is associated with the expansion of a residential development, i.e., construction of phase II, the authorizations and impacts, if applicable, associated with construction of phase I are to be identified and listed.
- b. If application is associated with a linear project, i.e., sewer line, waterline, utility line, etc., and the proposed work is an extension or additional phase being added to a previous segment, the authorizations, and impacts, if applicable, associated with construction of the previous segment(s) are to be identified and listed. For example, if a utility line is constructed from point A to point B, and a year later an extension of the line to point C is proposed, the authorizations and impacts associated with construction of point A to point B should be listed/identified. In this case, the overall project is from point A to point C, as the portion from point A to point B is needed for the section from point B to point C to function and meet the overall project purpose.

Authorization Type	Authorization Number	Date (mm/dd/yyyy)	Permitted Impacts	
			wetlands	waters

YES NO

2. Are additional Corps and/or DEP authorizations required for your proposed work to function and have independent utility? If YES, please complete the table below. If additional space is needed, please attach the applicable information.

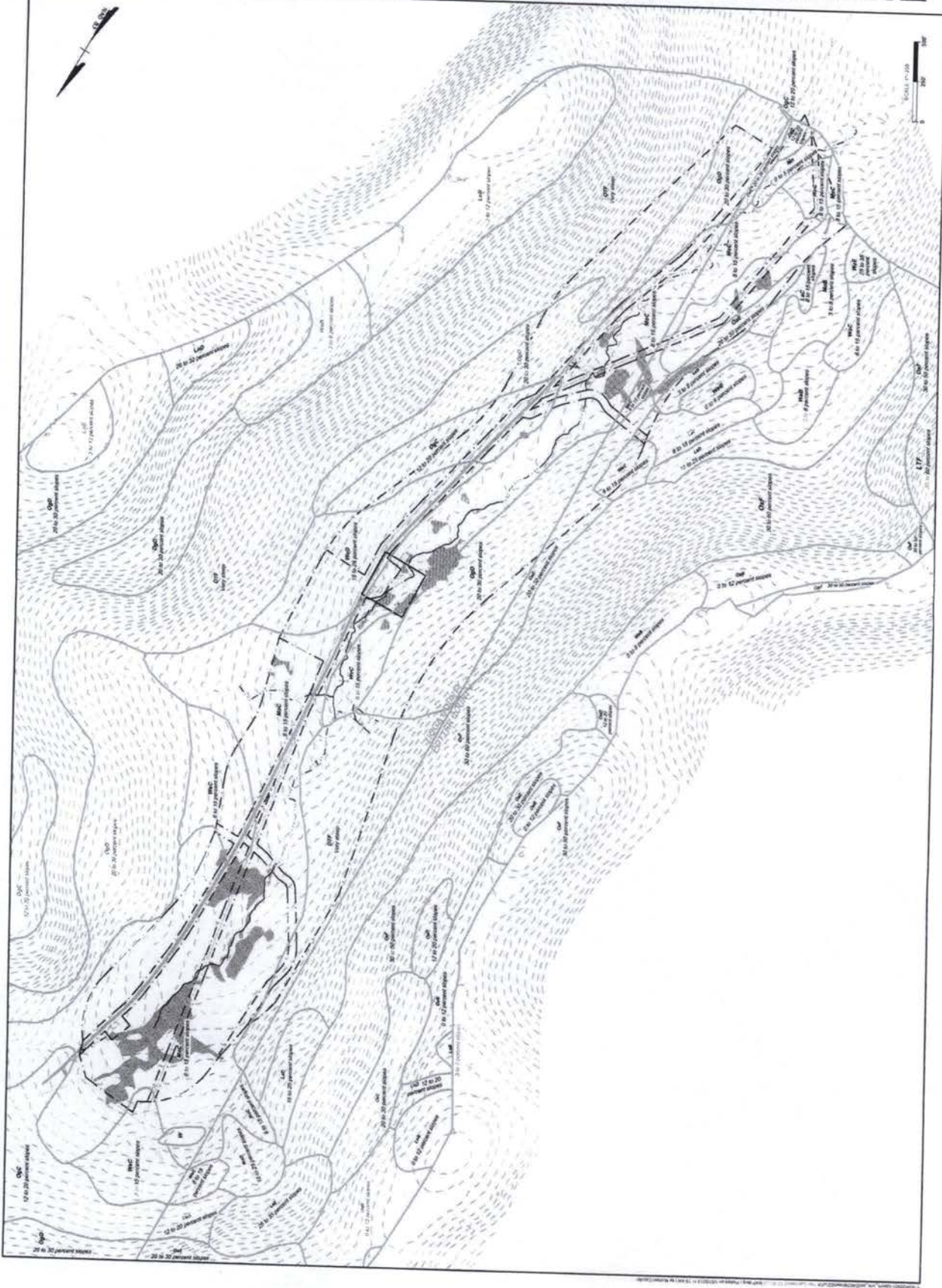
EXAMPLES:

- a. Development of a residential subdivision may require the filling of waters and/or wetlands for the construction of access roads, utility line crossings, and/or lot development. In such a case, if application is only for the utility lines, the work and impacts associated with the road crossings and lot development need to be identified. For the overall development to function, the road crossings and lot development are needed, not just utilities.
- b. If widening of a road for construction of a turn lane is needed to facilitate an industrial development, applications associated for the industrial development to construct utility lines and lot development need to include the work and impacts associated with the construction of the turn lane. The construction of the turn lane is needed for the industrial develop to function; the two projects are not separate independent projects.

EXHIBIT 5
MITIGATION WORK PLAN



PROJECT		DATE		DRAWN BY		CHECKED BY		DATE		SCALE	
TIMMONS GROUP		11/11/2010		J. J.		1" = 100'	
CLIENT		PROJECT		DATE		DRAWN BY		CHECKED BY		SCALE	
TIMMONS GROUP		UPPER SUSQUEHANNA RIVER MITIGATION BANK - PHASE 2		11/11/2010		J. J.		1" = 100'	



SCALE 1" = 100'

TIMMONS GROUP

UPPER SUSQUEHANNA RIVER MITIGATION BANK - PHASE 2

SOILS MAP

2/02

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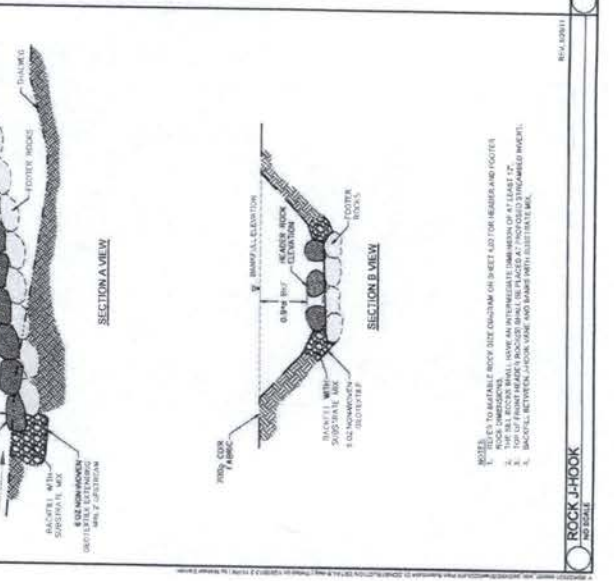
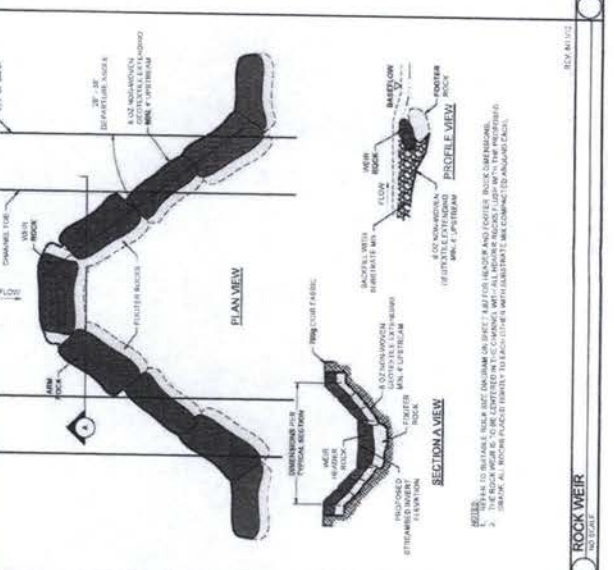
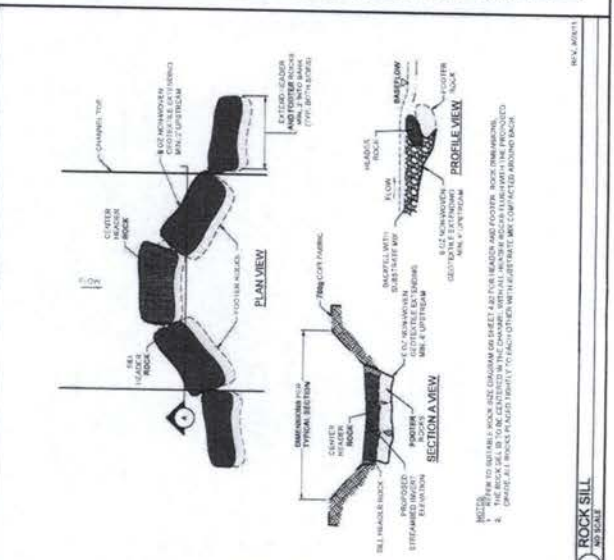
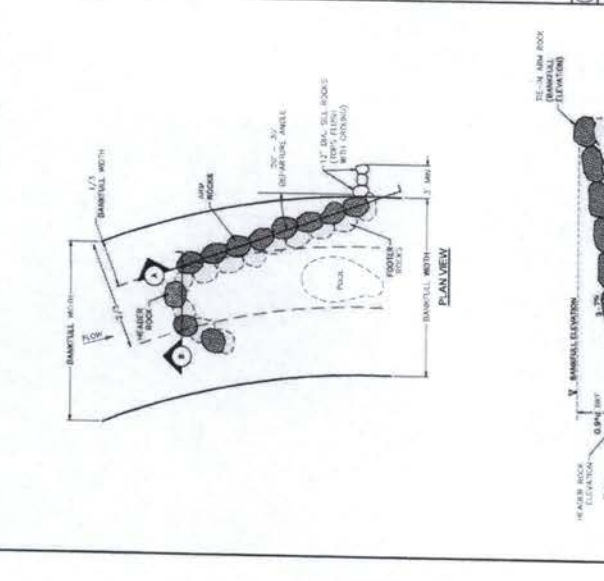
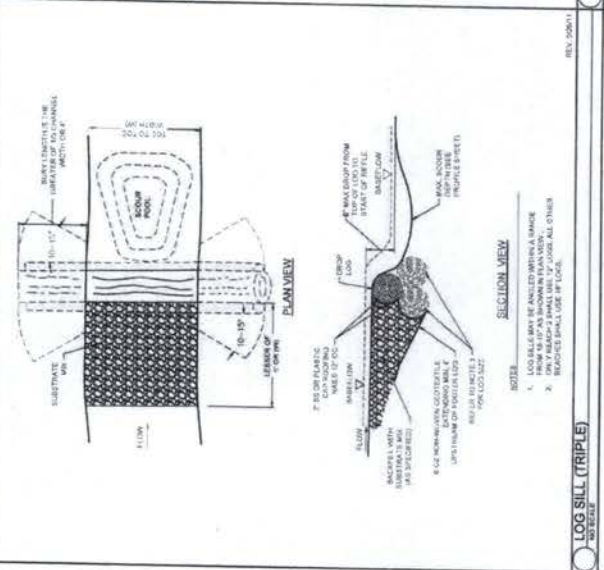
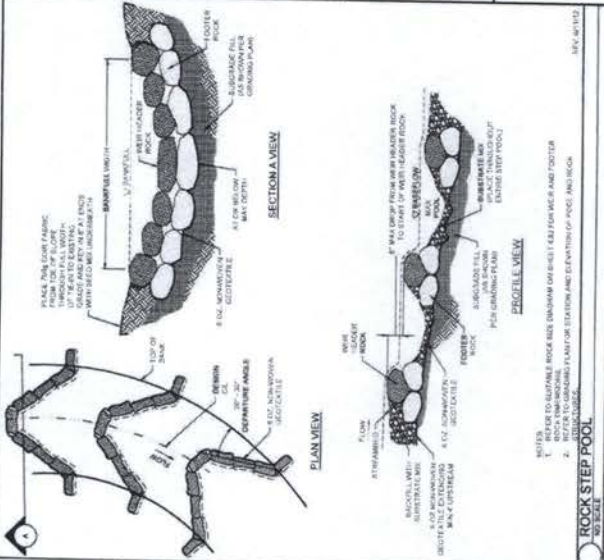
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 LOCATION: TOWNSHIP OF ALLEGANY, TOWNSHIP OF TOWSON COUNTY, PENNSYLVANIA
 SHEET NO. 12262F
 TOTAL SHEETS: 10

