

I. Highway Right-of-way (HROW) Tracts Subject to Lease

- A. At its discretion, the School Land Board may establish the size and boundaries of each right-of-way tract to be leased or to be exempted from leasing. However, each right-of-way tract shall extend across the entire width of each right-of-way, subject to the provisions relating to Preferentially Leasing to Adjacent Mineral Owners (see Section II B. below).
- B. The School Land Board may refuse to lease a particular right-of-way tract, either on its own motion or upon the request of the Texas Department of Transportation.
- C. A right-of way on Relinquishment Act land will not be leased under these procedures. Such a right-of-way may be pooled under Natural Resource Code 32.207 or leased by sealed bid.
- D. No surface use shall be allowed under the provisions of the right-of-way oil and gas lease.

II. Initiating the Leasing Process

- A. Anyone may apply to lease acreage in a right-of-way tract by submitting the following materials to the Commissioner of the General Land Office (GLO) at the address shown on the HROW Lease Application:
 1. Applicant's cover letter with completed [Application & Checklist for Highway Right Of Way Lease](#).
 2. A legal description of the roadway being leased with reference to the deed(s) whereby the relevant governmental entity acquired title to the roadway including deed book and page references. This description shall be entitled "Exhibit A". It must include:
 - a. Section
 - b. Block
 - c. Abstract number
 - d. Township
 - e. Survey name
 - f. Common name(s) of highway or roadway
 3. Plat showing the boundaries and dimensions of the right-of-way tract which applicant proposes to lease with highway/roadway labeled. **This plat will be used to prepare "Exhibit B" to the lease. Without this plat no lease will be prepared.**
 4. Processing fee payable to the Commissioner of the General Land Office, which fee is posted in the Texas Administrative Code (TAC), [Title 31, Part 1, Chapter 3, Subchapter C, Rule 3.31, 18 \(c\)](#).
 5. Mineral owners adjacent to a right-of-way have a preferential right to lease the right-of-way for oil and gas. If applicant does not control the minerals or leasehold adjacent to the road, executed [Waiver Of Preferential Right To Lease Highway Right Of Way](#) must be obtained.

Each adjoining mineral owner must receive notice of the proposed leasing of the right-of-way tract; however, an adjacent mineral owner may waive this notice by mailing a written waiver to the Commissioner of the General Land Office.

6. Executed [Affidavit of Consideration](#).
 7. Copies of highway deeds from county court house.
 8. Schedule of adjacent leases on a spreadsheet with the following information: Lessee, Lessor, Lease Date, Term of lease and extension term (if applicable), Royalty Rate, Filing information; County, Volume, and Page.
 9. Schedule of assignments of adjacent leases on a spreadsheet with the following information: Assignor, Assignee, Listing of related leases, Filing information; County, Volume, and Page.
- B. If land adjoining a right-of-way tract is unleased, then “adjacent mineral owner” refers to the holder of the mineral estate in the adjoining land. If the land adjoining a right-of-way tract is subject to an existing oil and gas lease, then an “adjacent mineral owner” refers to all working interest (leasehold) owners of the lease on the adjoining acreage.

III. Issuing the Lease

A lease will be issued only after the School Land Board approves the lease and is in receipt of the applicable bonus payment and the statutory sales fee equal to 1-1/2 percent of the bonus payment.

IV. Pooling the HROW Lease

Subject to Paragraph 4a and 4c of the lease form, Lessee may pool or unitize at any time. Within thirty (30) days of Designation of Pooled Unit being filed of record, the Lessee or Operator will furnish the General Land Office the following:

- A. Completed [Highway Right-of-Way Unit Declaration](#) form.
- B. Copy of recorded original Designation of Pooled Unit (DPU), and any/all corrections and amendments.
- C. Copy of unit plat with State acreage highlighted.
- D. \$500.00 processing fee. (Commissioner of General Land Office)

For questions about HROW leasing:

George Martin (512) 475-1512
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For questions about setting up HROW units:

Mary Beth Barnstone (512) 463-6818
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