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**FILED**

JAN 29 2007

Terri A. Lorenzon, Director  
Environmental Quality Council

January 26, 2007

Mr. Mark Gordon, Chairman  
Wyoming Environmental Quality Council  
122 W. 25<sup>th</sup> St.  
Herschler Bldg., Room 1714  
Cheyenne, WY 82002

Dear Mr. Gordon:

My name is Jim Nies. I have been working in the energy business in Wyoming since 1973. I have been employed for the last five years as a drilling superintendent for Yates Petroleum Corporation in Gillette, in charge of hiring the methane rigs and associated contractors who assist in the drilling of the wells. My wife is an accountant at Dry Fork Coal Mine in Gillette, also. We have lived in Gillette since 1982 and have seen the busts in the oil patch mostly due to OPEC. We managed to send two of our three children to the University of Wyoming. They both work out of state as professionals. Our youngest daughter is studying nursing in Colorado. We recently built a new home in Gillette because we thought the methane industry looked more stable than the oil patch has been.

Now we and our company are faced with WQD Chapter 2 Petition which, if enacted, will cause harm to us, as well as numerous associates such as ranchers, drillers, pumpers, and other subcontractors. The methane industry has done more for young people around here than any other industry, particularly those not interested in college. It has also put lots of landmen, geologists, engineers, and hydrologists to work that would probably be in other states if not for this development.

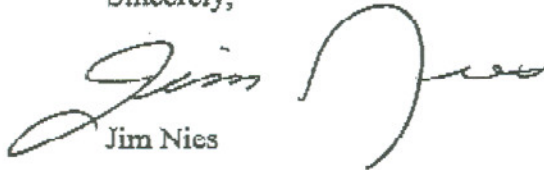
We feel that the beneficial uses of methane water will be curtailed if these stringent standards are imposed on these discharge permits. We have had seven years of drought and many ranchers would not have made it through these times had the water not been available. We have seen lots of raptors, ducks, deer, antelope and cattle around methane water reservoirs that would normally have to walk miles away to get a drink.

I don't think that coalbed methane should be restricted more than any other water source point. Where there have been problems with certain landowners, there should be some means of arbitration to settle the matter, but do not shut down the industry because of a handful of landowners.

Because the state reaps half of the Federal Royalty payments, a shutdown would amount to a tremendous loss of revenue for the State of Wyoming. The BLM bird stipulations have created a seven month work year. Let's not go to nothing.

Thank you for this opportunity to comment on this matter before the EQC.

Sincerely,

  
Jim Nies