TIMMONS GROUP

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PROJECT NO.	132770012
DATE	
DESIGNED BY	
CHECKED BY	
IN CHARGE	
APPROVED BY	
DATE	
PROJECT DESCRIPTION	UPPER SUSQUEHANNA RIVER MITIGATION BANK - PHASE 2

TIMMONS GROUP

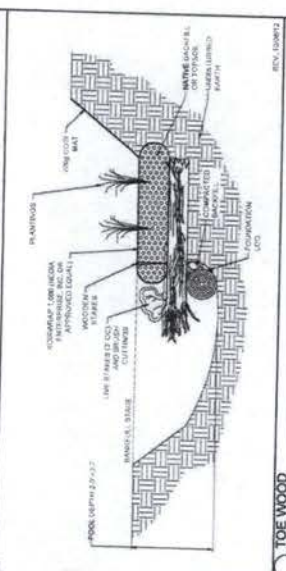
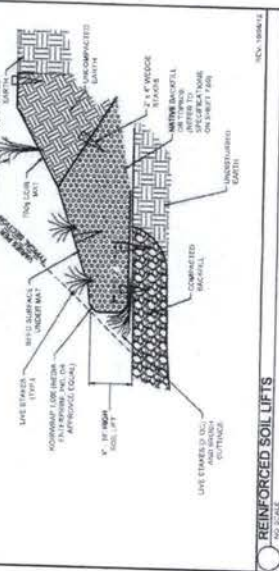
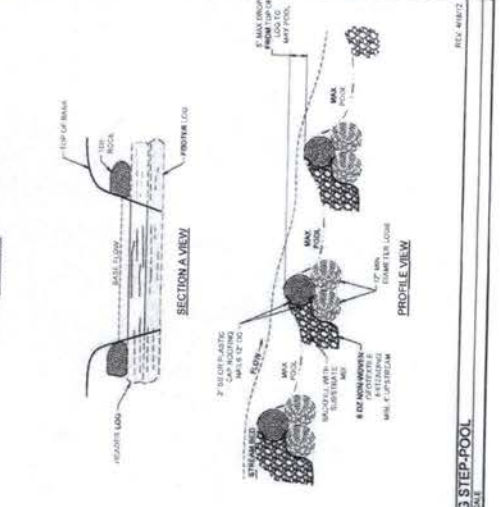
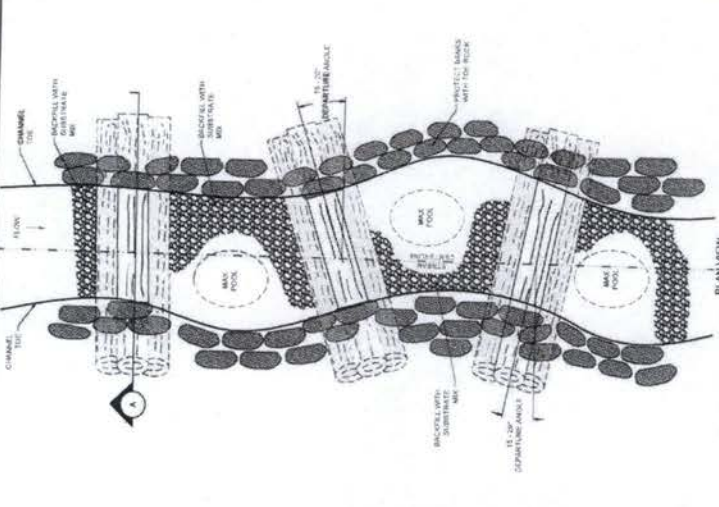
CONSTRUCTION DETAILS

UPPER SUSQUEHANNA RIVER MITIGATION BANK - PHASE 2

BOACONVILLE TOWNSHIP - TIGONA COUNTY - PENNSYLVANIA

REV. NO. 375931

SHEET 4.02



TOE WOOD

REV. 10/2012

MATERIAL	THICKNESS	NO. OF COURSES	% OF COMPACTED SOIL
CONCRETE	3-12"	6/8"	6%
DRIVE	8-12"	1/4"	1%
TILL	GRAVEL	1"	1%

SUITABLE ROCK SIZE DIAGRAM

REV. 10/2012

DEFINITIONS:

- 1 - LONGEST DIMENSION
- 2 - THICKNESS
- 3 - SHORTEST DIMENSION

REACH 2 SUBSTRATE MIX SPECS

NO SCALE

MATERIAL	THICKNESS	% OF SUBSTRATE
CONCRETE	18-24"	65%
DRIVE	1-12"	1%
GRAVEL	3/4-1"	1%
GRAVEL	3/4-1"	1%
GRAVEL	3/4-1"	1%

DEFINITIONS:

- 1 - LONGEST DIMENSION
- 2 - THICKNESS
- 3 - SHORTEST DIMENSION

REACHS 5-6-7, 9, 12, 16 SUBSTRATE

NO SCALE

DEFINITIONS:

- 1 - LONGEST DIMENSION
- 2 - THICKNESS
- 3 - SHORTEST DIMENSION

1. SUBSTRATE SHOULD BE 18" TO 24" THICK.

2. THE INTERIOR DIMENSION OF FLAT OR "HEAVY" ROCK SHOULD BE APPROXIMATELY THE LENGTH (WITH TOLERANCE) OF THE SUBSTRATE.

3. ALL MATERIALS USED FOR SECTIONS OF THE STREAM CHANNELS AND APPROVED BY THE PROJECT ENGINEER IN WRITING AND APPROVED BY THE PROJECT ENGINEER IN WRITING.

4. COARSE AND MEDIUM GRAVEL SHALL BE SIMILAR IN GRADE, COLOR AND DISTRIBUTION TO THE SUBSTRATE.

5. ALL SURFACES OF MATERIALS EXPOSED AND RELIABLE PROPERTY, INCLUDING THE SURFACE SHALL BE APPROVED BY THE PROJECT ENGINEER IN WRITING.

6. MATERIALS INCORPORATED TO THE SITE SHALL BE WASHED TO REMOVE ALL FINE PARTICLES AND FINE PARTICLES SHALL BE REMOVED FROM THE SITE.

7. MATERIALS INCORPORATED TO THE SITE SHALL BE WASHED TO REMOVE ALL FINE PARTICLES AND FINE PARTICLES SHALL BE REMOVED FROM THE SITE.

8. MATERIALS INCORPORATED TO THE SITE SHALL BE WASHED TO REMOVE ALL FINE PARTICLES AND FINE PARTICLES SHALL BE REMOVED FROM THE SITE.

9. MATERIALS INCORPORATED TO THE SITE SHALL BE WASHED TO REMOVE ALL FINE PARTICLES AND FINE PARTICLES SHALL BE REMOVED FROM THE SITE.

10. MATERIALS INCORPORATED TO THE SITE SHALL BE WASHED TO REMOVE ALL FINE PARTICLES AND FINE PARTICLES SHALL BE REMOVED FROM THE SITE.

