

## **Section J – Forms Required for the Movement and/or Storage of Liquid Hydrocarbons**

General Forms Required for Reporting the Movement and/or Storage of Liquid Hydrocarbons.....	2
Additional Associated Documents .....	2
Questions and Answers Pertaining to Monthly Transportation and Storage Report.....	3
General Instructions for Filing Form T-1 .....	6
CORRECTED REPORTS .....	7
Form T-1 – Monthly Transportation and Storage Report .....	8
Forms and Materials Required to Obtain a Pit Permit.....	17
Questions and Answers Pertaining to Pit Applications and Reporting.....	18
H-11 – Application for Permit to Maintain and Use a Pit .....	21
CF-1 – Commercial Facility Bond .....	23
CF-2 – Irrevocable Standby Letter of Credit.....	25
Form P-18 – Skim Oil/Condensate Report .....	26
Forms and Materials Required to Obtain a Reclamation Plant Permit .....	29
Questions and Answers Pertaining to Reclamation Plant Applications and Reporting.....	30
Form R-9 – Application for Permit to Operate a Reclamation Plant .....	31
Form R-2 – Monthly Report for Reclaiming and Treating Plants.....	33
Form R-2 Receipt Example .....	35
Forms Required by Refineries.....	37
Questions and Answers Pertaining to Refinery Report .....	37
Form R-1 – Monthly Report and Operations Statement for Refineries.....	38
Forms Required by Gas Processing Plants .....	41
Form R-5 – Certificate of Compliance .....	46
Form R-6 – Application for Certificate of Compliance .....	47
Form R-3 Monthly Report for Gas Processing Plants.....	48
Summary of Form R-3 Balancing Conditions .....	53
Forms Required by Underground Storage of Natural Gas Operations for Monthly/Annual Reporting.....	58
G-3 – Gas Storage Data Sheet.....	60
Annual Gas Storage Operator Report .....	61

## General Forms Required for Reporting the Movement and/or Storage of Liquid Hydrocarbons

Checklist	Form	Authorization
	P-5	<b>SWR 1</b> – Organization name to be filed and records kept.
	T-1	<b>SWR 59</b> – Monthly transportation and storage report. Original report filed in Austin office. Due the last day of the month following the month of operation.
	T-1 (Page 1)	<b>Overview</b> – Beginning stock, total receipts from leases, receipts from other sources, deliveries, and stock end of month.
	T-1 (Page 1A)	<b>Receipts from Other Sources</b>
	T-1 (Page 1B)	<b>Deliveries</b>
	T-1 (Page 2)	<b>Receipts from leases</b> – Must correspond to amounts reported on production reports (PR)
	T-1 (Page 3)	<b>Detail statement of stock on hand</b>

## Additional Associated Documents

Checklist	Form	Authorization
	P-3	<b>SWR 58</b> – Report of recovered frac or load oil. A) Filed by producer of well being fraced. Copy sent to gatherer prior to movement of recovered frac material.
	OM (Oil Movement Letter)	<b>Letter of Authority</b> – Required for movement of waste oil. Issued by compliance section of RRC.
	P-18	<b>SWR 56</b> – Monthly scrubber oil and skim hydrocarbons report
	H-8	<b>SWR 20</b> – Crude oil, gas well liquids or associated products loss. Notification of fire, breaks, leaks, or blowouts.
	R-1	<b>SWR 60 &amp; 61</b> – Monthly report and operations statement for refineries. Due by the 15 <sup>th</sup> of the month following the month of operation.
	P-4	A) If gathering from leases. <b>SWR 58</b> – Producer’s certificate of compliance and authorization. Letter of approval sent to operator and gatherer by RRC.

## Questions and Answers Pertaining to Monthly Transportation and Storage Report

Questions Pertaining to (Form, Rule, Procedure)	Question	Answer	Contact
T-1	Who should file the T-1 report?	The company who physically moves or stores crude or condensate should file a T-1 report.	Production 512-463-6726
T-1	Who should file the T-1 report if a company is buying and selling material but not moving it?	If a company is only buying and selling material (liquid hydrocarbons) they would not be responsible for filing the T-1 report. The T-1 report would be filed by the company moving the liquids.	Production 512-463-6726
T-1	Who should file the T-1 report if a company is hiring a contract hauler to transport their material?	If a company hires a contract hauler to move their material (by contract hauler, meaning never takes title to this or other liquid hydrocarbons and is paid only for transportation of the material) the T-1 report would be filed by the company who hires the contract hauler.	Production 512-463-6726
T-1	When should products be reported on the T-1 report?	Products should be reported on the T-1 report and identified as a product when a refined material is mixed with crude or condensate.	Production 512-463-6726
T-1	Why file the T-1 report if there was no transaction made for a given month?	The T-1 report is a required monthly filing for active transporters.	Production 512-463-6726
T-1	How can someone find out how much gas (MCF) was moved by a company?	The gas (MCF) movement is not traced as is the liquids. The operator would need to be contacted for that data.	Production 512-463-6726
T-1	How can someone obtain the RRC Number required on Page 1, Page 1-A, and Page 1-B of the T-1 report?	A good source should be to contact the company delivering or receiving the material. If no number is available, contact the T-1 audit section of the RRC.	Production 512-463-6726
T-1	<b>OFFSHORE LEASES OR GAS WELLS</b> Can the operator allocate from the sales point on shore back to each operator and/or individual wells and leases then report this on the	We would ask that prior to operation, the companies involved in any offshore reporting send a detailed map of the offshore facilities with a letter of explanation for the	Production 512-463-6726

	Form PR? (An allocated amount of the line fill is often erroneously reported as stock on Form PR.)	Commission to review.	
<b>T-1</b>	What is the purpose of the overage and shortages section?	The purpose of the overage and shortage section is to adjust temperature variation. This amount should not exceed 1% of the total deliveries.	Production 512-463-6726
<b>T-1</b>	How do I file my receipt from leases (Page 2) if a RRC Lease # or Gas ID # has not yet been assigned?	File using the drilling permit number in the Gas ID No. column until a lease number has been assigned.	Production 512-463-6726
<b>T-1</b>	What if I have a lease that is duplicated on my Page 2?	Oil leases, gas wells, drilling permits, and Commingle permits may not be listed multiple times on the Page 2s. If there are duplications, please combine.	Production 512-463-6726
<b>T-1</b>	How do I list a drilling permit on my Receipts from Leases Page 2?	Drilling Permits will be placed under the Gas Well Ident column. Once a lease number is assigned the drilling permit will no longer be entered on the page 2 only the appropriate lease number in its designated column.	Production 512-463-6726
<b>T-1</b>	What is the correct way to add an Import to my T-1 report?	Imports are to be added to the Page 1-A. The name of the company is listed along with their full address and phone number under the Received From column. The state or country in which the stock was received from will be added to the Facility Name column and "Imports" will be added to the RRC Number column. In addition to the Actual Receipts amount in that designated column.	Production 512-463-6726
<b>T-1</b>	What is the correct way to add an Export to my T-1 report?	Exports are to be added to the Page 1-B. The name of the company is listed along with their full address and phone number under the Delivered To column. The state or country in which the stock was delivered to will be added to the Facility Name column and "Exports" will be added to the RRC Number column. In addition to the Actual Receipts amount in that designated column.	Production 512-463-6726
<b>T-1</b>	Do all the companies that are	No, only Imports and Exports require	Production



## General Instructions for Filing Form T-1

The Commission is charged with regulating the gathering and transportation of crude/condensate. To make its regulation effective, it has adopted a Form T-1, "Monthly Transportation and Storage Report," that shows receipts and deliveries of crude/condensate through blending, commingling, or other upgrading process, the volume of crude is increased so that additional support identity is needed. This means any product blended must be reported on T-1 and receipts properly supported. As a general rule, any crude, condensate, and/or non-refined products (that enter the "crude stream" of a transportation system prior to the refining operation) shall be reported on Form T-1. The word "products" used here and as stated in Statewide Rule 59 (D)(1) and (2) means natural hydrocarbon liquids as distinguished from refined products. Any refined products that do not enter or are not commingled into the "crude stream" of a transportation system prior to the refining operation shall not be reported on Form T-1.

