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FOR: NEWQUEST ENERGY INC.

TSE SYMBOL: NQE.A

February 23, 2000

Newquest Acquires Ranchero Shares and Extends Offer

CALGARY, ALBERTA--

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Newquest Energy Inc. ("Newquest") (NQE.A: TSE) announced today that, pursuant to its offer to acquire all of the issued and outstanding Common Shares of Ranchero Oil & Gas Ltd. ("Ranchero") on the basis of 2.86 Class A Shares of Newquest for each Common Share of Ranchero, approximately 6.5 million Common Shares, representing approximately 78% of the issued and outstanding Common Shares, have been deposited.

As a result, Newquest has taken-up and paid for all of the Common Shares deposited to the offer and extended the period during which Common Shares may be deposited until 6:00 p.m. (Calgary time) on Monday, March 6, 2000. A Notice of Extension is currently being prepared which will be mailed to all registered shareholders of Ranchero and intermediaries.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy the securities in any jurisdiction. The securities offered have not been and will not be registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirement.

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