EXHIBIT 6

USACE FUNCTIONAL RATIO METHOD CALCULATION

USACE Functional Ratio Method Calculation

Functional Ratio Method - Streams

Habitat Type	Restoration Type	Crediting Ratio	Project Size (L.F)	Stream Credits Generated
Perennial Stream	Restoration	1 : 1	2,804	2,804
Perennial Stream	Enhancement	1 : 2.5	556	222.4
Perennial Stream	Preservation	1 : 6.67	4,146	621.4
Total				843.8

Functional Ratio Method - Wetlands

Habitat Type	Restoration Type	Crediting Ratio	Project Size (acres)	Wetland Credits Generated
Forested Wetland	Restoration	1 : 1	5.65	5.65
Forested Wetland	Preservation	1 : 6.67	.25	0.04
Total				5.69

EXHIBIT 7
BANK LEDGER

Bank Ledger

Functional Ratio Method	Date	Permittee	Permit Number (PADEP)	Permit Number (USACE)	Subbasin	Project Credits Utilized	Released Credits Remaining	Credits Released	Expected Future Credits Released	Permit impacts (Credits)	Released Credits Remaining
Perennial Stream					4	0	0	0	843.80	0	0
Forested Wetland					4	0	0	0	5.69	0	0

EXHIBIT 8

REVISED SITE PROTECTION INSTRUMENT

DECLARATION OF RESTRICTIVE COVENANT FOR CONSERVATION

This DECLARATION OF RESTRICTIVE COVENANTS FOR CONSERVATION relates to an ecological enhancement and restoration project (hereinafter, this "Declaration") is made and entered into as of _____, 2013 by David Specht with a business address at _____, PA _____ ("Grantor").

RECITALS

WHEREAS, Grantor owns in fee simple certain real estate located on the border of Tioga and Potter County liber and folio reference _____ consisting of _____ acres, more or less, as described more specifically in Exhibit A hereto (the "Property"); and

WHEREAS, the Grantor has agreed to make a 129.3-acre portion of the Property, delineated in Exhibit A attached hereto, where certain aquatic resources exist or may be created and/or enhanced (the "Conservation Area"), subject to this Declaration whose legal description is attached hereto as Exhibit A; and

WHEREAS, First Pennsylvania Resource ("FPR") entered into the Pennsylvania Statewide Umbrella Mitigation Banking Instrument (the "PSUMBI") between: FPR (the "Sponsor") and the Interagency Review Team (the "IRT") which consists of [the U.S. Army Corps of Engineers ("USACE" or "Corps") Baltimore, Philadelphia, and Pittsburgh Districts, the U.S. Environmental Protection Agency ("EPA"), the U.S. Fish and Wildlife Service ("FWS"), the U.S.D.A. Natural Resources Conservation Service ("NRCS"), the NOAA-National Marine Fisheries Service "NMFS"), the Pennsylvania Department of Environmental Protection ("PADEP"), the Pennsylvania Game Commission ("PGC"), the Pennsylvania Historical Commission ("PHMC"), and the Pennsylvania Fish and Boat Commission ("PFBC"); and

WHEREAS, the Grantor agrees to the creation of the Conservation Area described herein and intends that the Conservation Area shall be preserved and maintained in perpetuity in an enhanced and/or natural condition, which condition will include functioning wetlands; and

WHEREAS, the Grantor(s) desire(s) to comply with the conditions of the PSUMBI by imposing this Site Protection Instrument on a Conservation Area within the Property; and

WHEREAS, under Federal and State law, the Corps has issued Permit No. _____ and the PADEP has issued Permit No. _____ (collectively, the "Permits") for impacts to waters of the United States and/or the Commonwealth of Pennsylvania expected to result from the creation of the self-sustaining natural aquatic system located on the Conservation Area; and

WHEREAS, the Grantor agrees and acknowledges that this Declaration, including the rights authorized to Grantor herein, shall be assignable and transferrable to Grantor's subsequent heirs, successors, and assigns.

NOW, THEREFORE, for good and valuable consideration and in consideration of the mutually held interests in enhancement and preservation of the environment, as well as the terms, conditions, and restrictions contained herein, and pursuant to the laws of the Commonwealth of Pennsylvania, Grantor does agree to the following terms and conditions:

A. PURPOSE

The purpose of this Declaration is:

(1) To preserve, protect, and enhance the native flora, fauna, soils, water table, aquifer, drainage patterns, wetland resources and other related environmental functions and values of the Conservation Area;

(2) To maintain the natural view shed of the Conservation Area in its native, enhanced, scenic and open condition;

(3) To assure that the Conservation Area, including its air space, streams and other aquatic resources on or beneath the Conservation Area, and including, but not limited to, subsurface aquifers, springs, and the water table, will be maintained in perpetuity in its natural condition, as that may be enhanced, as provided herein; and

(4) To prevent any use of the Conservation Area that threatens to or will impair, interfere with, or otherwise negatively affect its natural resource functions and values.

Grantor intends and agrees that this Declaration will confine the use of the Conservation Area to such activities as are consistent with the purposes set forth herein.

B. ACCESS

In order to achieve the purposes of this Declaration, the following rights are created in accordance with Pennsylvania law [for government entities, use PA Statutes, Title 32, §§ 5051-5059.]:

(1) The Grantor shall have the right and acknowledges the right of the Sponsor, the Corps, the PADEP and other government agencies to enter upon the Property to inspect the Conservation Area at reasonable times to monitor compliance with this Declaration. Except in cases of a threat of a physical or public safety emergency, such entry shall, when practicable, be upon reasonable prior notice to Grantor or its successors and assigns, and such entry shall not unreasonably interfere with the Grantor's or its successors' and assigns' use and quiet enjoyment of the Property.

(2) The Grantor shall each have the right to enter upon the Property to access the Conservation Area at reasonable times, upon prior notice to the property owner; and upon notice and written approval by the USACE may take appropriate environmental or conservation management measures within the Conservation Area consistent with the terms and purposes of this Declaration, including, but not limited to:

- (a) planting of native vegetation (i.e. trees, shrubs, grasses, and forbs); and
- (b) restoring, altering or maintaining the topography, hydrology, drainage, structural integrity, streambed(s), streambank(s), water quantity, water quality, any relevant feature of a stream, wetland, water body, or vegetative buffer within the Conservation Area.

(3) The Grantor, the Sponsor, the Corps and other government agencies with appropriate legal authority shall each have the right to enforce the terms of this Declaration by appropriate legal proceedings [for government entities, use PA Statutes, Title 32, §§ 5051-5059.] in accordance with applicable law so as to prevent any activity on or use of the Property that is inconsistent with the purposes of this Declaration and to require the restoration of such areas or features of the Conservation Area that may be impaired or damaged by an inconsistent activity or use.

C. DURATION

This Declaration shall remain in effect in perpetuity, shall run with the land regardless of ownership or use, and is binding upon and shall inure to the benefit of the Grantor's heirs, executors, administrators, successors, representatives, devisees, and assigns, as the case may be, as long as said party shall have any interest in any portion(s) of the Conservation Area.

D. PERMITTED USES

This Declaration will not prevent the Grantor, or any subsequent owner of the Property and/or portions of the Property, from making use of the area(s) outside of the Conservation Area or from uses that are consistent with the purposes of this Declaration.

E. RESTRICTIONS

Any activity in or use of the Conservation Area that is inconsistent with the purposes of this Declaration by the Grantor; subsequent property owner(s); and the personal representatives, heirs, successors, and assigns of either the Grantor or subsequent property owner(s), is prohibited. Without limiting the generality of the foregoing, and except when an approved purpose under B.(2) above, or as necessary to accomplish mitigation approved under the any permit(s) reliant upon this Declaration, the following activities and uses are expressly prohibited in, on, over, or under the Conservation Area, subject to the express terms and conditions below:

(1) **Structures.** The construction of man-made structures including, but not limited to, the construction, removal, placement, preservation, maintenance or alteration of any buildings, roads, utility lines, billboards, or other advertising. This restriction does not include deer stands, bat boxes, bird nesting boxes, bird feeders, duck blinds, and the placement of signs for safety purposes or boundary demarcation.

(2) **Demolition.** The demolition of fencing structures constructed by the Sponsor for the purpose of demarcation of the Conservation Area or for public safety.

(3) **Soils.** The removal, excavation, disturbance, or dredging of soil, sand, peat, gravel, or aggregate material of any kind; or any change in the topography of the land, including any discharges of dredged or fill material, ditching, extraction, drilling, driving of piles, mining or excavation of any kind.

(4) **Drainage.** The drainage or disturbance of any aquifer, the surface water level or the water table, except for pre-existing or approved project-related stormwater discharges and any maintenance associated with those stormwater discharges. All pre-existing or approved project-related drainage/stormwater discharge features should be shown on the accompanying plat map or approved plan and attached to this Declaration as Exhibit B.

(5) **Waste or Debris.** The storage, dumping, depositing, abandoning, discharging, or releasing of any gaseous, liquid, solid, or hazardous waste substance, materials or debris of whatever nature on, in, over, or underground or into surface or ground water, except for pre-existing or approved project related stormwater discharges, and any maintenance associated with those stormwater discharges.

(6) **Non-Native Species.** The planting or introduction of non-native or invasive species.

(7) **Herbicides, Insecticides, and Pesticides.** The use of herbicides, insecticides, pesticides, or other chemicals, except for as may be necessary to control invasive species that threaten the natural character of the Conservation Area. State-approved municipal application programs necessary to protect public health and welfare are not included in this prohibition.

(8) **Removal of Vegetation.** The mowing, cutting, pruning, removal; disturbance, destruction, or collection of any trees, shrubs, or other vegetation, except for pruning, cutting or removal for:

- a) safety; or
- b) control in accordance with accepted scientific forestry management practices for diseased or dead vegetation; or
- c) control of non-native species and noxious weeds; or
- d) scientific nature study.

(9) **Agricultural Activities.** Unless currently used for agricultural or similarly related purposes, the conversion of, or expansion into, any portion of the Conservation Area for use of agricultural, horticultural, aquacultural, silvicultural, livestock production or grazing activities. This prohibition also includes conversion from one type of these activities to another (e.g. from agricultural to silvicultural).

(10) **Subdivision of Conservation Area.** Subdivision of real property within the Conservation Area into multiple parcels.