The following general instructions are for your assistance in the preparation of Form T-1:

1. The main purpose of the Form T-1 is to trace the physical movement of liquid hydrocarbons (crude/condensate) and not the purchasing and selling of materials.
2. Notify the Commission in writing when you will no longer be filing a Form T-1 report. Be sure that all stock on hand has been disposed of before you cease filing.
3. These original reports are filmed as a permanent record and must be original or of original quality, with an original signature, current certification date and telephone number. Show a good, clear, original signature and type the name next to the signature. The report should be typed or written in black or blue ink. Red ink or pencil will not film.
4. All forms prepared on automatic data processing equipment must have Commission approval prior to initial filing; otherwise RRC forms should be used.
5. File a separate page for each district in each page category (1A, 1B, 2, 3). If you use only the Page 1 to report receipts from other sources or deliveries, indicate the district for each movement. Read and follow the instructions on the reverse side of each page of the form.
6. Page 1 must balance as follows: Opening stock, plus receipts minus deliveries should equal closing stock on hand. The purpose of overage and shortage is for temperature variation only and should not exceed 1% of your total deliveries. Subtract out overages and add in shortages.
7. Any losses reported on Form H-8 resulting from fire, leak, spill, or break in facilities should be shown on Page 1B as a delivery with a short explanation and referencing on the date of the loss.
8. No gatherer or transporter shall make a receipt on Page 1A of Form T-1 of crude and/or condensate, or other material to be blended and delivered as crude or blended crude without proper support (such as Railroad Commission assigned facility number, or a letter of authority granted by the Railroad Commission of Texas Compliance Section). Receipts made without proper support may be subject to confiscation by the Commission.
9. Refined products should not be reported on the Form T-1 unless they are combined with crude oil. They should then be reported as a separate receipt and specifically identified as to type of product.
10. Upon receipt of discrepancy letters, contact the other company involved and resolve the difference. The company in error should file a corrected report. On a copy of our discrepancy

letters indicate, in a marginal note, how you will resolve the discrepancy and return this copy to the undersigned.

11. Upon receipt of delinquent letters, contact the undersigned by phone or letter as to the reason for the delay.
12. Show one receipt only for each lease or I.D. or commingled permit number on Page 2. Do not report receipts from oil leases by individual well number or in duplication.
13. You should make no receipts from leases on Page 2 unless you are the authorized gatherer as shown on Commission Form P-4 filed by the operator and approved by the Commission. The transporter will receive notification of approved P-4 by the Railroad Commission. The only exceptions to an approved Form P-4 would be a temporary gatherer letter or a special clearance issued prior to assignment of an allowable for movement of test oil.
14. Indicate with Drilling Permit Numbers, in the Gas Well Identifier column, those leases for which numbers have not yet been assigned. Show the correct lease or I.D. number as soon as notification of same has been made.

### **CORRECTED REPORTS**

1. Corrected report must also be original or of original quality with a current date and an original signature (name stamps and initials are unacceptable).
2. A completed Page 1 must be filed with all corrections and marked as a Corrected Report.
3. Show only the corrected data on Pages 1A, 1B, and 2. A complete refiling of the original report is not necessary. Example:
  - a. Was Reported As: (List exactly as shown on original report.)
  - b. Should Be Reported As: (List the correct information.)
  - c. Was not Reported: (List the information that was left out of the original report.)
4. When deleting incorrect data, show the same information as on the original report with a zero receipt/delivery.
5. When moving a receipt from one district to another, show a zero receipt/delivery in the incorrect district and the correct amount in the proper district.

# Form T-1 – Monthly Transportation and Storage Report

RAILROAD COMMISSION OF TEXAS  
OIL AND GAS DIVISION  
MONTHLY TRANSPORTATION AND STORAGE REPORT

Form T-1  
Page 1  
(Rev. 3-22-72)

Operator Ace Trucking Company Month November 20 XX  
Address Box 1282 Registration No. 06 - 6666  
Street or Box

Linden Texas 68203  Corrected Report  
City State Zip Code

BALANCE AVAILABLE FOR MOVEMENT (BEGINNING OF MONTH)	Must match closing stock from previous month's report.	BARRELS
FROZEN STOCK		5,085
LIQUID HYDROCARBONS IN LINE		-
TOTAL STOCK 7 A.M. (BEGINNING OF MONTH)		5,085

RECEIPTS FROM LEASES		Must match totals shown on Page 2.	BARRELS
RECEIPTS FROM LEASES - CRUDE			6,209
RECEIPTS FROM LEASES - (LIQUIDS FROM GAS WELLS REPORTED BY PRODUCER ON FORM P-2)			676
TOTAL			6,885

RECEIPTS FROM OTHER SOURCES				Currently Form PR
1. RECEIVED FROM	2. FACILITY NAME	3. RRC Number	4. Actual Receipts	
See Attached Page 1 - A			15,575	
TOTAL			15,757	
TOTAL ALL RECEIPTS			22,460	
STOCK FIRST OF PERIOD PLUS RECEIPTS			27,545	

DELIVERIES			
1. DELIVERED TO	2. FACILITY NAME	3. RRC Number	4. Actual Deliveries
See Attached Page 1 - B			3,750
TOTAL			3,750
OVERAGE			-
SHORTAGE			-
TOTAL DELIVERIES			3,750
TOTAL STOCK END OF MONTH (DETAIL ON PAGE 3)			23,795
FROZEN STOCK			-
LIQUID HYDROCARBONS IN LINE			-
BALANCE AVAILABLE FOR MOVEMENT (END OF MONTH)			23,795

**Certificate**  
I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this report, that this report was prepared by me or under my supervision and direction, and that data and facts stated therein are true, correct, and complete, to the best of my knowledge.

Signature \_\_\_\_\_  
Date Dec. 16, XXXX Title President  
Telephone No. (214) 454-XXXX  
Area Code Number



**A. Time and Place of Filing –**

This report shall be filed with the Railroad Commission at Austin, Texas, on or before the last day of the calendar month following the month covered by the report. One copy of this report shall be filed in each District Office in which the transporter operated, covering the operations for that district.

**B. Order of the Report –**

Page Number 1 shall be a complete recap of Pages 1-A, 1-B, 2, and 3.

**C. Volumes –**

All volumes of crude oil, condensate, and/or products shall be reported in net barrels and computed by Commission approved methods of measurement.

Do not use fractions of barrels in this report.

**D. Specific Instructions –**

See detailed instructions on reverse side of Pages 1A, 1B, 2, and 3.

**E. Corrected Reports –**

1. Any corrections made to Form T-1 must be made to the report covering the month in which the error was made. Prior month adjustments may not be made on current reports.
2. A corrected Page 1 showing current certification date and signature must be filed with a correction to any portion of the report whether totals are changed or not.

**F. General Instructions –**

Show receipts and/or deliveries in the reporting period that the transfer was initiated.

*Statewide Rule 59 (D) (1) (2)*

*(1) Each gatherer, transporter, storer, and/or handler of crude oil and/or products shall file with the Commission on or before the last day of each calendar month a report, "Monthly Transportation and Storage Report", showing the required information concerning the transportation operations of such gatherer, transporter, or storer for the next preceding month. Such form is incorporated in and made a part of this rule.*

*(2) The original of the report, covering all of the operations of the gatherer, transporter, storer, and/or handler of crude oil and/or products, shall be filed in the Austin Office of the Commission. One copy of the report shall be filed in each District Office in which the gatherer, transporter, storer, and/or handler of crude oil and/or products operates, but may include only the information pertaining to the operations in that District in which it is filed.*

<p><b>Note:</b> Effective December 29, 1994, the Commission no longer requires filing copies of the Form T-1 to Commission district offices.</p> <p>The original of the Form T-1, covering all operations, is required to be filed in the Austin office of the Commission. Statewide Rule 59 and the Form T-1 are being reviewed for revisions.</p>
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RAILROAD COMMISSION OF TEXAS  
OIL AND GAS DIVISION  
MONTHLY TRANSPORTATION AND STORAGE REPORT

Form T-1  
Page 1-A  
(Rev. 3-22-72)

Month \_\_\_\_\_ 20\_\_\_\_

Operator Ace Trucking Company Registration No. 06 - 6666

Address Box 1282 RRC District 06  
Street or Box

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_ Sheet No. 1

Separate Page 1-A must be used for each district.

RECEIPTS FROM OTHER SOURCES

1 RECEIVED FROM	2 FACILITY NAME	3 RRC Number	4 Actual Receipts
<b>FRAC OIL</b>			
Arrow Oil Company	Point Lease	06203	100
Brown Production	Dickerson Lease	06622	150
Dade Oil Company	River Tract 2	00306	125
<b>IMPORTS</b>			
Ken-Tex Oil Company (Crude) Box 603 Shreveport, Louisiana 405-666-XXXX	Louisiana	—	5,000
Blair Trading Company (#6 Fuel Oil Used for Blending) 603 Front Street Hobbs, New Mexico 606-483-XXXX	New Mexico	—	4,000
<b>OTHER</b>			
Clay Pipe Line Company	Centerpoint Station	T-1 06 - 0203	3,000
Karo Trucking	Jones Facility	T-1 05 - 0102	2,200
Waco Oil Company	Ship Ballast	Use Oil Movement Authority Number. Ex: OM# 08-1782	1,000
TOTAL DISTRICT 06			<u>15,575</u>

Work oil receipts must be supported by Form P-3.

Include Form associated with this number: ie. T-1, R-1, R-3, P-18

On imports, show type of material, company name, address, phone number, and point of origin.

A. **Order of the Report** – Preparation of Page 1A “Receipts from Other Sources” shall be in Commission District order, listed by categories of receipts in the following order:

1. **Frac Oil** – Liquid received on Form P-3 authority. Show Railroad Commission oil lease number or gas well identification number as shown on Form P-3 in Column 3.
2. **Imports** – Liquid received from another state or foreign country. (See Instruction D.)
3. **Other** – Receipts other than frac oil or imports.

Within each category, list receipts alphabetically by company.  
Separate Page 1A sheets are required for each district.

