



Arch Petroleum Inc.

ALLOCATION FOR PRODUCTION TO EACH ZONE

ABO - Currently producing and allocation to be based on 100-110 MCFD gas only. No fluids have been or are expected to be produced at this point.

DEVONIAN - All other gas produced plus oil and water produced will be allocated to the zone.

Arch Petroleum Inc.

EXHIBIT "I"

RECEIVED

APR 2 1990

OCD
HOBBS OFFICE