(11) **Other.** Other acts, uses, excavation, or discharges, which adversely affect fish or wildlife habitat or the preservation of lands, waterways, or other aquatic resources mentioned herein within the Conservation Area.

F. INSPECTION, ENFORCEMENT AND ACCESS RIGHTS

As set forth in Section B, above, the Grantor, Sponsor, Corps, PADEP, and authorized regulatory entities have the right to enter the Property to observe the Conservation Area and to take actions necessary to verify compliance with and to enforce this Declaration. When practicable, such entry shall be upon prior reasonable notice to the property owner. The grantor grants to the Corps, the U.S. Department of Justice, and/or the PADEP, a discretionary right to enforce this Declaration in a judicial action against any person(s) or other entity(ies) violating or attempting to violate these restrictive covenants. No violation of this Declaration shall result in a forfeiture or reversion of title. In any enforcement action, an enforcing agency shall be entitled to a complete restoration for any violation, as well as other judicial remedies such as civil penalties. Nothing herein shall be interpreted to limit the right of the Corps or PADEP to modify, suspend, or revoke any permit issued or authorized by the Corps or PADEP.

G. RECORDING AND EXECUTION BY PARTIES

Within thirty (30) calendar days of execution of this Agreement, the Grantor shall record this Declaration in the Tioga County office where land records are retained. Further, if anticipated activities in the Conservation Area are agreed upon for future phases of the site, as set forth in Section I (Reserved Rights) herein, the Grantor or Sponsor must submit plans to the Corps and PADEP for review and approval prior to any work in the Conservation Area.

H. NOTICE OF TRANSFER OF PROPERTY INTERESTS

No transfer of the rights set forth in this Declaration, or of any other property interests pertaining to the Conservation Area or the underlying property it occupies, shall occur without sixty (60) calendar days' prior written notice to the Sponsor, Corps and PADEP.

I. RESERVED RIGHTS

(1) The Grantor and any holders of declarations or other property rights for the operation and maintenance of pre-existing or project-related structures or infrastructure such as roads, utilities, drainage ditches, or stormwater facilities that are present on, over, or under the Conservation Area reserve the right, within the terms and conditions of their permits, their agreements, and the law, to continue with such operation and maintenance. All pre-existing or approved project-related structures or infrastructure, if any, shall be shown on the accompanying plat map or approved plan and attached to this Declaration as Exhibit B.

(2) If an authorized project requires any related or unanticipated infrastructure modifications, utility relocation, drainage ditches, or stormwater controls within the identified Conservation Area, or if a situation requires measures to remove threat to life or property within

the identified Conservation Area, said activities must be approved in writing by the Corps and PADEP subject to terms and conditions set forth in the written approval. Approval is subject to the Corps and PADEP discretion. If approved, said activities must be identified on an amended Exhibit B and must be recorded and specifically noted as an "amendment" and copies of the recorded Amended Exhibit B must be provided to the Corps and PADEP within sixty (60) days of Corps approval. Approval of said activity by the Corps is in addition to any Clean Water Act, Section 404 permit, or other authorization, which may be required in order to legally implement said activity. The Grantor and FPR accept the obligation to place any other and/or subsequent responsible party on reasonable prior notice of their need to request such Corps approval.

J. SEVERABILITY

If any portion of this Declaration, or the application thereof to any person or circumstance, is found to be invalid, the remainder of the provisions of this instrument, or application of such provision to persons or circumstances other than those as to which it is found to be invalid, shall not be affected thereby.

K. MODIFICATIONS

The restrictions contained in this Declaration are required by the Department of the Army Permit and/or Mitigation Banking Instrument and /or Mitigation Plan, a copy of which is attached hereto and incorporated by reference. There shall be no changes or alterations to the provisions in this Declaration without prior written approval from the appropriate District Commander of the Corps and PADEP. The Corps and PADEP shall be provided with a 60-day advance written notice of any legal action concerning this Declaration or of any action to extinguish, void, or modify this Declaration in whole or in part, including transfer of title to, or establishment of any other legal claims over, the Property. This Declaration is intended to survive foreclosure, bankruptcy, condemnation, or judgments affecting the Property.

L. MITIGATION

If the work required by a mitigation plan, including maintenance or remedial work, under the Corps permit for the project, occurs within the Conservation Area, then the Sponsor is allowed to construct and undertake the mitigation work in accordance with an authorized mitigation plan, a copy of which is attached hereto and incorporated by reference.

M. COAL RIGHTS NOTICE

The following notice is given to and accepted by Grantor for the purpose and with the intention of compliance with the requirements of the Pennsylvania Conservation and Preservation Declarations Act. Nothing herein shall imply the presence or absence of workable coal seams or the severance of coal interests from the Property.

NOTICE: This Declaration may impair the development of coal interests including workable coal seams or coal interests which have been severed from the Property.

[THE REMAINDER OF THIS PAGE IS LEFT INTENTIONALLY BLANK]

IN WITNESS WHEREOF, intending to be legally bound, the Parties have executed this Declaration the day and year first above written.

GRANTOR:

By: _____

By: _____

Name: _____

Title: _____

WITNESS:

COMMONWEALTH OF PENNSYLVANIA :
 : SS
COUNTY OF _____ :

On _____, before me, a Notary Public for the Commonwealth aforesaid, personally appeared _____, who acknowledged himself/herself to be the _____ known to me or satisfactorily proven to be the person whose name is subscribed to the within instrument, and acknowledged that he executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I have set my hand and official seal.

Notary Public
My commission expires:

[SEAL]

EXHIBIT A

CONSERVATION EASEMENT PLAT AND LEGAL DESCRIPTION

This is a sample description as prepared by Land Services Group – Cunningham Surveyors to be used as a reference for the attorney who will be preparing the deed. This is not to be construed as the final description and should be revised, edited and completed by the attorney.

November 30, 2012

2012103 – SURVEY OF CONSERVATION EASEMENTS KNOWN AS THE SPECHT SITE THROUGH LANDS OF DAVID L. SPECHT. Page 1 of 3.

Being all that certain tract of land situate in Brookfield Township, Tioga County, Pennsylvania, as surveyed by Land Services Group – Cunningham Surveyors, dated September 13, 2012, entitled “Survey of Conservation Easements known as The Specht Site to be held by Resource Environmental Solutions, LLC” and filed in the Potter County Courthouse to Instrument No. _____, being bounded and described as follows:

BEGINNING at a point at or near the centerline of Dibble Hollow Road, said point being at or near the Potter County/Tioga County Line and also the Harrison Township/Brookfield Township line, being along the easterly line of other lands of David L. Specht, et ux, having a reference of Parcel II in Potter County Record Book 65 at page 788 and being located N 38° 40' 20" E, 249.9 ft. from an iron rod found at the northwesterly corner of Richard F. Orr, et al, having a reference of Deed Book 279 at page 97, and being the southwesterly corner hereof; THENCE, leaving the centerline of Dibble Hollow Road and generally along the Potter County/Tioga County line, the Harrison Township/Brookfield Township line, the east line of other lands of David L. Specht, et ux, having a reference of Parcel II in Potter County Record Book 65 at page 788,
N 00° 45' 54" W, 2923.94 ft. to a point; THENCE, leaving the Potter County/Tioga County line, the Harrison Township/Brookfield Township line and lands of David L. Specht, et ux, having a reference of Parcel II in Potter County Record Book 65 at page 788, and through lands of David L. Specht, et ux, having a reference of Parcel III in Tioga County Record Book 765 at page 7508,
N 18° 25' 04" E, 401.58 ft. to a point at the beginning of a curve concave to the west having a radius of 2000.00 ft.; THENCE, with said curve for a distance of 1065.52 ft. to a point at the end of said curve; THENCE,

**2012103 – SURVEY OF CONSERVATION EASEMENTS KNOWN AS THE
SPECHT SITE THROUGH LANDS OF DAVID L. SPECHT. Page 2 of 3.**

N 12° 06' 26" W, 1036.98 ft. to a point at or near the Potter County/Tioga County line, the Harrison Township/Brookfield Township line and other lands of David L. Specht, et ux, having a reference of Parcel II in Potter County Record Book 65 at page 788; THENCE, discontinuing through lands of David L. Specht, et ux, having a reference of Parcel III in Tioga County Record Book 765 at page 7508 and generally along the Potter County/Tioga County line, the Harrison Township/Brookfield Township line and lands of David L. Specht, et ux, having a reference of Parcel II in Potter County Record Book 65 at page 788,

N 00° 45' 54" W, 792.18 ft. to a point along a curve concave to the southeast having a radius of 847.42 ft.; THENCE, leaving the Potter County/Tioga County line, the Harrison Township/Brookfield Township line and lands of David L. Specht, et ux, having a reference of Parcel II in Potter County Record Book 65 at page 788, and through lands of David L. Specht, et ux, having a reference of Parcel III in Tioga County Record Book 765 at page 7508 and along said curve having a chord bearing and distance of N 18° 57' 34" E, 239.60 ft. to a point, being the northwesterly corner of a 50-ft. wide Access Corridor "A" as more particularly shown on the above referenced plan; THENCE,

N 10° 41' 55" E, 245.43 ft. to a point; and,

N 08° 19' 39" E, 148.17 ft. to a point at the beginning of a curve concave to the southeast having a radius of 491.28 ft.; THENCE, along said curve having a chord bearing and distance of N 36° 36' 35" E, 465.55 ft. to a point; THENCE,

N 07° 51' 36" W, 72.37 ft. to a point;

S 86° 03' 32" E, 363.52 ft. to a point; and,

S 47° 18' 13" E, 144.72 ft. to a point, being the northwesterly corner of the 50' road exception for Dibble Hollow Road as more particularly shown on the above referenced survey plan; THENCE,

S 17° 55' 42" E, 89.88 ft. to a point along a curve concave to the southwest having a radius of 483.00 ft.; THENCE, with said curve having a chord bearing and distance of S 13° 18' 38" E, 424.55 ft. to a point; THENCE,

S 12° 45' 41" W, 604.24 ft. to a point at the beginning of a curve concave to the east having a radius of 1000.00 ft.; THENCE, with said curve for a distance of 344.61 ft. to a point at the end of said curve; THENCE,