B. **Volumes** – All volumes shall be reported in net barrels and computed by Commission approved methods of measurement. Do not use fractions of barrels in this report.

C. **Specific Columns** –

1. Column 1 shall reflect the company name from whom the liquid is received. Further, this shall be the company that will acknowledge the delivery on the appropriate Commission report.
2. The name of the facility where receipt is made.
3. The Registration or Serial number of the report of the facility that acknowledges this delivery. All numbers will include Form Designation, District Number, and Registration or Serial Number:  
Example: GP-1 4-1621, T-1 6-21, EH 3 6-201. When a receipt other than an import or frac oil is made from a facility that does not have an assigned RRC number (Column 3), an explanation must be given on the report as to the source of the liquid and Commission authority covering this receipt.
4. The actual amount of receipts. (Net Barrels.)

Current  
Examples:  
R-3 04-1621,  
T-1 06-2110,  
P-18 08-1530

OM Letter

D. **Imports** – Receipts designated as “Imports” should specify in Column 2 the point or origin (state or foreign country) of the crude or products being imported.

Operator’s complete address &  
phone number are REQUIRED.

A. **Order of the Report** – Preparation of Page 1B “Deliveries” shall be in Commission District order, listed by categories of receipts in the following order:

1. **Wholesale or Retail Outlets** – Bulk station, etc. See D. General Instructions, Item 1.
2. **Exports** – Liquid delivered to another state or foreign country. (See Instruction E.)
3. **Other** – Deliveries other than wholesale, retail, or exports.

Within each category, list receipts alphabetically by company. Separate Page 1B sheets are required for each district.

B. **Volumes** – All volumes shall be reported in net barrels and computed by Commission approved methods of measurement. Do not use fractions of barrels in this report.

C. **Specific Columns** –

1. Column 1 shall reflect the company name to whom the delivery is made. Further, this shall be the company that will acknowledge the receipt of the delivery on the appropriate Commission report.
2. The name of the facility where the delivery is made.
3. The Registration or Serial Number of the report of the facility that acknowledges receipt of this delivery. All numbers will include Form Designation, District Number, and Registration or Serial Number: Example GP-1 4-1621, T-1 6-21, EH 3 5-201.
4. The actual amount of the delivery. (Net Barrels.)

Current Examples:  
R-3 04-1621, T-1 06-2100, R-1 05-2010, P-18 04-3600

D. **General Instructions**

1. It will not be necessary to give a detailed accounting of deliveries to wholesale or retail outlets if you properly identify these deliveries as a category on your report. (May be shown as one category and one amount.)
2. When delivery is made to a facility not required to have a Railroad Commission number, (other than outlets per General Instruction 1) a statement or explanation showing the purpose of delivery should be shown in Columns 2 and 3. (i.e. frac oil, road oil, etc.)

E. **Exports** – Deliveries designated as “Exports” should specify in Column 2 the destination point (state or foreign country) of the crude or products being exported.

Operator’s complete address & phone number are REQUIRED.



- A. Order of the Report** – Preparation of Page 2, “Detail of Receipts from Leases”, shall be in Commission District order, alphabetically by field, alphabetically by operator within the field, and numerically by oil lease number, gas well identification number, or commingled permit number for each operator. Only one receipt shall be shown from each oil lease, gas well, or commingled permit. Separate Page 2 sheets are required for each district.
- B. Volumes** – All volumes of crude oil and condensate shall be reported in net barrels and computed by Commission approved methods of measurement. Do not use fractions of barrels in this report.
- C. Specific Columns** –
1. Column 1 shall reflect the correct field name, operator name, and lease name as shown on Commission records.
  2. The oil lease number (5 digits) as carried on Commission records (to be used on crude oil receipts).
  3. The gas well identification number (5 digits) as carried on Commission records (to be used on gas well liquid receipts).
  4. The Commission assigned commingling permit number (4 digits) if applicable. Do not show lease numbers or identification numbers if commingling number is used.
  5. Column 5 shall reflect net receipts.
  6. All cumulative transporter-runs from leases in excess of allowable plus legal storage shall be set out in the “Adjustments” column of Page 2. Cumulative overrun from a lease in excess of 5% of the lease’s monthly allowable shall be made up immediately. If cumulative overrun has been reduced from the pre-vious month, indicate this by an asterisk (\*)following the cumulative total. The “On Hand End of Month” as reported by producer on Form P-1 less cumulative overproduction will be accepted as support for the transporter’s run of oil in legal storage from the lease.

**General Instructions** – No receipt from any lease shall be shown by any gatherer unless he is the authorized gatherer from the lease per Commission Form P-4.

RAILROAD COMMISSION OF TEXAS  
OIL AND GAS DIVISION

Separate Page  
3 must be filed  
for each

Form T-1

Page 3

Month November 20 XX

Operator Acc Trucking Company Registration No. 06 - 6666

Address Box 1282 RRC District 06  
Street or Box

Linden Texas 68203 Sheet No. \_\_\_\_\_  
City State Zip Code

**DETAIL STATEMENT OF STOCK ON HAND**

1 TYPE OF STOCK	2 NET BARRELS	3 TANK NUMBER	4 LOCATION
Crude	20,000	454	Kildare Tank Farm
Crude	3,000	455	Kildare Tank Farm
Crude	795	456	Kildare Tank Farm
	<u>Total</u>		
	23,795		

- A. **Order of the Report** – Preparation of Page 3, "Detail Statement of Stock on Hand" shall be in Commission District order. Stock shall be grouped into the following categories with a total given for each category:  
1. Crude 2. Gasoline 3. Kerosene, Plant Distillate, Gas Oil 4. Fuel Oil 5. Natural Gasoline 6. Miscellaneous Products
- B. **Volumes** – All volumes shall be reported in net barrels and computed by Commission approved methods.  
Do not use fractions of barrels in this report.
- C. **Specific Columns** –
1. Column 1 shall reflect the description of the material and classified into one of the six (6) divisions listed above.
  2. Net barrels in storage. (See Instruction D – Totals.)
  3. Tank number where storage is located.
  4. Location of storage tanks.
- D. **Totals** – Show totals for each category of stock.
- E. **General Instructions** – Stock shown on Page 3 shall include all liquid hydrocarbons in line and frozen stock.



## Forms and Materials Required to Obtain a Pit Permit

Requirement	Details	Authorization
<b>Form P-5</b>	<ul style="list-style-type: none"> <li>Organization name to be filed and records kept</li> </ul>	SWR 1
<b>Form H-11</b>	<ul style="list-style-type: none"> <li>Original application and attachments are filed in Austin</li> <li>Duplicates must be filed in the appropriate RRC District Office</li> </ul>	SWR 8(d)(6)(B) Pit Application (A)
<b>Notice</b>	<ul style="list-style-type: none"> <li>Provide notice to surface owners</li> <li>Provide notice to City Clerk if pit is within corporate limits</li> <li>For a commercial pit, provide notice to offset surface owners</li> <li>For a commercial pit, publish notice of the application in a newspaper of general circulation in the county, at least once each week for two consecutive weeks.                             <ul style="list-style-type: none"> <li>Provide proof of applicable notice and publication to the RRC</li> </ul> </li> <li>Renewals for non-commercial pits do not require notice to surface owners or City Clerk</li> </ul>	SWR 8(d)(6)(C) Texas Natural Resources Code, Sect. 91.116 Pit Application (B)
<b>Current Permit</b>	<ul style="list-style-type: none"> <li>For permit renewals only, include the current permit</li> </ul>	SWR 8(d)(6)(A) Pit Application (E)
<b>Maps</b>	<ul style="list-style-type: none"> <li>Plat of lease or tract showing location of pit</li> <li>County highway map showing location of pit</li> <li>Latitude and Longitude coordinates of pit</li> </ul>	SWR 8(d)(6)(A) Pit Application (C)(D)
<b>Pit Diagrams</b>	<ul style="list-style-type: none"> <li>Plan view of pit</li> <li>Two perpendicular cross-sections of pit</li> <li>Include details for berm construction</li> <li>Diagrams must be sealed by a Texas licensed Professional Engineer (P.E.) if pit will hold waste above-ground</li> </ul>	SWR 8(d)(6)(A) SWR 8(j)(1)(A)(ii) Pit Application (H)(J)(K)(L)
<b>Pit Details</b>	<ul style="list-style-type: none"> <li>Identify and describe the subsurface soils</li> <li>Information on liner material, thickness, and installation</li> <li>Design drawings of pit and leak detection system (if applicable)</li> <li>Procedures for maintenance of liner integrity (if applicable)</li> <li>Justify pit size for Emergency Saltwater Storage pits</li> </ul>	SWR 8(d)(6)(A) SWR 8(j)(1)(A)(i) SWR 8(j)(1)(A)(ii) Pit Application (I)
<b>Closure Cost Estimate (CCE) (Commercial Only)</b>	<ul style="list-style-type: none"> <li>Estimate of the maximum dollar amount necessary for closure</li> <li>Written under seal of a Texas licensed Professional Engineer (P.E.)</li> <li>Include all details and assumptions</li> </ul>	SWR 78(I)(1)(A)(i) SWR 78(I)(4)(C)
<b>Financial Security (Commercial Only)</b>	<ul style="list-style-type: none"> <li>After CCE is approved by Technical Permitting:                             <ul style="list-style-type: none"> <li>File a bond with the RRC (Form CF-1) OR</li> <li>File a Letter of Credit with the RRC (Form CF-2)</li> </ul> </li> </ul>	SWR 78(I)(4)
<b>Reporting</b>	<ul style="list-style-type: none"> <li>Skim Oil/Condensate Report (Form P-18) if applicable</li> </ul>	SWR 56(b)(2)

## Questions and Answers Pertaining to Pit Applications and Reporting

Q: Where can I find the section of the Texas Administrative Code (TAC) that governs the maintenance and use of pits?

