July 22, 2004

Cheyenne Energy Inc.
Suite #2940, 205 - 5th Avenue S.W.
CALGARY, Alberta
T2P 2V7

Attention: Board of Directors of Cheyenne Energy Inc.

Re: Evaluation of the Interests of Cheyenne Energy Inc. - Form 51-101F2

1. We have evaluated the Company's reserves data as at December 31, 2003. The reserves data consist of the following:

(a) proved and proved plus probable oil and gas reserves estimated as at December 31, 2003 using forecast prices and costs and the related estimated future net revenue; and

(b) proved and proved plus probable oil and gas reserves estimated as at December 31, 2003 using constant prices and costs and the related estimated future net revenue.

2. The reserves data are the responsibility of the Company's management. Our responsibility is to express an opinion on the reserves data based on our evaluation.

We carried out our evaluation in accordance with standards set out in the Canadian Oil and Gas Evaluation Handbook (the "COGE Handbook").

3. Those standards require that we plan and perform an evaluation to obtain reasonable assurance as to whether the reserves data are free of material misstatement. An evaluation also includes assessing whether the reserves data are in accordance with principles and definitions presented in the COGE Handbook.

4. The following table is a summary of the Company's gross and net share of reserves as well as the future cash flow, including ARTC, before income tax, undiscounted and discounted at 5, 10, 15, and 20 percent per annum based on forecast prices and costs. The evaluation report has an effective date of December 31, 2003 and is dated April 15, 2004. All reserves evaluated are located in Canada and all reserves were evaluated by Paddock Lindstrom & Associates Ltd.

Reserves Category	Oil		Sales Gas		NGL		Present Value Cash Flow				
	Gross (MStb)	Net (MStb)	Gross (MMcf)	Net (MMcf)	Gross (MStb)	Net (MStb)	0% (M$)	5% (M$)	10% (M$)	15% (M$)	20% (M$)
Proved Producing	17	16	2,292	1,569	1	1	5,418	4,335	3,614	3,106	2,733
Proved Non-Producing	2	2	603	429	0	0	1,237	1,034	898	798	723
Total Proved Developed	19	18	2,895	1,998	1	1	6,655	5,370	4,512	3,904	3,456
Proved Undeveloped	0	0	0	0	0	0	0	0	0	0	0
Total Proved	19	18	2,895	1,998	1	1	6,655	5,370	4,512	3,904	3,456
Probable Additional	4	4	1,205	813	1	0	2,683	1,742	1,193	856	637
Total Proved + Probable	23	22	4,100	2,811	2	1	9,338	7,111	5,705	4,760	4,092

5. In our opinion, the reserves data evaluated by us have, in all material respects, been determined and are in accordance with the COGE Handbook.

6. We have no responsibility to update our reports referred to in paragraph 4 for events and circumstances occuring after the effective date.

7. Because the reserves data are based on judgements regarding future events, actual results will vary and the variations may be material.

Executed as to our report referred to above:

Paddock Lindstrom & Associates Ltd.
Calgary, Alberta, Canada

Execution Date: July 22, 2004

D.L.Paddock, P Eng.
Vice President