S 06° 59' 00" E, 242.34 ft. to a point, said point being located S 06° 59' 00" E, 14.7 ft. from the northeasterly corner of 50' Access Corridor "B" as more particularly shown on the above referenced survey plan; and,

S 21° 16' 23" E, 332.42 ft. to a point at the beginning of a curve concave to the west having a radius of 500.00 ft.; THENCE, with said curve for a distance of 202.27 ft. to a point at the end of said curve; THENCE,

S 01° 54' 19" W, 169.33 ft. to a point at the beginning of a curve concave to the east having a radius of 500.00 ft.; THENCE, with said curve for a distance of 155.26 ft. to a point at the end of said curve; THENCE,

S 15° 53' 12" E, 403.50 ft. to a point at the northeasterly corner of a Wildlife Plot exception more particularly shown on the above referenced survey plan; THENCE,

**2012103 – SURVEY OF CONSERVATION EASEMENTS KNOWN AS THE
SPECHT SITE THROUGH LANDS OF DAVID L. SPECHT. *Page 3 of 3.***

S 03° 00' 16" E, 544.91 ft. to a point at the beginning of a curve concave to the northwest having a radius of 1000.00 ft.; THENCE, with said curve for a distance of 438.33 ft. to a point at the end of said curve; THENCE,
S 22° 06' 36" W, 759.60 ft. to a point at the beginning of a curve concave to the east having a radius of 1000.00 ft.; THENCE, with said curve for a distance of 425.76 ft. to a point at the end of said curve; THENCE,
S 02° 17' 03" E, 476.09 ft. to a point at the beginning of a curve concave to the northwest having a radius of 1000.00 ft.; THENCE, with said curve for a distance of 313.77 ft. to a point at the end of said curve, said point being at or near the internal division line of lands of David L. Specht, et ux; THENCE, leaving Parcel III in Record Book 765 at page 7508 and through Premises B in Record Book 765 at page 7508,
S 15° 41' 37" W, 1381.63 ft. to a point; and,
N 90° 00' 00" W, 288.04 ft. to the POINT OF BEGINNING.

EXCEPTING AND RESERVING a 40' powerline exception, a 50' road exception for the Dibble Hollow Road, a 50' Access Corridor "C", a 50' Access Corridor "A", a 50' Access Corridor "B", an existing building exception and a Wildlife Plot exception all as more particularly shown on the above referenced survey plan.

CONTAINING 127.22 acres less the 19.23 acre exceptions hereinabove referenced for a net conservation easement area of 107.99 acres.

BEING a portion of Premises B and Parcel III as conveyed by David L. Specht, Executor of the Estate of Donald F. Specht, to David L. Specht, by deed dated February 22, 2006 and recorded in Tioga County Record Book 765 at page 7508.

This is a sample description as prepared by Land Services Group – Cunningham Surveyors to be used as a reference for the attorney who will be preparing the deed. This is not to be construed as the final description and should be revised, edited and completed by the attorney.

November 30, 2012

2012103 – SURVEY OF CONSERVATION EASEMENTS KNOWN AS THE SPECHT SITE THROUGH LANDS OF DAVID L. SPECHT. *Page 1 of 2.*

Being all that certain tract of land situate in Harrison Township, Potter County, Pennsylvania, as surveyed by Land Services Group – Cunningham Surveyors, dated September 13, 2012, entitled “Survey of Conservation Easements known as The Specht Site to be held by Resource Environmental Solutions, LLC” and filed in the Potter County Courthouse to Instrument No. _____, being bounded and described as follows:

BEGINNING at a point along the northerly line of Stanley E. McIlvee, having a reference of Deed Book 3 at page 850, said point being located N 52° 49' 16" W, 585.21 ft. from an iron rod found at the northwesterly corner of Richard F. Orr, et al, having a reference of Deed Book 279 at page 97, said point of beginning being the southwesterly corner hereof; THENCE, leaving lands Stanley E. McIlvee, et ux, and through lands of David L. Specht, et ux, having a reference of Parcel II in Potter County Record Book 65 at page 788, (being recorded in Tioga County to Record Book 765 at page 7508), N 20° 07' 41" E, 199.88 ft. to a point at the beginning of a curve concave to the west, said curve having a radius of 1000.00 ft.; THENCE, with said curve for a distance of 251.44 ft. to a point at the end of said curve; THENCE, N 05° 43' 17" E, 200.39 ft. to a point at the beginning of a curve concave to the east, said curve having a radius of 1000.00 ft.; THENCE, with said curve for a distance of 323.93 ft. to a point at the end of said curve; THENCE, N 24° 16' 52" E, 201.92 ft. to a point at the beginning of a curve concave to the west, said curve having a radius of 1000.00 ft.; THENCE, with said curve for a distance of 519.23 ft. to a point at the end of said curve; THENCE, N 05° 28' 07" W, 132.09 ft. to a point, said point being the southwesterly corner of a 50' Wide Access Corridor “C” exception as more particularly shown on the above referenced survey plan; and,

**2012103 – SURVEY OF CONSERVATION EASEMENTS KNOWN AS THE
SPECHT SITE THROUGH LANDS OF DAVID L. SPECHT. Page 2 of 2.**

N 11° 15' 17" W, 71.62 ft. to a point at the beginning of a curve concave to the east, said curve having a radius of 686.79 ft.; THENCE, with said curve for a distance of 355.68 ft. to a point at the end of said curve; THENCE,
N 18° 25' 04" E, 609.82 ft. to a point along the Potter County/Tioga County line, also being the Harrison Township/Brookfield Township line and being along the west line of other lands of David L. Specht, et ux, having a reference of Parcel III in Tioga County Record Book 765 at page 7508; THENCE, discontinuing through lands of David L. Specht, et ux, Parcel II in Potter County Record Book 65 at page 788 with said Potter County/Tioga County line and Harrison Township/Brookfield Township line,
S 00° 45' 54" E, 2923.94 ft. to a point at or near the centerline of the Dibble Hollow Road; THENCE, leaving the Potter County/Tioga County line, the Harrison Township/Brookfield Township line, and the centerline of Dibble Hollow Road and through lands of David L. Specht, et ux, Parcel II in Record Book 65 at page 788,
N 90° 00' 00" W, 27.74 ft. to a point along a curve concave to the east, said curve having a radius of 5025.00 ft; THENCE, along said curve having a chord bearing and distance of S 03° 00' 30" W, 281.45 ft. to a point along the northeasterly line of aforementioned lands of Richard F. Orr, et al; THENCE, discontinuing through lands of David L. Specht, et ux, and along the northerly line of Richard F. Orr, et al, and then along the northerly line of aforementioned Stanley E. McIlvee, et ux,
N 52° 49' 16" W, 727.79 ft. to the POINT OF BEGINNING.

EXCEPTING AND RESERVING a 40' power line exception, a 50' Access Corridor "C" and a small triangular portion of the Dibble Hollow Road 50' road exception all as more particularly shown on the above referenced survey plan.

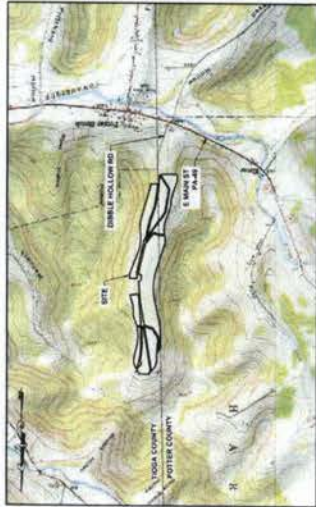
CONTAINING 22.00 acres less the 1.95 acre exceptions hereinabove referenced for a net conservation easement area of 20.05 acres.

BEING a portion of Parcel II as conveyed by David L. Specht, Executor of the Estate of Donald F. Specht, to David L. Specht, by deed dated February 22, 2006 and recorded in Potter County Record Book 65 at page 788.

EXHIBIT B
MITIGATION WORK PLAN

UPPER SUSQUEHANNA RIVER MITIGATION BANK - PHASE 2

BROOKFIELD TOWNSHIP
TIOGA COUNTY, PENNSYLVANIA



VICINITY MAP
SCALE: 1" = 2,000'

FIRST PENNSYLVANIA RESOURCE, LLC

SPONSOR

ATTN: Will Donaldson
360 Southpointe Blvd., Suite 405
Cantonburg, PA 15317

DECEMBER 2012

DRAFT PLAN

NOTICE

1. **PROJECT DESCRIPTION:** This plan is for the installation of the Upper Susquehanna River Mitigation Bank - Phase 2 (UBMB). The UBMB is located on the east bank of the Upper Susquehanna River, approximately 1.5 miles upstream from the confluence of the river into Lake Umbagog. The UBMB is a 1.5-mile long, 100-foot wide strip of land that will be used to restore and enhance the river's natural resources. The UBMB is a critical component of the Upper Susquehanna River Mitigation Bank project, which is a joint effort between the Pennsylvania Department of Environmental Protection and the U.S. Army Corps of Engineers. The UBMB is a 1.5-mile long, 100-foot wide strip of land that will be used to restore and enhance the river's natural resources. The UBMB is a critical component of the Upper Susquehanna River Mitigation Bank project, which is a joint effort between the Pennsylvania Department of Environmental Protection and the U.S. Army Corps of Engineers.

2. **DATE OF PREPARATION:** This plan was prepared on December 13, 2012.

3. **DATE OF REVISION:** This plan was revised on December 13, 2012.

4. **DATE OF APPROVAL:** This plan was approved on December 13, 2012.

5. **DATE OF CONSTRUCTION:** This plan is for the construction of the UBMB, which is expected to begin in early 2013.

6. **DATE OF COMPLETION:** This plan is for the construction of the UBMB, which is expected to be completed by the end of 2013.

7. **DATE OF REVIEW:** This plan was reviewed on December 13, 2012.

8. **DATE OF SUBMITTAL:** This plan was submitted on December 13, 2012.

9. **DATE OF APPROVAL:** This plan was approved on December 13, 2012.

10. **DATE OF CONSTRUCTION:** This plan is for the construction of the UBMB, which is expected to begin in early 2013.