A: The rules governing the maintenance and use of pits are outlined in Title 16, Part 1, Chapter 3, Section 3.8 (SWR 8), and can be found at:

<http://www.sos.state.tx.us/tac/index.shtml>

The rules for Financial Security requirements (SWR 78) and the reporting of Skim Oil/Condensate (SWR 56) can also be found at the above URL.

Q: What is the definition of a pit?

A: A pit is any structure with an open top and a volume greater than 500 gallons that is used for storage, processing or disposal of oilfield fluids or oil and gas waste. This definition also includes:

- Structures built above and below grade;
- Above ground “modular” style open-top storage tanks;
- Buried tanks used for waste storage;
- Concrete pads used for waste storage; and
- Structures consisting of a combined trench and sump pit and greater than 500 gal.

Q: What types of pits require a permit?

A: All Collecting, Washout, Disposal, Brine, Emergency Saltwater Storage and Gas Plant Evaporation/Retention pits require a permit. See SWR 8(a) for definitions of each type of pit.

Authorized pits, listed under SWR 8(d)(4), do not require an individual permit, but must be registered with the appropriate RRC District Office.

Pits for waste generated at oilfield service facilities that provide equipment, materials or services to the O&G industry are under jurisdiction of the Texas Commission on Environmental Quality (TCEQ).

Q: Where do I find the correct Form H-11?

A: Be aware that there are incorrect versions of Form H-11 floating around the internet. To ensure that you have the correct version, please download the Form H-11 from:

<https://www.rrc.texas.gov/oil-and-gas/oil-and-gas-forms/>

This site lists all accepted RRC forms in alphabetical order and should be your resource for any necessary application or reporting forms.

Q: When should notice be given to various entities and published in the newspaper?

A: Notice to all surface owners, offset surface owners, and City Clerk should be given on or before the date the application is mailed to or filed with the RRC.

For published notice, the first publication must occur not earlier than the date the application is filed with the Commission and not later than the 30th day after the date on which the application is filed with the Commission. Proof of publication should be submitted as supplemental material as soon as it is available.

Q: How do I calculate pit volume in barrels?

A: An oil barrel is equal to 42 gallons. If your pit is a concrete box or a rectangular prism, measure the dimensions (in feet), leaving two feet of freeboard from the top of the berms or walls, and use the following volume calculation:

$$\text{Volume (bbl)} = \text{Length} * \text{Width} * \text{Height} * 0.17811$$

If your pit is rectangular with sloping sides, measure the length (a) and width (b) of the bottom, the length (A), width (B) and height (h) two feet below the top of the berms or walls, and use the formula for the volume of an obelisk:

$$\text{Volume (bbl)} = \frac{h}{6} (Ab + aB(ab + AB)) * 0.17811$$

There are also numerous resources online that can aid in volume calculations.

Q: What are the requirements for berm construction?

A: Berms or containment structures must be constructed around all pits and must be compacted or constructed of material to meet or exceed 95% Standard Proctor (ASTM D698) or 90-92% Modified Proctor (ASTM D1557) density or have a hydraulic conductivity no greater than  $1.0 \times 10^{-7}$  cm/s. Each berm must consist of a slope no steeper than a three-to-one (horizontal to vertical) ratio on both sides unless constructed of concrete or equivalent material. These structures must be designed to divert non-contact storm water around the pit and contain and isolate waste and storm water within the waste management units.

Q: What type of liner system does my pit require?

A: All pits should have a durable synthetic liner with a hydraulic conductivity no greater than  $1.0 \times 10^{-7}$  cm/s.

Commercial Disposal Pits, Brine Pits and other large-scale liquid waste storage pits must have a dual synthetic liner with a leak detection system and must submit Action Leakage Rate (ALR) calculations with their application.

For Disposal Pits, if disposal of waste will be above-grade, a slope-stability analysis also must be submitted.

The ALR and slope stability analysis calculations must be prepared by a Texas licensed Professional Engineer (P.E.)

Q: How long will it take to receive a pit permit?

A: The time for the issuance of a pit permit can vary and is dependent upon the completeness and quality of the application submitted to the Commission.

Q: What if I have acquired a property with a pit and do not know the status of its permit?

A: Contact Environmental Permitting in Austin at (512) 463-3840 or the local District Office to request assistance in identifying permitted or authorized pits.

<b>District</b>	<b>Phone Number</b>
01 & 02 – San Antonio	(210) 227-1313
03 – Houston	(713) 869-5001
04 – Corpus Christi	(361) 242-3113
05 & 06 – Kilgore	(903) 984-3026
7B – Abilene	(325) 677-3545
7C – San Angelo	(325) 657-7450
08 - Midland	(432) 684-5581
8A – Lubbock	(806) 698-6509
09 – Wichita Falls	(940) 723-2153
10 – Pampa	(806) 665-1653

# H-11 – Application for Permit to Maintain and Use a Pit

New Application

Application for Renewal

**RAILROAD COMMISSION OF TEXAS**  
Oil and Gas Division

Application for Permit to Maintain and Use a Pit

**Form H-11**  
May 1984

Comply with Instructions on Reverse Side

1. Operator's Name (As shown on Form P-5, Organization Report)	2. RRC Operator No.	3. RRC Dist. No.	4. County of pit site
5. Operator's Address (Street, City, State and Zip Code)			
6. Name of Lease, Project or Facility of Pit Location		7. RRC Oil Lease No. or 8. RRC Gas ID No.	
9. Pit Location			
• Section _____ Block _____ Survey _____ Abstract No. <sup>A</sup> _____ • Location is _____ miles _____ (direction) from _____ (nearest town)			
10. a. Is pit bottom below ground level? <input type="checkbox"/> Yes <input type="checkbox"/> No		11. Name and Address of Surface Owner	
b. Artificial liner? <input type="checkbox"/> Yes <input type="checkbox"/> No			
c. If lined, equipped with a leak detection system? <input type="checkbox"/> Yes <input type="checkbox"/> No			
12. Are wastes or fluids from operations other than your own? <input type="checkbox"/> Yes <input type="checkbox"/> No		13. Type of pit (refer to Item F of instructions)	
14. a. Describe land use surrounding pit location:		15. a. Briefly explain the need for this pit:	
b. Is land surrounding pit location productive agricultural land? <input type="checkbox"/> Yes <input type="checkbox"/> No			
16. Pit is <input type="checkbox"/> Proposed <input type="checkbox"/> Existing If existing, date constructed _____		15. b. Type of waste or fluid:	
18. Pit capacity (barrels) _____		15. c. Chloride concentration: _____ mg/l	
19. Inside pit dimensions two feet below top of dike Length _____ feet Width _____ feet Depth: from ground level to deepest point _____ feet		17. Dikes	
20. Wastes or fluids are transported to pit by (check all that apply): <input type="checkbox"/> Contract Hauler <input type="checkbox"/> Applicant's truck <input type="checkbox"/> Pipe <input type="checkbox"/> Other: _____		a. Height above ground level _____ feet Width at base _____ feet	
21. a. Distance to nearest water well within one-mile of pit _____ feet		b. Are dikes designed to keep wastes or fluids in the pit? <input type="checkbox"/> Yes <input type="checkbox"/> No	
21. b. Depth of this water well _____ feet		c. Are dikes designed to keep stormwater runoff out of the pit? <input type="checkbox"/> Yes <input type="checkbox"/> No	
22. Depth to shallowest fresh water _____ feet		d. Source of Dike Material: <input type="checkbox"/> Excavated from pit <input type="checkbox"/> Adjacent borrow pit	
Source of information: <input type="checkbox"/> measured/observed <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input type="checkbox"/> TDWR		<input type="checkbox"/> Off-site excavation (describe material): _____	
23. Have you included all attachments required by the instructions on the reverse side of this form?			
<b>CERTIFICATE</b>			
I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this report, that this report was prepared by me or under my supervision and direction, and that data and facts stated therein are true, correct, and complete, to the best of my knowledge.		Signature _____	
		Name of Person (type or print) _____ Title _____	
		Telephone _____ Area Code _____ Number _____ Date _____	
<b>• RRC DISTRICT USE ONLY •</b>			
<b>Application Information Review</b>			
Date received _____	<input type="checkbox"/> Location	<input type="checkbox"/> Liner	<input type="checkbox"/> Agricultural Land
Date inspected _____	<input type="checkbox"/> Grade Construction	<input type="checkbox"/> Type Pit	<input type="checkbox"/> Capacity
Inspector _____	<input type="checkbox"/> Dimensions	<input type="checkbox"/> Dikes	<input type="checkbox"/> Waste Transport
Comments: _____			
<b>• RRC AUSTIN USE ONLY •</b>			
Date received _____	Pit code _____	Pit type _____	Permit no. _____ Permit date _____

