



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Reese Fullerton

Deputy Cabinet Secretary

1/24/2008

Quest Cherokee, LLC
Richard Marlin-Vice President
9520 North May Ave. Ste. 300
Oklahoma City, OK 73120

Ref: West Bishop State #1 API 30-025-38503

Dear Mr. Marlin:

A decision needs to be made on the disposition of this well. The well test on 1/2/2008 shows 0 -OIL, Gas -TSTM, 206 Bbls of water. As it stands now, the well is not economic to produce. Quest Cherokee has ninety days to re-complete the well to a productive oil and gas formation; or plug and abandon the well; or temporarily abandon the well.

I have appreciated the response of Quest Cherokee to the numerous complaints that this office has received. The installation of the vapor recovery unit should have helped to eliminate the complaints, but unfortunately it hasn't. We have received many complaints from Mr. Tom Duncan whose house is south of the well. We have received complaints from Mr. James Smith whose house is north of the well and Mr. Ronnie Pryor whose home is east of the well. I have received inquiries from city of Hobbs Commissioner Mr. Gary Fonay and County Commissioner Mike Whitehead as to the numerous complaints and the Hobbs Oil Conservation Division office response.

The Hobbs Oil Conservation Division office needs a response from Quest Cherokee, LLC by February 5, 2008 as to the disposition of the well.

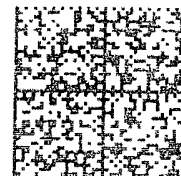
Sincerely,

Chris Williams

NMOCD District 1 Supervisor

CC: Gary Fonay City of Hobbs Commissioner via fax
Mike Whitehead, Lea County Commissioner District 2 via fax

EMNRD
OIL CONSERVATION DIVISION
1625 N FRENCH DRIVE
HOBBS NM 88240



HASLER
014H15216336
\$0.410
01/24/2008
Mailed From 88240
US POSTAGE

Quest Cherokee, LLC
9520 North May Ave. Ste 300
Oklahoma City, OK 73120
AttN: Richard Marlin

SCAN.
30-025-38503