11. **DATE OF COMPLETION:** This plan is for the construction of the UBMB, which is expected to be completed by the end of 2013.

12. **DATE OF REVIEW:** This plan was reviewed on December 13, 2012.

13. **DATE OF SUBMITTAL:** This plan was submitted on December 13, 2012.

14. **DATE OF APPROVAL:** This plan was approved on December 13, 2012.

15. **DATE OF CONSTRUCTION:** This plan is for the construction of the UBMB, which is expected to begin in early 2013.

16. **DATE OF COMPLETION:** This plan is for the construction of the UBMB, which is expected to be completed by the end of 2013.

17. **DATE OF REVIEW:** This plan was reviewed on December 13, 2012.

18. **DATE OF SUBMITTAL:** This plan was submitted on December 13, 2012.

19. **DATE OF APPROVAL:** This plan was approved on December 13, 2012.

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21. **DATE OF COMPLETION:** This plan is for the construction of the UBMB, which is expected to be completed by the end of 2013.

22. **DATE OF REVIEW:** This plan was reviewed on December 13, 2012.

23. **DATE OF SUBMITTAL:** This plan was submitted on December 13, 2012.

24. **DATE OF APPROVAL:** This plan was approved on December 13, 2012.

25. **DATE OF CONSTRUCTION:** This plan is for the construction of the UBMB, which is expected to begin in early 2013.

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27. **DATE OF REVIEW:** This plan was reviewed on December 13, 2012.

28. **DATE OF SUBMITTAL:** This plan was submitted on December 13, 2012.

29. **DATE OF APPROVAL:** This plan was approved on December 13, 2012.

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33. **DATE OF SUBMITTAL:** This plan was submitted on December 13, 2012.

34. **DATE OF APPROVAL:** This plan was approved on December 13, 2012.

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37. **DATE OF REVIEW:** This plan was reviewed on December 13, 2012.

38. **DATE OF SUBMITTAL:** This plan was submitted on December 13, 2012.

39. **DATE OF APPROVAL:** This plan was approved on December 13, 2012.

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42. **DATE OF REVIEW:** This plan was reviewed on December 13, 2012.

43. **DATE OF SUBMITTAL:** This plan was submitted on December 13, 2012.

44. **DATE OF APPROVAL:** This plan was approved on December 13, 2012.

45. **DATE OF CONSTRUCTION:** This plan is for the construction of the UBMB, which is expected to begin in early 2013.

46. **DATE OF COMPLETION:** This plan is for the construction of the UBMB, which is expected to be completed by the end of 2013.

47. **DATE OF REVIEW:** This plan was reviewed on December 13, 2012.

48. **DATE OF SUBMITTAL:** This plan was submitted on December 13, 2012.

TIMMONS GROUP

1000 WEST 10TH AVENUE, SUITE 1000
DENVER, CO 80202
TEL: 303.733.1100
WWW.TIMMONSGROUP.COM

UPPER SUSQUEHANNA RIVER MITIGATION BANK - PHASE 2

BOOKERFIELD TOWNSHIP, TIOGA COUNTY, PENNSYLVANIA

COVER

DATE: _____

REVISION DESCRIPTION: _____

THIS DRAWING REMAINS AT THE DISCRETION OF THE ENGINEER.

DATE: _____

REVISION DESCRIPTION: _____

THIS DRAWING REMAINS AT THE DISCRETION OF THE ENGINEER.

Sheet Number	Sheet Title
1.00	COVER
1.01	LEGEND
1.02	PROFILING AND CHANNEL DESIGN PARAMETERS
1.03	DESIGN AND CONSTRUCTION DETAILS
1.04	GEOMETRIC DATA
1.05	DESIGN ALLOCATION TABLE
1.06	REACH 1 DESIGN ALIGNMENT PLAN
1.07	REACH 2 DESIGN ALIGNMENT PLAN
1.08	REACH 3 DESIGN ALIGNMENT PLAN
1.09	REACH 4 DESIGN ALIGNMENT PLAN
1.10	REACH 5 DESIGN ALIGNMENT PLAN
1.11	REACH 6 DESIGN ALIGNMENT PLAN
1.12	REACH 7 DESIGN ALIGNMENT PLAN
1.13	REACH 8 DESIGN ALIGNMENT PLAN
1.14	REACH 9 DESIGN ALIGNMENT PLAN
1.15	REACH 10 DESIGN ALIGNMENT PLAN
1.16	REACH 11 DESIGN ALIGNMENT PLAN
1.17	REACH 12 DESIGN ALIGNMENT PLAN
1.18	REACH 13 DESIGN ALIGNMENT PLAN
1.19	REACH 14 DESIGN ALIGNMENT PLAN
1.20	REACH 15 DESIGN ALIGNMENT PLAN
1.21	REACH 16 DESIGN ALIGNMENT PLAN
1.22	REACH 17 DESIGN ALIGNMENT PLAN
1.23	REACH 18 DESIGN ALIGNMENT PLAN
1.24	REACH 19 DESIGN ALIGNMENT PLAN
1.25	REACH 20 DESIGN ALIGNMENT PLAN
1.26	REACH 21 DESIGN ALIGNMENT PLAN
1.27	REACH 22 DESIGN ALIGNMENT PLAN
1.28	REACH 23 DESIGN ALIGNMENT PLAN
1.29	REACH 24 DESIGN ALIGNMENT PLAN
1.30	REACH 25 DESIGN ALIGNMENT PLAN
1.31	REACH 26 DESIGN ALIGNMENT PLAN
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1.98	REACH 93 DESIGN ALIGNMENT PLAN
1.99	REACH 94 DESIGN ALIGNMENT PLAN
2.00	REACH 95 DESIGN ALIGNMENT PLAN



THE PENNSYLVANIA DEPARTMENT OF ENVIRONMENTAL PROTECTION
 400 MARKET STREET, SUITE 1200, HARRISBURG, PA 17102
 (717) 785-1000

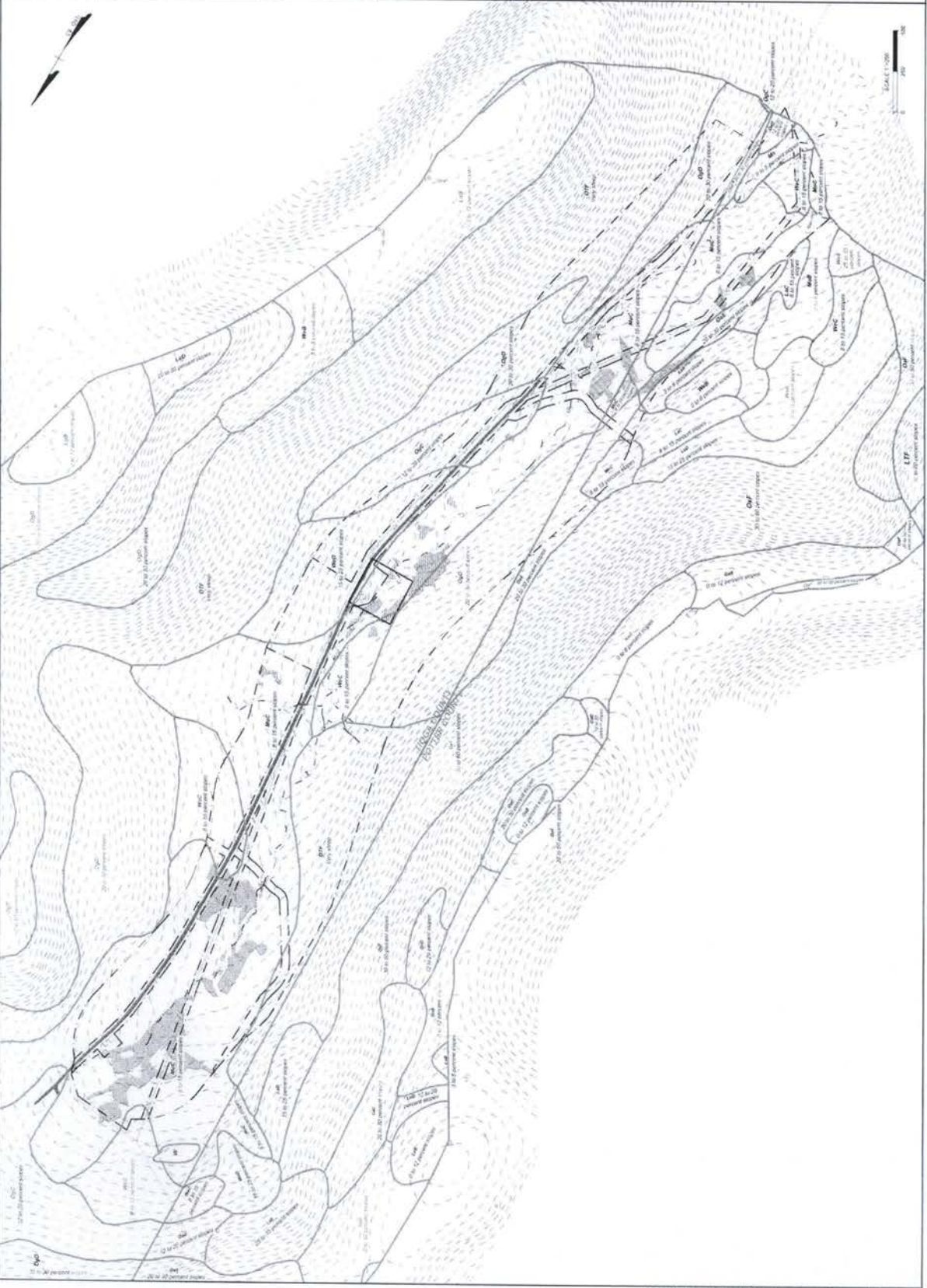
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PROJECT	DATE

