52.154 Unleased River Tracts
PRODUCTION SHARING AGREEMENTS 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 52.154 PSA Application Form, including the required exhibits and documents (see below), and (2) a $500.00 processing fee.

Application Instructions

52.154 PSA Applications and Exhibits must be mailed to Pooling-PSA@GLO.Texas.gov so that staff can begin the review process.

Please then follow with hard copies and fee mailed to:

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

Required Exhibits

Exhibit A: Description of River Tract and a list of participating private leases in the Sharing Area
Exhibit B: Acreage description of sharing area
Exhibit C: Plat

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.

The following must be submitted to the GLO at least **thirty (30) business days** prior to the meeting at which the SLB is to consider the application:

- A cover letter listing the unleased river tract to be included in the PSA and the anticipated bonus consideration.
- The completed 52.154 Application for Production Sharing Agreement – Unleased Rivers
- A plat depicting the location of the river tract and the sharing area with proposed well(s) location(s), if known.

Note: If additional state leases and/or units will be traversed by a lateral subject to this PSA Agreement, a separate PSA application must be submitted for those leases/units.

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).