

January 26, 2007

Mr. Mark Gordon
Chairman
Wyoming Environmental Quality Council
122 W. 25th Street
Herschler bldg. Rm. 1714
Cheyenne, Wy. 82002

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Terri A. Lorenzon, Director
Environmental Quality Council

RE: Citizen Petition for Rulemaking-Powder River Basin Resource Council et al-Revised Version- WQD Chapter 2

Dear Mr. Gordon:

After attending an informational meeting sponsored by Yates Petroleum on January 26, 2007, I felt it necessary to write this letter. I am Bill Kern, sales manager and Vice President of Contractors Supply, Inc. in Gillette, Wy. The economical and financial ramifications would be devastating if the petition mentioned would pass. As you know CBM industry not only affects Gillette and Campbell County it affects industries nation wide. If the supply chain would come to a halt the ripple affect would go coast to coast.

I believe this petition is a drastic fix to problems that no longer exist. We all know that the CBM industry had to travel a long learning curve, and there were some early producers that had some issues. We also know as the learning curve has been traveled most of the issues that caused the extreme problems have been eliminated. Since the producers and the regulatory boards have been working together, most of the environmental and safety issues have been addressed. I also believe that your agency in particular has done a better than average job providing regulations that allow both the producer and landowners to work together. The petition that is being filed would set standards that would eliminate the need for anyone to work together in the CBM industry.

At Contractors Supply, Inc., we service a very broad customer base. Ranchers have become a key component to our sales. Most of what we do with the rancher is to provide plastic pipe and fittings for stock water. We have been instrumental in helping to design and to develop water systems that work for ranchers. As you are aware, there are hundreds of stock tanks that are being supplied with CBM water. If this petition would pass and shut down the industry, it would shut off the water to the hundreds of tanks that ranchers are relying on. Would not that be just as unfair to the ranchers relying on the water as what the petitioners are worried about?

Other key customers to Contractors Supply are cities, counties, and developers. There are several projects going on in the area that are based on the continuation of the CBM industry. Campbell County Fire Department, Complex Multi Event Center, the Town of Wright water main project, are just a few of the major projects that would suffer greatly that many entities are relying on.

Mr. Gordon as you review the petition I hope that you realize the negative affects that the petition would have. I believe that your council can continue to work with the producers to keep the CBM industry growing in a positive way for both the landowner and the producer. Thank you for taking the time to read this letter. If we can ever offer solutions for some of the problems please take time to contact us at Contractors Supply, Inc.

Sincerely,



Bill Kern
Vice President Contractors Supply, Inc.

cc: Tim Barber, Yates Petroleum

Dave Burns, SALES/PURCHASING

Rohi Matta President

 WAREHOUSE

 SECRETARY

Tony Thompson SALES

Michael Beatty SALES

John A Swyer SALES/PURCHASING