## Instructions to Pit Application

Authority: Statewide Rule 8, Water Protection

- A. File the application, including all attachments, with the Railroad Commission, Oil and Gas Division, P.O. Drawer 12967, Capitol Station, Austin, Texas 78711. On the same day file one copy of the application and its attachments with the appropriate District Office. This form is not required for a minor permit.
- B. Notify the surface owner of the land where the pit will be located by mailing or delivering a copy of the application form, both front and back, but excluding the attachments. If the land where the pit is proposed is within corporate limits, also notify the city clerk or other appropriate city official. If application is for renewal of an existing permit, notice is not required.
- C. Attach a plat showing the size of the lease or tract and the location of the pit within the lease or tract. Give approximate perpendicular distance to nearest intersecting lease/unit lines and section/survey lines. To avoid confusion, distinguish between the two sets of lines. Indicate scale on this plat.
- D. Attach a county highway map (scale: 1" = 4 miles) showing the location of the pit. County highway maps are available from the Texas Department of Highways and Public Transportation, P. O. Box 5051, Attn: Map Distribution File D-10, Austin, TX 78763.
- E. If application is for renewal of a permit for an existing pit, attach a copy of your current authority to use the pit.
- F. Identify the type of pit in item 13 using one of the following as defined in Statewide Rule 8(a): Emergency Saltwater Storage Pit, Collecting Pit, Gas Plant Evaporation/Retention Pit, Brine Pit (located at underground hydrocarbon storage facilities only), Saltwater Disposal Pit, Skimming Pit, Washout Pit, Drilling Fluid Disposal Pit, Drilling Fluid Storage Pit, or other (specify in item 13 and explain in item 15a).
- G. Attach a drawing of two perpendicular, sectional views of the pit showing the pit bottom, sides, dikes and the natural grade. For an existing pit, dimensions below fluid level may be approximated. If the pit length and width are irregular, include a top view to show pit dimensions and dike widths. Indicate scale on all views.
- H. If pit is lined, attach data on liner material, thickness, and installation procedures.
- I. Attach an identification and description of the soil or subsoil that will make up the pit bottom and sides. The information shall describe the soil by typical name, appropriate proportion of grain sizes, texture, consistency, moisture condition, and other pertinent characteristics. (Example: clayey silt, slightly plastic, small percentage of fine sand, firm and dry in place.) Identify the source of soil information. Information on how to classify soils is available from the District Office or Austin Office upon request. If application is for renewal of a permit for an existing emergency saltwater storage pit or a lined pit with a leak detection system, this attachment is not required.
- J. If pit is equipped with a leak detection system, attach engineering design drawing of the pit and leak detection system.
- K. If lined pit is not equipped with a leak detection system, describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.
- L. If pit is an emergency salt water storage pit, attach justification for pit size based on water production, lease water storage capacity, and anticipated well or equipment shut-down time.

**Note:** The Director of the Oil and Gas Division may require the applicant to provide the Commission with any additional engineering, geological, or other information which the Director deems necessary to show that issuance of the permit will not result in the waste of oil, gas, or geothermal resources or the pollution of surface or subsurface water.

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### Protests and hearings.

An affected person may file a protest to the application and request a hearing. Any protest to the application should be filed with the Commission in Austin within fifteen days of the date the application is filed with the Commission. Any such protest shall be made in writing and shall include (1) the name, mailing address, and phone number of the person making the protest; and (2) a brief description of how the protestant would be adversely affected by the granting of the permit. If the Commission determines that a valid protest has been received, or that a hearing would be in the public interest, a hearing will be held after the issuance of proper and timely notice of the hearing by the Commission. If no protest is received within fifteen (15) days of receipt of the application in Austin, the application may be processed administratively.

# CF-1 – Commercial Facility Bond

COMMERCIAL FACILITY BOND NO. \_\_\_\_\_

RAILROAD COMMISSION OF TEXAS  
Oil and Gas Division

FORM CF-1  
Rev. 06/2014  
TDI Ref. No. TDI-98-BB155-RCT-PF

Date: \_\_\_\_\_

This bond covers the following type of facility(ies) denoted by an "X":

COMMERCIAL  STORAGE  RECLAMATION  TREATMENT  DISPOSAL  RECYCLING

1. Organization name, exactly as shown on Form P-5 Organization Report:	2. P-5 Number, if assigned:	3. Total number of disposal/injection wells associated with the commercial facility, if applicable:
4. Other Commission-regulated operations, if applicable:		

## Background

- 1.1 \_\_\_\_\_ (operator name as shown on P-5 Organization Report), "Principal", operates or is applying for Railroad Commission approval to operate one of more commercial storage, reclamation, treatment, disposal, or recycling facilities ("Facility" or "Facilities") subject to Texas laws. Texas Natural Resources Code §91.109 and Texas Administrative Code Vol. 16, §3.78, provide that the owner and operator of a Facility must maintain a bond or letter of credit that satisfies the Railroad Commission.
- 1.2 As specified in §3.78, Principal has retained \_\_\_\_\_ (surety), a State of Texas authorized Surety, to secure this promise to pay.
- 1.3 This bond covers the following facilities (*on one line for each facility, include the facility name, facility permit number and/or application control number, physical address, zip code, and county in which the facility is located. Attach information on additional facilities as Exhibit A entitled "Exhibit A of RRC CF-1 Bond No. \_\_\_\_\_"*):
- (A) \_\_\_\_\_
  - (B) \_\_\_\_\_
  - (C) \_\_\_\_\_
  - (D) \_\_\_\_\_

## Terms

- 2.1 Principal and Surety must pay the Railroad Commission of Texas, in Austin, Travis County, Texas, the sum of \$ \_\_\_\_\_ U.S., according to the following paragraphs.
- 2.2 The Railroad Commission will notify the Surety after Principal fails to operate or close a Facility as required by Texas law, Railroad Commission rules, or the permit conditions. Notice will be mailed by registered or certified U.S. mail to the address shown below. After Surety receives notice of Principal's default, the Surety may either:
- (A) pay up to the face amount of this bond to bring into compliance or close the Facility according to Texas law, Railroad Commission rules, and the permit conditions; or
  - (B) pay the face amount of this bond to the Railroad Commission to be used by the Railroad Commission to bring into compliance or close the Facility. The Railroad Commission will return unexpended funds to the Surety after the Facility is brought into compliance or closed.

- 2.3 The Railroad Commission does not have to expend state funds before Surety must pay under this bond.
- 2.4 The State of Texas may enforce the Surety's obligation under this bond without first obtaining a judgment against Principal or exhausting its remedies against the Principals' properties or assets.
- 2.5 Under paragraph 2.2(A), Surety must present to the Railroad Commission, within 60 days after it receives notice of Principals' default, a plan demonstrating how the Facility will be brought into compliance or closed. Surety must also furnish an accounting, acceptable to the Railroad Commission, of all sums expended by it to bring into compliance or close the Facility according to Texas law, Railroad Commission rules, and the permit conditions. Surety will submit the accounting to the Railroad Commission within 30 days of its bringing into compliance or closing the Facility.
- 2.6 Under paragraph 2.2(A), Surety must present to the Railroad Commission, within 60 days after it receives notice of Principals' default, a plan demonstrating how the Facility will be brought into compliance or closed. Surety must also furnish an accounting, acceptable to the Railroad Commission, of all sums expended by it to bring into compliance or close the Facility according to Texas law, Railroad Commission rules, and the permit conditions. Surety will submit the accounting to the Railroad Commission within 30 days of its bringing into compliance or closing the Facility.
- 2.7 Under paragraph 2.2, Surety remains obligated to pay for any other covered Facilities up to the face amount of the bond.
- 2.8 The term of this bond expires \_\_\_\_\_ (bond expiration date), and is renewable annually. The Principal or Surety will renew in writing this bond and submit it to the Railroad Commission 30 days before the bond expires. Obligations to pay part or all of the bond amount are released after four (4) years from the expiration date of the bond if no clean up or closure-related activities are initiated by the Railroad Commission or its authorized representative at the Facility during that four-year period. The Railroad Commission or its authorized representative may relieve in writing Principal and Surety from their obligations under this bond.
- 2.9 If the Surety does not fulfill its obligations according to the bond terms and if judgment for any part of the bond amount is awarded through action of the Attorney General in court, then the State shall be entitled to court costs and reasonable attorney's fees awarded by the court. Surety's liability for such costs and fees shall not be limited by the face amount of this bond.
- 2.10 Principal and Surety execute this bond and agree to pay proceeds under this bond in Austin, Travis County, Texas. A suit to collect on this bond or construe this bond lies in Travis County, Texas.