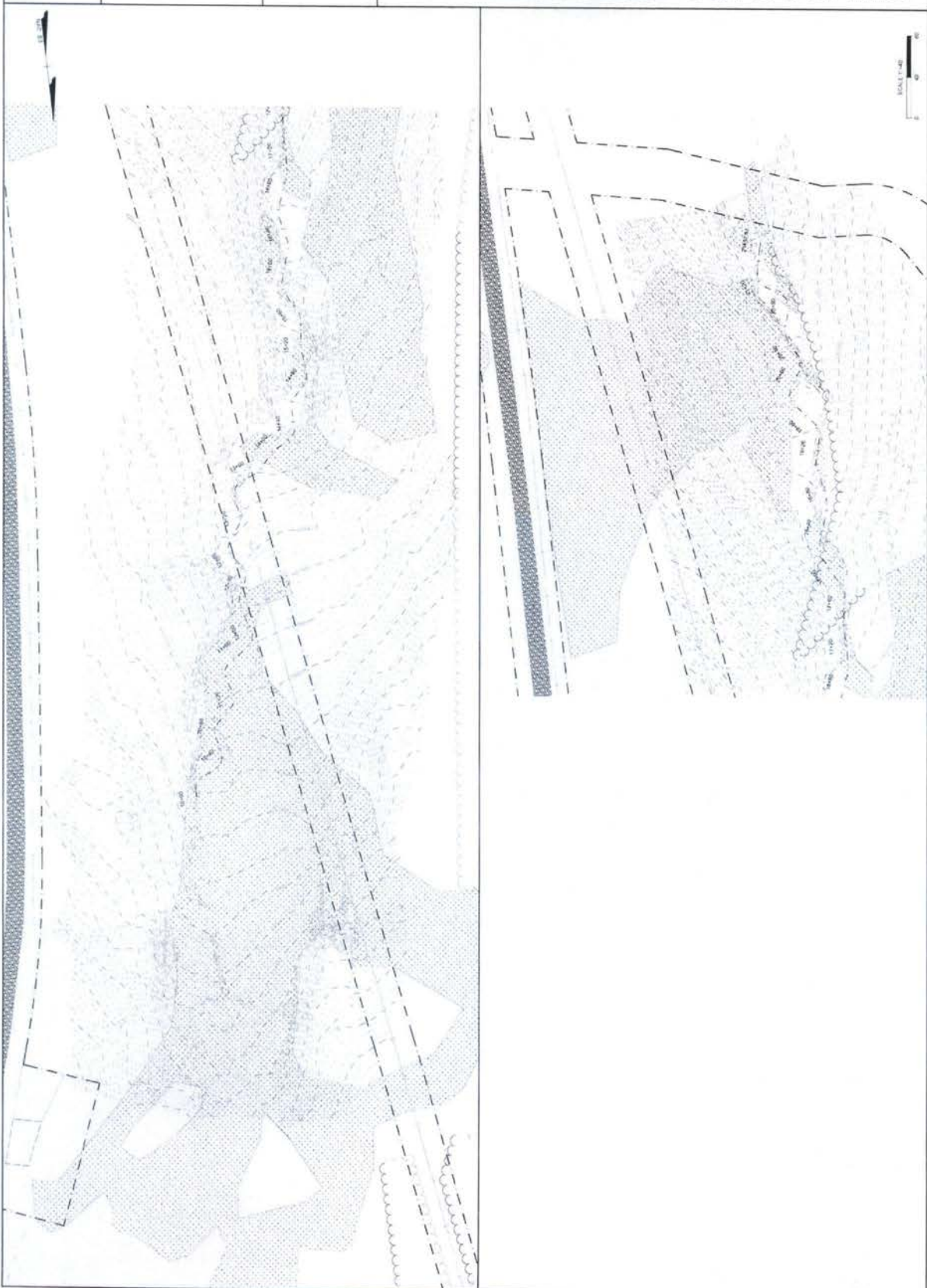
TIMMONS GROUP

UPPER SUSQUEHANNA RIVER MITIGATION BANK - PHASE 2
 SOILS MAP
 BRACKETTSD TOWNSHIP - TIoga COUNTY - PENNSYLVANIA

2102
 250321
 2.02



	TIMMONS GROUP	
	100% DESIGN FOR CONCEPT ENGINEERING	
PROJECT DESCRIPTION:		
UPPER SUSQUEHANNA RIVER MITIGATION BANK - PHASE 2		
REACH 2 DESIGN ALIGNMENT PLAN		
BROOKFIELD TOWNSHIP - TIOGA COUNTY - PENNSYLVANIA		
SHEET NO. 101		
DATE: 10/1/2010		
DRAWN BY: J. B.		
CHECKED BY: J. B.		
APPROVED BY: J. B.		
SCALE: 1"=40'		



any other use or for any other purpose without the written consent of the engineer.

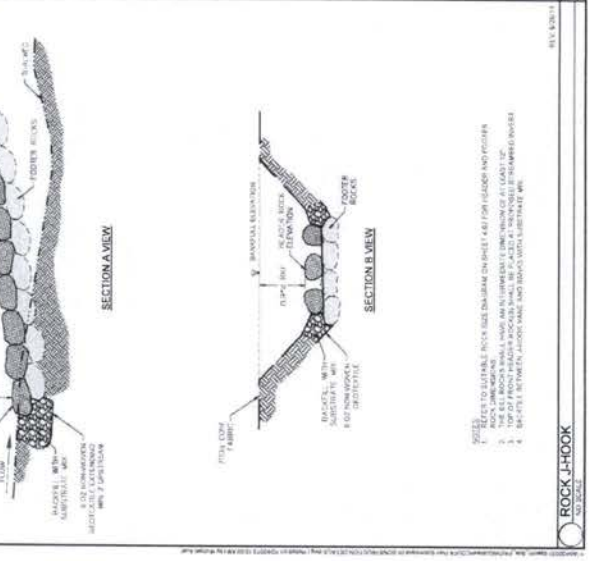
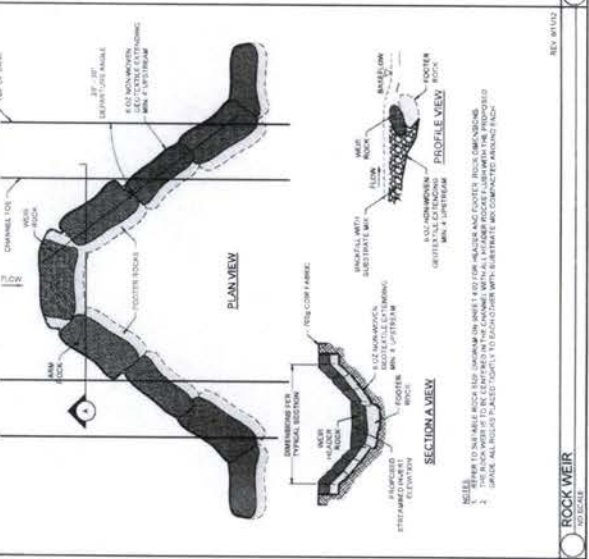
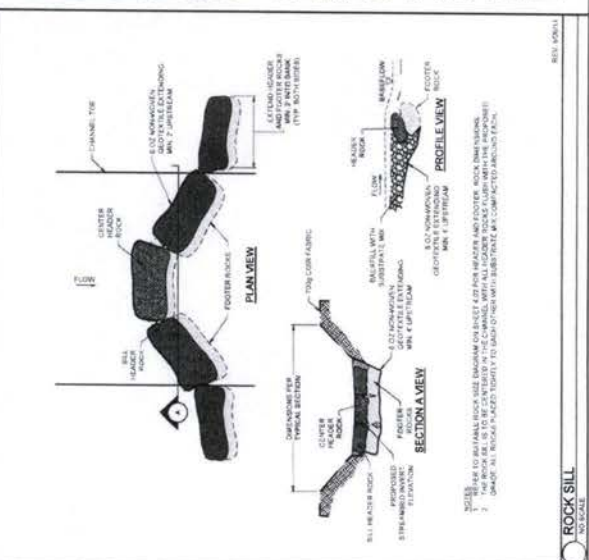
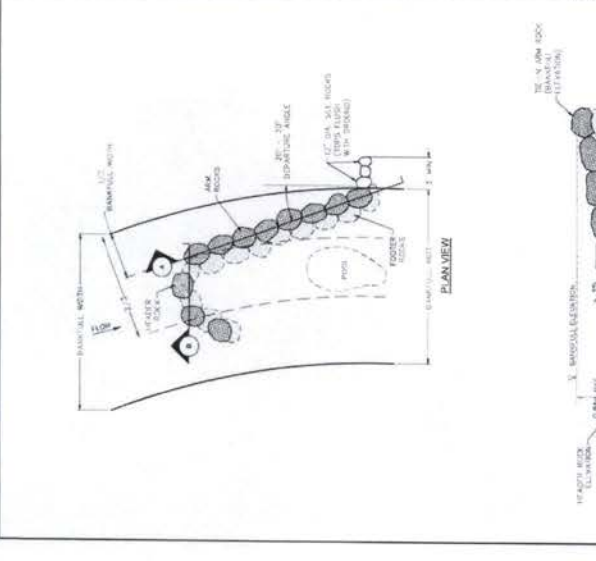
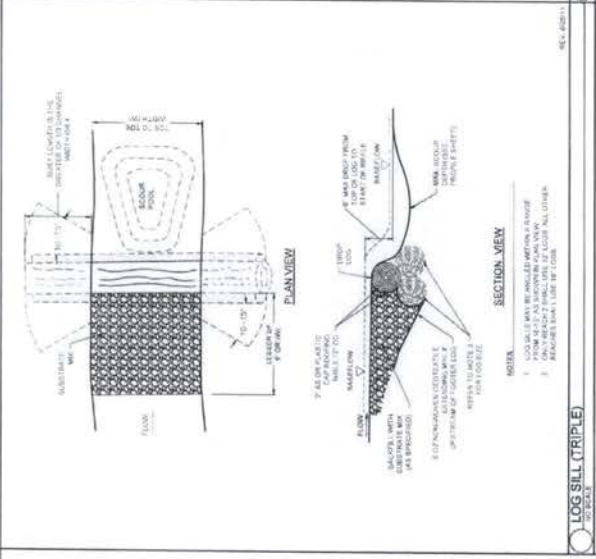
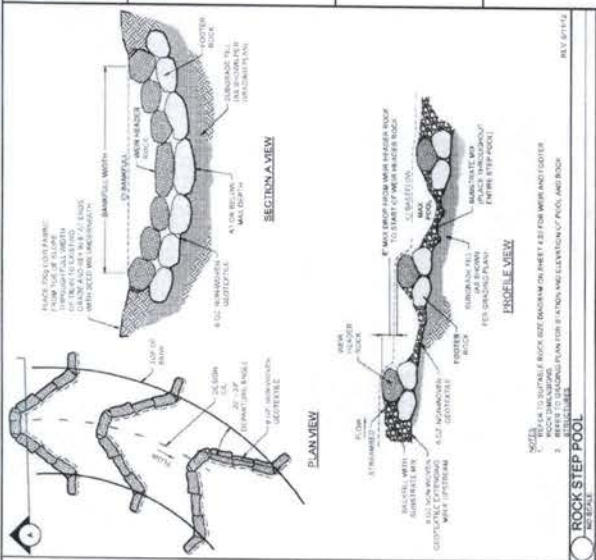


