

POOLING AGREEMENTS FOR STATE LEASES AND UNLEASED RIVERBEDS GUIDELINES

The pooling of State Leases or Lands is for the purpose of conservation and unitization of the pooled mineral(s), to prevent waste, to facilitate orderly development, and to preserve correlative rights.

The General Land Office (GLO) will enter into Pooling Agreements if they are determined to be in the best interest of the State. The School Land Board (Board) must approve the pooling of State Leases (except for certain highway rights-of-way leases which have limited pooling authority pursuant to their lease terms). Pooling agreements approved by the Board must be executed by the Commissioner of the GLO to be effective.

These guidelines concern pooling State Leases per Chapter 52, Subchapter E of the Texas Natural Resources Code (Code) and pooling Unleased Riverbeds and Channels under 52.076 of the Code, which provides that the Board may pool or bring an action to force pool riverbeds and channels.

Note: A request to pool Unleased State Right-of-Way or Unleased County Roads as provided for by Section 32.207 of the Texas Natural Resources Code requires a different application and process than outlined below. See other Guidelines on the GLO's website for including an Unleased Highway Right-of-Way or Unleased County Road in a pooled unit.

Application Instructions

To request GLO approval of a pooling agreement, an operator or lessee must first submit: **(1) the GLO's Pooling Application Form, accompanied with a plat; (2) a \$500.00 processing fee; and (3) any explanatory notes or additional items to be considered.** The GLO may require supplementary information to evaluate the application.

Applications and attachments must be emailed to Pooling-PSA@GLO.Texas.Gov so that staff may 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

The application and supporting data must be submitted to the GLO at least thirty (30) working days prior to the meeting at which the Board is to consider the application. The Board usually meets the first or third Tuesday of every month at 10:00 a.m. in Room 170, Stephen F. Austin Building, 1700 North Congress Avenue, Austin, Texas.

Pooling Process

All applications are reviewed by the Pooling Committee, which makes recommendations to the Board. The Pooling Committee consists of representatives from the General Land Office and

Governor's Office. If needed, an initial meeting with GLO Staff will be scheduled at a mutually agreeable time.

The Pooling Committee will prepare a Pooling Committee Report that will be presented to the Board, either recommending approval or denial of the proposed unit. A plat showing the outline of the unit with well locations will accompany the Report and may be shown at the Board meeting.

After approval of the application by the Board, a Pooling Agreement or Ratification, if applicable, will be prepared by the General Land Office for execution by the Applicant and the Commissioner.

Miscellaneous

In accordance with Title 31, Rule §9.32 – Texas Administrative Code – any well drilled on State Fee or Relinquishment Act tracts “shall be identified as a state well in the RRC records by using “State” as the first word in its designated RRC name.” For identifying purposes, “State” may also be used in the unit name.

Pooling agreements covering Unleased Riverbeds and Channels require a consideration payment to the State. The State's participation is usually based on the State receiving a 25% royalty.

All proprietary information, such as geologic maps, electric logs, seismic records, and other such data, should be clearly labeled as confidential and shall be kept confidential as required by law and except as may be required by the Public Information Act and upon request of the Applicant will be returned after examination by GLO staff. Well logs follow Railroad Commission of Texas confidentiality requirements.