Dated \_\_\_\_\_

\_\_\_\_\_  
SURETY (Attach Power of Attorney  
demonstrating the authority to sign)

\_\_\_\_\_  
PRINCIPAL (Attach Power of Attorney  
demonstrating authority to sign)

\_\_\_\_\_  
NAME AND TITLE (Type or Print)

\_\_\_\_\_  
NAME AND TITLE AS LISTED ON THE P-5  
ORGANIZATION REPORT (Type or print)

\_\_\_\_\_  
SURETY'S FULL MAILING ADDRESS

(Seal)

(Seal)



# CF-2 – Irrevocable Standby Letter of Credit

**IRREVOCABLE STANDBY LETTER OF CREDIT NO.** \_\_\_\_\_

RAILROAD COMMISSION OF TEXAS  
Oil and Gas Division

FORM CF-2  
Rev. 04/2014

Date: \_\_\_\_\_

Name of Issuing Bank: \_\_\_\_\_

Physical address of  
issuing bank: \_\_\_\_\_  
\_\_\_\_\_

This financial assurance covers the following type of facility(ies) denoted by an "X":

COMMERCIAL:     STORAGE     RECLAMATION     TREATMENT     DISPOSAL  
    RECYCLING     SEPARATION

To:    RAILROAD COMMISSION OF TEXAS  
         Attention: Oil and Gas Division  
         Technical Permitting  
         P.O. Box 12967  
         Austin, Texas 78711-2967

1. Organization Name, exactly as shown on P-5, Organization Report:	2. P-5 Number, if assigned:	3. Total number of disposal/injection wells associated with the commercial facility, if applicable:
4. Other Commission-regulated operations, if applicable:		

This letter of credit covers the following facilities (*on a separate line for each facility, include the facility name, facility permit number and/or application control number, physical address, zip code, and county in which the facility is located. Attach information for additional facilities as Exhibit A entitled "Exhibit A of RRC CF-2 Letter of Credit No. \_\_\_\_\_"*):

- (A) \_\_\_\_\_
- (B) \_\_\_\_\_
- (C) \_\_\_\_\_
- (D) \_\_\_\_\_

We (Issuing Bank) hereby establish our Irrevocable Standby Letter of Credit No. \_\_\_\_\_, in favor of the Railroad Commission of Texas, Austin, Texas (you), for the account of \_\_\_\_\_ (operator name as shown on P-5 Organization Report), for an amount or amounts not to exceed in the aggregate \$ \_\_\_\_\_ U.S., available by your drafts at sight on the bank, effective \_\_\_\_\_ (date) and expiring on \_\_\_\_\_ (date at least one year later), but such expiration date shall be automatically extended for a period of \_\_\_\_\_ year(s) beginning on the initial expiration date and each successive expiration date, unless, at least 120 days before the expiration date applicable to the current term, we notify both the Director of Oil & Gas Division of the Railroad Commission of Texas at 1701

North Congress Avenue, Austin, TX 78701 and \_\_\_\_\_ (operator name as shown on P-5 Organization Report) \_\_\_\_\_, by certified mail, return receipt requested, that we have decided not to extend this letter of credit beyond the current expiration date. Upon receipt of such notice, and for a period of 120 days after the date the Director of Oil & Gas Division of the Railroad Commission of Texas signs the return receipt card, you may draw on us hereunder upon presentation of your sight draft. This letter of credit may be terminated during the course of its term only if we are provided with a letter from you stating that each of the above-referenced facilities have been closed in a manner that meets your requirements or on such date as you authorize the release of this Letter of Credit.

The documents specified below must be presented at sight on or before the expiry date in accordance with the terms and conditions of this Irrevocable Standby Letter of Credit:

- A. This Irrevocable Standby Letter of Credit or a copy thereof; and
- B. An affidavit from the Railroad Commission of Texas or its authorized representative, stating that a commercial facility subject to this Letter of Credit has not provided a substitute letter of credit that has been accepted by the Railroad Commission of Texas or its authorized representative or has defaulted on its obligations under state law, Railroad Commission rules, or the conditions of the commercial facility permit, or is likely to pollute or polluting any ground or surface water, or is not being maintained in compliance with state law, Railroad Commission rules, or the conditions of the commercial facility permit relating to the prevention or control of pollution.

We engage with you that drafts drawn under and in conformity with the terms and conditions stated above will be duly honored on presentation if presented to us at our office at the address shown above or any of our bank branch locations on or before the expiry date.

The credit is subject to the Uniform Customs and Practice for Documentary Credits (revision in force as of July 1, 2007), International Chamber of Commerce—Publication 600.

\_\_\_\_\_  
AUTHORIZED COUNTERSIGNATURE

\_\_\_\_\_  
AUTHORIZED SIGNATURE

\_\_\_\_\_  
NAME AND TITLE (Type or print)

\_\_\_\_\_  
NAME AND TITLE (Type or print)

(Attach Certified Copy of Corporate Resolution demonstrating persons who sign have authority from the bank at the time they sign to sign for up to or over the amount of this Letter of Credit.)

# Form P-18 – Skim Oil/Condensate Report

**RAILROAD COMMISSION OF TEXAS**  
Oil and Gas Division

**SKIM OIL/CONDENSATE REPORT—**  
LIQUID HYDROCARBONS RECOVERED FROM  
SALT WATER GATHERING SYSTEMS PRIOR  
TO INJECTION OR OTHER DISPOSAL OF WATER

**Form P-18**  
(Rev. 01/01/86)

READ INSTRUCTIONS ON BACK

OPERATOR NAME AND ADDRESS (Exactly as shown on P-5, Organization Report)	REPORTING PERIOD _____/_____/19	RRC DIST. NO. _____
	CORRECTED REPORT? <input type="checkbox"/> YES	OPERATOR NO. _____
Name of Gathering System or Facility _____ System Serial No. _____		
Location _____ Lease/ID # _____ (Section, Block, Survey and County) (If applicable)		
Distance and direction from nearest town _____		
<b>SECTION I — METHOD OF DISPOSAL OF WATER RECEIVED INTO SYSTEM</b>		
1. INJECTION INTO A RESERVOIR PRODUCTIVE OF OIL OR GAS Field and Reservoir: _____	Authorization for Injection: (Order No., UIC Project No., or date of letter): _____	
2. INJECTION INTO DISPOSAL WELLS(S) Name and Well No. of Disposal Well(s): _____	Authorization for Disposal Well(s): (Order No., UIC Permit No., or date of letter): _____	
3. OTHER (e.g., Tidal Disposal, etc.) Describe Disposal Method: _____	Authorization for Disposal Method: (Order No. or date of letter) _____	
<b>SECTION II — OPERATIONS DATA FOR REPORTING PERIOD</b>		
1. Does this system receive salt water from more than one operator? <input type="checkbox"/> Yes <input type="checkbox"/> No	2. Number of oil leases and/or gas wells that system gathers from: _____	<b>NET BARRELS</b>
3. Water received from producing properties during reporting period .....	_____	_____
4. Water received from non-producing properties during reporting period .....	_____	_____
5. Total barrels of water received during reporting period (Line 3 + Line 4) .....	_____	_____
6. Total liquid hydrocarbons skimmed from water received during reporting period .....	_____	_____
7. Tolerance of liquid hydrocarbons not required to be allocated back to leases (Line 3 x .0005). Multiple operator systems only. ....	_____	_____
8. Excess skim liquid hydrocarbons to be allocated/credited back to leases served (Line 6 - Line 7) .....	_____	_____
9. Liquid hydrocarbons received as identifiable "slugs" credited to leases and/or gas wells from which they were produced .....	_____	_____
10. Excess skim liquid hydrocarbons not credited on Line 9, but to be allocated back to properties served (Line 8 - Line 9) .....	_____	_____
<i>(If any amount is shown on Line 9 or 10, complete SECTION V on back of this form)</i>		
<b>SECTION III — STORAGE AND RUN DATA</b>		
		<b>NET BARRELS</b>
1. Liquid hydrocarbons in storage beginning of reporting period .....	_____	_____
2. Total liquid hydrocarbons skimmed during reporting period which were not returned to leases .....	_____	_____
3. Total liquid hydrocarbons sold during reporting period .....	_____	_____
4. Liquid hydrocarbons in storage end of reporting period (Line 1 + Line 2 - Line 3 = Line 4) .....	_____	_____
<b>SECTION IV — GATHERER DATA</b>		
Name(s) of gatherer(s) of liquid hydrocarbons sold:		
1. _____ Amt. _____ RRC # _____	2. _____ Amt. _____ RRC # _____	
3. _____ Amt. _____ RRC # _____	4. _____ Amt. _____ RRC # _____	
<b>CERTIFICATE:</b>		
I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this report, that this report was prepared by me or under my supervision and direction, and that data and facts stated herein are true, correct, and complete, to the best of my knowledge.		
Signature _____	Print Name _____	
Date _____	Title _____	
Telephone No. _____	Area Code _____	Number _____

Mail original to Railroad Commission of Texas  
Oil and Gas Division  
Capitol Station - P. O. Drawer 12967  
Austin, Texas 78711-2967



