AMERICAN QUASAR PETROLEUM CO. OF NEW MEXICO BRINNINSTOOL NO. 1

American Quasar 15,500 ft. Morrow Prospect Sec. 20, Twp. 23-S, Rng. 33-E Lea County, New Mexico

Proposed Mud and Casing Program

0-500' Spud with a fresh water, Macogel and Lime type drilling fluid (40 to 50 sec/1000 cc viscosity). Surface Casing 500' - 20" casing in 26" hole.

500-4,200 Star Clear brine water using Flosal slugs as required to sweep hole clean. Wt. 10 lbs./gal. First Intermediate 4200' - 13 3/8" casing in 17 1/2" hole.

17200 4,200-12,600' Fresh water to 8000' then to a controlled brine (9.3#/gal.) Second Intermediate 12,600' - 9 5/8" casing in 12 1/4" hole.

12,600-14,600' Premixed brine water, KCl, Polymer, Drispac, My-Lo-Jel type drilling fluid (10-12.5 lbs./gal.) Drilling Liner 2300' - 7 5/8" casing in 8 1/2" hole.

14,600-15,500' Same drilling fluid as above. Production Liner 1300' - 5" casing in 6 1/4" hole.

This program is designed to give maximum hole stability and formation protection, rate of penetration and geological data recovery, while maintaining density to control expected pressure and rhealogy for hole cleaning while maintaining the ECD as low as possible.