

SOUTH JUSTIS UNIT PARTICIPATION FORMULA

Participation = 1% Acres + 4% BOE Rate

+ 21% Cumulative BOE Production

+ 34% Remaining Primary Oil Production

+ 40% Ultimate BOE Primary Recovery

BOE Rate is based on 1989 oil and gas production.

Gas Equivalency = 10 MCF/BO.

Cumulative Production is through December 31, 1989.

Remaining Primary is from January 1, 1990.

Ultimate Primary is the sum of Cumulative Production and Remaining Primary.

Formula Approval Results (January, 1992):

For--89.01%

Against--0.045%

Abstain--10.94%

BEFORE EXAMINER CATANACH	
OIL CONSERVATION DIVISION	
ARCO	EXHIBIT NO. 21
CASE NO. 10552, 10553, 10554	