## Forms and Materials Required to Obtain a Reclamation Plant Permit

Requirement	Details	Authorization
<b>Form P-5</b>	<ul style="list-style-type: none"> <li>• Organization name to be filed and records kept</li> </ul>	SWR 1
<b>Form R-9</b>	<ul style="list-style-type: none"> <li>• Original Application and Attachments are filed in Austin</li> </ul>	SWR 57
<b>Public Notice</b>	<ul style="list-style-type: none"> <li>• Provide notice to surface owners</li> <li>• Provide notice to County Clerk for the county of the facility</li> <li>• Provide notice to City Clerk if facility is within corporate limits</li> <li>• Publish notice of the application in a newspaper of general circulation in the county, at least once</li> <li>• Provide proof of applicable notices and publisher's affidavit to the RRC</li> <li>• If the facility has any other environmental permits, such as a pit, the most stringent requirements must be used for the entire facility</li> </ul>	SWR 57(c)(2) SWR 57(c)(3)
<b>Diagrams and Maps</b>	<ul style="list-style-type: none"> <li>• Site Plan for the proposed or existing facility               <ul style="list-style-type: none"> <li>○ Include location, identification and capacities of all equipment and tanks</li> </ul> </li> <li>• County highway map or equivalent, showing location and Latitude and Longitude coordinates of facility</li> <li>• Show location of all O&amp;G related facilities within 100 yards of the facility</li> <li>• If facility has a pit, submit all materials required for Form H-11</li> </ul>	SWR 57(c)(6)
<b>Facility Details</b>	<ul style="list-style-type: none"> <li>• Describe the treatment process, including waste receipt, separation method, equipment used, storage of oil and separated waste, and disposal for residual solid and liquid waste</li> <li>• Include Safety Data Sheets (SDS) if any chemicals are used</li> </ul>	SWR 57(c)(6)
<b>Environmental Data</b>	<ul style="list-style-type: none"> <li>• Identify and describe the soils at the facility</li> <li>• Provide the depth to groundwater</li> <li>• Provide the mean annual precipitation and the amount of the 25-year and 24-hour rainfall event in inches</li> <li>• Determine if facility is located within a FEMA 100-year flood plain</li> <li>• Determine if facility is located within a wetland</li> </ul>	SWR 57(c)(6)
<b>Closure Cost Estimate (CCE)</b>	<ul style="list-style-type: none"> <li>• Estimate of the maximum dollar amount necessary for closure</li> <li>• Include all details and assumption</li> <li>• If the facility has any other environmental permits, such as a pit, the CCE must be written under seal of Texas licensed Professional Engineer (P.E.)</li> </ul>	SWR 78(I)(1)(A)(i) SWR 78(I)(4)(C)
<b>Financial Security</b>	<ul style="list-style-type: none"> <li>• After CCE is approved by Technical Permitting:               <ul style="list-style-type: none"> <li>○ File a bond with the RRC (Form CF-1) OR</li> <li>○ File a letter of credit with the RRC (Form CF-2)</li> </ul> </li> </ul>	SWR 78(I) SWR 78(I)(4)(C)
<b>Reporting</b>	<ul style="list-style-type: none"> <li>• Monthly Report for Reclaiming and Treating Plants (Form R-2)</li> <li>• Production Reports – Report disposition on Form R-2 (Monthly Report for Reclaiming and Treating Plants)</li> <li>• Skim Oil/Condensate Report (Form P-18) if applicable</li> <li>• Letter of Authority issued by Field Operations Section of RRC</li> <li>• Monthly Transportation &amp; Storage Report (T-1)</li> </ul>	SWR 57(e) SWR 56(b)(2)

## Questions and Answers Pertaining to Reclamation Plant Applications and Reporting

Q: How can a Reclamation Plant Permit be obtained?

A: Form R-9 is the Application for Permit to Operate a Reclamation Plant and can be downloaded from:

<https://www.rrc.texas.gov/oil-and-gas/oil-and-gas-forms/>

Q: When do I publish the application in the newspaper and give notice to various entities?

A: On or before the date that the application is mailed to, or filed with, the Commission. The permit will not be processed until a copy of the newspaper publication and publisher's affidavit are received in Austin. Therefore, you may want to publish before application is mailed or filed in Austin so all documents can be reviewed at the same time.

If the reclamation plant is part of a facility with other associated environmental permits, the more stringent notice requirements would apply.

Q: When are R-2 reports due in Austin?

A: The operator of a reclamation plant shall file a report on the Form R-2 (Monthly Report for Reclaiming and Treating Plants) for each reclamation plant facility by the 15<sup>th</sup> day of each calendar month, covering the facility's activities for the previous month even if no reclamation treatment took place.

Additional information on how to fill out the Form R-2 can be found here [https://rrc.texas.gov/media/4f3mmgll/form\\_r2\\_instructions.pdf](https://rrc.texas.gov/media/4f3mmgll/form_r2_instructions.pdf)

Q: What are the general provisions applicable to materials taken to a reclamation plant from tank bottoms or other hydrocarbon waste from outside the State of Texas?

A: The receipt of any tank bottoms or other hydrocarbon wastes from outside the State of Texas must be authorized in writing by the Commission prior to such receipt. However, written approval is not required if another entity will indicate, in the appropriate monthly report a corresponding delivery of the same material. If the request is denied, the applicant may request a hearing.

Q: What are the general provisions applicable to materials taken to a reclamation plant as waste materials other than tank bottoms or other hydrocarbon wastes?

A: The receipt of any waste materials other than tank bottoms or other hydrocarbon wastes must be authorized in writing by the Commission prior to such receipt. The Commission may require the reclamation plant operator to submit an analysis of such waste materials prior to a determination of whether to authorize such receipt. If the request is denied, the applicant may request a hearing.

# Form R-9 – Application for Permit to Operate a Reclamation Plant

RAILROAD COMMISSION OF TEXAS  
Oil and Gas Division

APPLICATION FOR PERMIT TO OPERATE  
A RECLAMATION PLANT

R-9  
2/7/90

READ INSTRUCTIONS ON BACK

DRAFT

1. OPERATOR NAME, exactly as shown on P-5, Organization Report	2. OPERATOR P-5 NO.	3. RRC DISTRICT NO.	4. COUNTY OF PLANT LOCATION
5. OPERATOR ADDRESS, including city, state, and zip code	6. PURPOSE OF FILING <input type="checkbox"/> New permit for new facility. Estimated completion date: _____ <input type="checkbox"/> New permit for existing facility. Name of previous operator: _____ <input type="checkbox"/> One-time renewal of existing permit serial/registration (R-2) no. _____		
7. TYPE OF FACILITY <input type="checkbox"/> Permanent <input type="checkbox"/> Portable	8. Driving directions from the nearest town (identify town).		
9. Brief description of treating process.			
10. Material transported to plant in: (see Inst. No. 6) <input type="checkbox"/> vehicles owned by applicant <input type="checkbox"/> for-hire vehicles <input type="checkbox"/> both applicant's and for-hire vehicles			
11. Identify all oil and/or gas-related facilities located within 100 yards of facility. (example: well, pipeline, saltwater disposal facility, tank battery, etc.)			
<u>TYPE OF FACILITY</u>	<u>OPERATOR</u>	<u>TYPE OF FACILITY</u>	<u>OPERATOR</u>
CERTIFICATION: I certify under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this report, that it was prepared by me or under my supervision and direction, and that the data and facts stated herein are true, correct, and complete to the best of my knowledge.			
SIGNATURE _____		TITLE _____	
NAME (print or type) _____		PHONE ( ) _____	DATE _____

**TO BE COMPLETED BY RAILROAD COMMISSION PERSONNEL**

This permit is valid until cancellation under either of the following conditions:

- The above named operator requests cancellation in writing.
- The commission cancels the permit after notice and opportunity for hearing because:
  - the permit facility has been inactive for 12 months, or
  - there has been a violation or a violation is threatened of any provision of the permit, the conservation laws of the state, or rules or orders of the Commission.

This permit is non-transferable. The financial assurance filed in support of this application shall be renewed and continued in effect until its conditions have been met or release is authorized by the Commission. The facility schematic diagram is to be kept with this permit. Permit and diagram are to be kept at facility.

Serial/registration no. \_\_\_\_\_ is issued/renewed effective \_\_\_\_\_ (date)

by \_\_\_\_\_ Name (type or print) \_\_\_\_\_ Phone No. \_\_\_\_\_  
Signature of RRC representative

ALL WASTES GENERATED BY RECLAIMING OPERATIONS SHALL BE DISPOSED OF IN ACCORDANCE WITH STATEWIDE RULES, 8, 9, AND 46 (RELATING TO WATER PROTECTION, DISPOSAL WELLS, AND FLUID INJECTION)

**INSTRUCTIONS**  
**FORM R-9: APPLICATION FOR PERMIT TO**  
**OPERATE A RECLAMATION PLANT**

**REFERENCE: STATEWIDE RULES 57 and 85**

1. **FORM P-5, ORGANIZATION REPORT.** Before this application can be processed, you must have an active Form P-5, Organization Report, on file with the Commission in Austin. In addition, if your organization is a corporation, a certification that your franchise tax payment is current is also required.

