PRODUCTION SHARING AGREEMENTS
STATE LEASES – UNITS
GUIDELINES

The General Land Office (GLO) will enter into Production Sharing Agreements (PSAs) if they are determined to be in the best interest of the State.

To be considered for the GLO's approval, an operator or lessee must submit:
(1) the GLO's PSA Application Form, including the required exhibits and documents (see below), and
(2) a $500.00 processing fee.

Application Instructions:
PSA Applications and attachments **must be mailed to Pooling-PSA@GLO.Texas.gov** so that staff can begin the review process.

Then mail hard copies and fee to:

Pooling-PSA Applications
Energy Resources Division/Texas General Land Office
1700 North Congress Ave., Suite 840
Austin, Texas 78701

Required Exhibits:
Exhibit A: List of Leases and/or Units,
Exhibit B: Acreage description of sharing area,
Exhibit C: Plat

PSF Minerals:
If GLO staff determines that the PSA is in the best interest of the State, the PSA application will be submitted for School Land Board (SLB) approval, as required by statute. If approved by the SLB, GLO staff will prepare a draft of the PSA using the GLO's standard PSA form; two (2) originals will be mailed to the applicant for execution. The two (2) executed originals and all required exhibits must be returned to the GLO **within 90 days of SLB approval** for execution by the Commissioner or the Commissioner's designee. One original will be returned to the applicant for recording in the county, if they so choose. If the PSA is recorded, the applicant must return a recorded copy to the GLO.

State or County Right-of-Way (HROW):
If the PSA is for a Right-of-Way (HROW) lease or a pooled unit that includes ***only*** HROW mineral or royalty interests, the applicant must submit the GLO PSA Application Form, with applicable exhibits and **two (2) original executed and notarized signature blocks. Please note: Approved signature block templates are found on the website.** If it is determined to be in the best interest of the State or County, the PSA will be drafted by staff and submitted directly to the Commissioner or the Commissioner's designee for execution. A fully executed PSA will be returned to the applicant. If the PSA is recorded, the applicant must return a recorded copy to the GLO.

Sharing Well(s):
After a PSA is executed and a Sharing Well is drilled, the GLO ***must*** be provided with the **Final As-Drilled Plat, Allocation Factor, Lateral Length and/or Horizontal Drainhole Area, and other pertinent information.** All supporting documentation must be received 30-business days before the RRAC reporting deadline (5th of the month for Oil wells/15th of the month for Gas wells).