

QUINTANA MINERALS CORPORATION

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January 21, 1998

Foreign Air Carrier Licensing Division
U. S. Department of Transportation
Room 6412
400 Seventh Street S. W.
Washington, D. C. 20590

Attention: Mr. Gordon Bingham

RE: Charters to Peru

Dear Mr. Bingham,

QMC Sucursal Peruana ("QMC") has solicited quotations for transporting 270 metric ton of American oil well casing and tubular goods including 30 tons of related materials from Houston, Texas to Iquitos, Peru.

We have received quotations form Southern Air Transport and Air Foyle Ltd., Antonov Design Group.

Prompt delivery of this cargo is imperative. QMC has experienced unexpected problems in drilling of its well in a remote jungle location in Peru that have compromised the integrity of the well and the safety of our people and our operations. We have just completed an evaluation of the casing already in the well and have determined it is wearing out. This situation, in conjunction with our unexpected drilling into abnormal overpressured formations has caused us to mobilize the equipment required to handle this potentially disastrous situation in as expedient fashion as possible. We currently face the very real possibility of losing control of this well even if it is shut in without the necessary equipment to prevent such a blowout or the equipment to handle a control of well situation in the event it did blow out. As I am sure you are aware, a blowout or other type of loss of control situation on a deep, overpressured well in a remote location can lead to disastrous consequences including serious injury, loss of human lives, and irreparable damage to the environment not to mention the high cost of regaining control or suspending operations.

Southern Air Transport has offered Hercules aircraft with the capacity of 45,000 pounds maximum or 20 metric tons per flight, and suggested using three (3) separate aircraft. This would call for 14 separate flights to get the required equipment to Peru. Without allowing for any complications or delays with dealing with multiple aircraft, small multiple loads, increased risk of equipment failure or other unexpected delays, Southern Air stated they could not complete this project before January 30, 1998. Given the substantial operational and safety risks we presently face, this is not an acceptable option.

Air Foyle has an Antonov in position in Houston ready, willing and able to provide the services we require in a timely fashion. Trucks are currently loaded with the casing, tubuars and related equipment and can starting loading immediately. The three required flights would be competed by Monday, January 26, 1998.

We understand that Southern Air Transport is an American company, but these delays are causing us serious hardship that may lead to a disastrous situation and we too, are an American company.

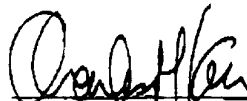
As time is of the essence, we are being forced to pursue other alternatives to meet the demands of our current situation. One viable option is to cancel our orders with the American companies and purchasing our materials from Mexico or other providers within South America causing revenue losses to these American companies. Our preference is to obviously use American tubular goods being shipped by the Antonov.

We will have to make a decision promptly, so therefore we are requesting that you reconsider our application so that we can proceed as planned.

Thank you for your cooperation and consideration.

Sincerely,

QMC SUCURSAL PERUANA



Charles H. Kerr