EXHIBIT C

CONSENT OF LENDER AND TRUSTEE

EXHIBIT "C"

FORM – ASSIGNMENT OF PAYMENT FROM FPR TO BANK

ASSIGNMENT

THIS ASSIGNMENT ("Assignment") is made this 19 day of SEPTEMBER 2012 by DAVID L. SPECHT, maintaining an address at 275 East Moyer Road, Pottstown, PA 19464 ("Debtor") and First Pennsylvania Resource, LLC, ("FPR"), maintaining its mailing address at _____ in favor of NATIONAL PENN BANK, maintaining an address at: ATTN: Mark C. Bartholomew, National Penn Bank, P. O. Box 547, Boyertown PA 19512 ("Lender" or "Bank"). Intending to be legally bound hereby, Debtor and Bank acknowledge and agree as follows:

1. Restoration Project. Debtor has or will enter into an agreement regarding proposed Ecological Restoration Project and Option to Acquire Conservation Easement ("Restoration Project Agreement") with First Pennsylvania Resource, LLC ("FPR") by which FPR will seek approval for qualification of a certain 145 acre tract located partly in Tioga County and partly in Potter County, PA, including stream and wetlands which, under applicable law, are eligible, as a restoration site for the sale of mitigation credits (the "Mitigation Tract"). As such time as FPR receives approval of the Mitigation Project, as defined in the Restoration Project Agreement, FPR will require the execution of a Conservation Easement from Debtor, and at that time FPR agrees to remit payment of \$300,000.00 as consideration for the delivery of the Conservation Easement by Debtor to FPR for recording.

2. Consent of Bank Required. The Mitigation Tract is within the area comprising a portion of Debtor's property ("Property") on which Bank has mortgage interests. The Property is located in Tioga and Potter Counties and Bank, therefore, holds mortgages in both Tioga County and Potter County securing both a Line of Credit and the Term Loan. For that reason, the Grantee of the Conservation Easement ~~requires the consent of the Bank, as holder of mortgages encumbering the Mitigation~~ Tract. Provided the Bank receives payment in the amount of \$300,000.00 as set forth in below, the Bank agrees to execute its consent, substantially in the form of the Consent of Lender/Mortgagee ("Consent") attached hereto as Exhibit "A" and incorporated herein by reference subject to the terms and conditions of this Assignment.

3. Assignment and Security Agreement. Debtor hereby grants the Bank a first lien security interest in, and assigns the Bank, his right to receive consideration from FPR in exchange for execution and delivery of his conservation easement, to the extent of \$300,000.00. Payment of \$300,000.00 due to Debtor under the terms of the Restoration Project Agreement shall be paid directly by FPR to the Bank, at the address set forth above.

4. Payment Due Date. The parties hereto acknowledge and agree that, in the event the Bank has not received consideration in the sum of \$300,000.00 on or by December 31, , 2013, the Bank's agreement to execute the Consent shall terminate, without further notice to Debtor or to FPR.

5. Acknowledgment of FPR. By signing this Agreement, FPR acknowledges its consent and agreement that if and when the Project is approved for mitigation credits, the payment of \$300,000.00 otherwise due under the terms of the Restoration Project Agreement shall be paid directly to National Penn Bank at the address set forth above.

DEBTOR:


DAVID L. SPECHT

BANK:

NATIONAL PENN BANK

By:


MARK C. BARTHOLOMEW, V.P.

FPR:

FIRST PENNSYLVANIA RESOURCE, LLC

By:

 CEO
Name/Title

EXHIBIT 9
PERFORMANCE BOND

Mitigation Bank Performance Bond

Bond No. _____

Penal Sum: \$ 998,147.00

Know All Men By These Presents,

That we, **First Pennsylvania Resource, LLC of 380 Southpointe Blvd., Suite 405 Canonsburg, PA 15317** (hereinafter called the Principal), as Principal, and **RLI Insurance Company** with an office at **8 Greenway Plaza, Suite 400 Houston, TX 77046**, a corporation duly organized under the laws of the State of Illinois (hereinafter called the "Surety"), as Surety, are held and firmly bound unto either, as evidenced by the signature below, the **Pennsylvania Department of Environmental Protection (PADEP) of 400 Market Street Harrisburg, PA 17101** or the **US Army Corps of Engineers (USACE) of 1000 Liberty Avenue Pittsburgh, PA 15222-4186** (hereinafter called the "Obligee"), as Obligee, up to the maximum penal sum of nine hundred and ninety eight thousand one hundred and forty seven and 00/100 Dollars (\$998,147.00) (hereinafter called the "Maximum Penal Sum"), for the payment of which we, the said Principal and the said Surety, bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has entered into the PSUMBI with the Obligee, dated the ____ day of ____, 2013, which includes the Mitigation Site Plan for Upper Susquehanna Mitigation Bank Phase 2 (the "Mitigation Bank Site") to ensure that aquatic resources will be restored or established on the Mitigation Bank Site, which PSUMBI and Mitigation Site Plan are hereby referred to and made a part hereof as if fully set forth herein.

WHEREAS, the Principal has applied for Permits for such activities from the U.S. Army Corps of Engineers (USACE) and/or the Pennsylvania Department of Environmental Protection (PADEP) to insure full compliance with all the terms and conditions of US Department of Army Permit _____ and/or PADEP Permit _____ (Permits).

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that this bond will not be released in whole or in part until the Principal receives written verification from the IRT that the conditions for release in PSUMBI and Mitigation Site Plan and Permits have been met. If the above bounden Principal shall complete construction of the Mitigation Bank Site and meet the final Performance Standards as defined in PSUMBI and Mitigation Site Plan, including any amendments, and received acknowledgment of such from the IRT, then this obligation shall be null and void; otherwise shall remain in full force and effect, subject, however, to the following conditions:

- 1) Upon successful completion of construction and approval of an as-built report, the Penal Sum shall be reduced by thirty percent (30%).
- 2) Obligee will issue a full and final release of this Bond when i) the final Performance Standards, as defined in PSUMBI, are met, or ii) other security, in the amount of and

covering the same obligations stated herein, is posted with the Obligee. This bond will not be released in whole or in part until the Principal receives written verification from the IRT that the conditions for release in the Instrument and Mitigation Site Plan and Permits have been met.

- 3) The Surety's obligation under this bond shall arise after the Obligee has notified the Principal in their failure to abide by the terms and conditions of PSUMBI. Upon notice of the Principal's Default under PSUMBI, the Surety may take one of the following actions:
 - a) Remedy the Default of the Principal to the full satisfaction of the Obligee by a date certain determined by the Obligee, or
 - b) Immediately tender to a party or parties identified by the Obligee the portion of the penal sum that the Obligee determines is due and owing and necessary to remedy the Default. In no circumstances shall such a sum be tendered to the Obligee. Any new party or parties identified by the Obligee under this section shall immediately become a Surety or Sureties to this bond. If the Obligee determines that it is unable to identify such a party or parties, the Surety(ies) shall remedy the Default of the Principal under a) of this section.
 - c) In the event that the Surety(ies) fail(s) to respond within thirty (30) business days to the Obligee's notice of Default, or to honor commitments to the full satisfaction of the Obligee under a) or b) above of this section, the remaining portion of the full penal sum may, at the election of the Obligee, immediately become due and owing and paid to a party or parties identified by the Obligee. In no circumstances shall such a sum be tendered to the Obligee. Any new party or parties identified by the Obligee under this paragraph shall immediately become a Surety or Sureties to this bond.
- 4) Surety shall have no obligation to the Principal, the Obligee or any other person or entity for any loss suffered by the Principal, the Obligee or any other person or entity by reason of acts or omission which are or could be covered by the Principal's general liability insurance, products liability insurance, completed operations insurance or any other insurance.

NOTWITHSTANDING ANYTHING CONTAINED IN THE AGREEMENT TO THE CONTRARY, THE LIABILITY OF THE PRINCIPAL AND SURETY UNDER THIS BOND IS LIMITED TO THE TERM BEGINNING THE _____ DAY OF _____, 20__, AND ENDING THE _____ DAY OF _____, 20__, AND ANY EXTENSIONS OR RENEWALS OF THE REFERENCED AGREEMENT SHALL BE COVERED UNDER THIS BOND ONLY WHEN CONSENTED TO IN WRITING BY THE SURETY. IT IS FURTHER AGREED THAT REFUSAL BY THE SURETY TO EXTEND THE TERM OF THIS BOND SHALL NOT CONSTITUTE A DEFAULT BY THE PRINCIPAL, AND SHALL NOT GIVE RISE TO A CLAIM OR DEMAND AGAINST THE SURETY UNDER THIS BOND

In accordance with regulations at 33 C.F.R. § 332.3(n)(5), the Surety shall provide the Obligee notification at least 120 days in advance of termination, revocation, or modification of this bond.

No right of action shall accrue on this bond to or for the use of any person or corporation other than the Obligee named herein, or their heirs, executors, administrators or successors.

Sealed with our seals and dated this _____ day of _____, 2013.

Principal: First Pennsylvania Resource, LLC

By: _____
Name/Title

Surety: RLI Insurance Company

By: _____
Greg E. Chilson, Attorney-in-Fact

Obligee: US Army Corps of Engineers

By: _____
Name/Title