

GUIDELINES FOR POOLING UNLEASED RIVERS

Pooling State Leases and/or minerals: Chapter 52, Subchapter E of the Texas Natural Resources Code (Code) provides the statutory authority for pooling State Leases and minerals. The School Land Board (Board) must approve the pooling of State Leases and minerals (except oil and gas leases covering highway rights-of-way, which have limited pooling authority pursuant to their lease terms) and the Commissioner of the General Land Office (GLO) must find that the pooling is in the best interest of the State. The pooling of State Leases or minerals is for the purpose of conservation and utilization of the pooled mineral, to prevent waste, to facilitate orderly development and to preserve correlative rights.

Unleased riverbeds and channels: Section 52.076 of the Code provides that the Board may pool or bring an action to force pool riverbeds and channels. See Guidelines for Pooling Unleased Rivers. An Application for Pooling Unleased Riverbeds and Channels must be submitted.

To file a Pooling Application, send a completed copy of the Pooling Application Form and the \$500.00 application fee to:

Mailing Address:

Texas General Land Office
Attn: Energy Resources / Mineral Leasing
P.O. Box 12873
Austin, TX 78711-2873

For Overnight Delivery:

Texas General Land Office
ATTN: Energy Resources/Mineral Leasing
1700 N. Congress Avenue, Suite 840
Austin, TX 78701-1495

The application and supporting information must be submitted to the GLO at least twenty (20) working days prior to the meeting at which the Board is to consider the application. The Board usually meets the first and third Tuesdays of every month at 10:00 a.m. in Room 170, Stephen F. Austin Building, 1700 North Congress Avenue, Austin, Texas.

Items needed for Pooling Unleased HROW:

1. A cover letter listing the river(s)/channel(s) to be pooled and bonus consideration.
2. Completed Application for Pooling Unleased Riverbeds and Channels
3. \$500 Application Fee
4. A plat showing the proposed unit outline, proposed unit well location, all nearby wells, state lease numbers.
5. Copy of proposed description or Declaration of Unit in which River/Channel is to be pooled into.
6. RRC Form W-1, W-2, or G-1, as applicable for Unit Well.

Miscellaneous Notes on Pooling Unleased HROW's

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.

After approval of the application by the Board, a §52.076 Pooling Agreement will be prepared by the General Land Office for execution by the applicant and then the Commissioner.

*Information considered confidential or proprietary should not be submitted with the application.