2. **R-9 FILING.** File the original of your application and attachments with:

Railroad Commission of Texas  
 Oil and Gas Division - Production Allocation  
 P. O. Drawer 12967 - Capitol Station  
 Austin, Tx 78711-2967

At the same time, file a copy of the R-9 and the schematic diagram with the Commission district office of the facility location.

3. **ATTACHMENTS.** Your application must include the following attachments:

- **schematic diagram** showing the proposed or existing facility, including the location and identification of all treating equipment and tanks with tank capacity noted. Also, show the location of all oil and/or gas-related facilities located within 100 yards of the facility as identified in No. 11 on front.
- **a bond or letter of credit in commission-approved format\*** for the amount of \$100,000 with attached power of attorney. See No. 4 below.
- **proof of publication** of the notice of application, if this application is for a new permit rather than one-time renewal of an existing permit. See No. 5 below.

4. **FINANCIAL ASSURANCE.** As a condition of the permit to operate a reclamation plant, you are required to submit, renew, and continue in effect a bond or letter of credit in commission-approved format in the amount of \$100,000. Prior to the expiration of your financial assurance, you will be sent a renewal notice. In a limited set of circumstances a lesser amount may be accepted. However, you must be able to clearly show that amount will be sufficient to operate and close the facility site in accordance with state law, commission rules, and the conditions of the permit. File your bond or letter of credit in the lesser amount and attach a letter including a complete justification to your application. Include a copy of that letter with your district office filing.

5. **NOTICE.** When applying for a new permit, you are to give the following notices of the application prior to or at the same time as filing the application with the Commission:

- **mail or deliver a copy of the permit application to the county clerk of the county of facility location and, if the facility is located within the corporate limits of the city, the city clerk.**
- **publish notice of the application in commission-approved form\*** once in a newspaper of general circulation for the county of the facility.

6. **TRANSPORTATION OF MATERIAL.** Trucks transporting material to the reclamation facility on a "for hire" basis must be permitted by the Railroad Commission's Transportation/Gas Utilities Division.

7. **MONTHLY REPORTING.** Each month, file a Form R-2, Monthly Report for Reclaiming and Treating Plants, according to the instructions on the reverse of that form.

\* Available from the Commission's Supply Department at the above address.



# Form R-2 – Monthly Report for Reclaiming and Treating Plants

FORM R-2  
Rev. 12/77  
Page 1

## RAILROAD COMMISSION OF TEXAS OIL AND GAS DIVISION

MONTHLY REPORT FOR  
RECLAIMING AND TREATING PLANTS

SERIAL NUMBER \_\_\_\_\_

FOR THE MONTH OF \_\_\_\_\_, 19\_\_\_\_

OPERATOR \_\_\_\_\_

ADDRESS \_\_\_\_\_

ZIP \_\_\_\_\_

CITY \_\_\_\_\_ STATE \_\_\_\_\_

CORRECTED REPORT

STOCK ON HAND BEGINNING OF MONTH		RECEIPTS		TREATED MATERIALS			DELIVERIES			STOCK ON HAND END OF MONTH		
Net Oil and/or Other Material	Unprocessed Material	Total Stock	Actual Gross	Gross	Oil and/or Other Material Recovered	Losses of Water	Net Oil	Other Material	Net Oil and/or Other Material	Unprocessed Material	Total Stock	
1	2	3	4	5	6	7	8	9	10	11	12	

COMPANY RECEIVED FROM		RECEIPTS (G-ESA) FORM T-5		ACTUAL RECEIPTS		GROSS TOTAL	
LETTER OF AUTHORITY DATE	FORM T-5 NUMBER	CALCULATED BS & W	CALCULATED NET OIL	CALCULATED BS & W	CALCULATED NET OIL	CALCULATED BS & W	CALCULATED NET OIL

COMPANY DELIVERED TO		TOTALS		DELIVERIES		ACTUAL DELIVERY	
REG. SERIAL NUMBER	PLACE OF DELIVERY	TYPE MATERIAL DELIVERED	ACTUAL DELIVERY	TYPE MATERIAL DELIVERED	ACTUAL DELIVERY	TYPE MATERIAL DELIVERED	ACTUAL DELIVERY

TOTAL		TOTAL		TOTAL		TOTAL	
REG. SERIAL NUMBER	PLACE OF DELIVERY	TYPE MATERIAL DELIVERED	ACTUAL DELIVERY	TYPE MATERIAL DELIVERED	ACTUAL DELIVERY	TYPE MATERIAL DELIVERED	ACTUAL DELIVERY

Columns 1 + 2 = 3 (Stock on Hand Beginning of Month)  
 10 + 11 = 12 (Stock on Hand End of Month)  
 6 + 7 = 8 (Gross Treated Material)  
 2 + 4 - 5 = 11 (Unprocessed Material)  
 1 + 6 - 8 - 9 = 10 (Net Oil and/or Other Material)  
 3 + 4 - 5 + 6 - 8 - 9 = 12 (Basic Formula)

METHOD OF DISPOSAL: Salt Water \_\_\_\_\_  
 Solids \_\_\_\_\_

**CERTIFICATE.**  
 I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this report, that this report was prepared by me or under my direct supervision, that the data and facts stated therein are true, correct and complete, to the best of my knowledge.

Signature \_\_\_\_\_

Date \_\_\_\_\_ Title \_\_\_\_\_

Name of Person (Type or Print) \_\_\_\_\_

Telephone No. \_\_\_\_\_ Area Code \_\_\_\_\_ Number \_\_\_\_\_

DETAIL STATEMENT OF STOCK ON HAND AT END OF PERIOD

TANK NUMBER	LOCATION	KIND OF STOCK	CAPACITY	BARRELS
<b>TOTAL STOCK ON HAND</b>				

— INSTRUCTIONS —

**A. TIME AND PLACE OF FILING:**

This report shall be filed with the Railroad Commission at Austin, Texas, on or before the 15th day of the calendar month following the month covered by the report. One copy of this report shall be filed in each District Office in which the reclaimer has authority to operate.

**B. VOLUMES:**

All volumes of material shall be reported in whole barrels and computed by Commission approved methods of measurement. Do not use fractions of barrels in this report.

**C. STOCK AND OPERATIONS SPECIFIC COLUMNS:**

1. The net oil and/or other recovered material that was on hand at the beginning of the month.
2. The unprocessed material that was on hand at the beginning of the month.
3. Combined total of net oil, other recovered material and unprocessed material at the beginning of the month.
4. Gross total of all material received during the month reported.
5. Gross total of material processed.
6. Oil and/or other material recovered from the gross amount treated.
7. The loss or waste of the gross amount treated.
8. Net oil amount delivered from treated amount and/or stock.
9. Material other than net oil which is marketable.
10. The net oil and/or other recovered material that was on hand at the end of the month.
11. The unprocessed material that was on hand at the end of the month.
12. Combined total of net oil, other recovered material and unprocessed material on hand at the end of the month.

**D. RECEIPT AUTHORITY**

Receipts made by reclaimer must be made under Form T-5 Gauger Tank Cleaning Request or special letter of authority granted prior to receipt. Any material received without prior authority will be subject to confiscation by the Commission.

**E. CORRECTED REPORTS:**

Any corrections made to Form R-2 must be made to the report covering the month in which the error was made. Prior month adjustments may not be made on current reports.

**F. GENERAL INSTRUCTIONS:**

- (a) Show receipts and/or deliveries in the reporting period that the transfer was initiated.
- (b) If additional reporting space is required for receipts, deliveries or stock, use attachment sheet with identical format as shown on the report.

# Form R-2 Receipt Example

FORM R-2  
Rev. 12/77  
Page 1

## RAILROAD COMMISSION OF TEXAS OIL AND GAS DIVISION

MONTHLY REPORT FOR  
RECLAIMING AND TREATING PLANTS

SERIAL NUMBER                      R9 PERMIT NUMBER                     

FOR THE MONTH OF                      MONTH                      YEAR                     

OPERATOR                      OPERATOR NAME                       
ADDRESS                      STREET                     

CORRECTED REPORT

CITY                      STATE                      ZIP                     

STOCK ON HAND BEGINNING OF MONTH			RECEIPTS			TREATED MATERIALS			DELIVERIES			STOCK ON HAND END OF MONTH		
Net Oil and/or Other Material 1	Unprocessed Material 2	Total Stock 3	Actual Gross 4	Gross 5	Oil and/or Other Material Recovered 6	Loss or Waste 7	Net Oil 8	Other Material 9	Net Oil and/or Other Material 10	Unprocessed Material 11	Total Stock 12			
			HOW MUCH WASTE ROYD	TOTAL PROCESSED	HOW MUCH OIL RECOVERED	HOW MUCH WASTE LEFT	HOW MUCH OIL DELIVERED	HOW MUCH WASTE DELIVERED	STOCK ON HAND AT END OF MONTH					

RECEIPTS		ACTUAL RECEIPTS	
LETTER OF AUTHORITY DATE	(G-ESA) FORM T-5 NUMBER	CALCULATED BS & W	CALCULATED NET OIL
			GROSS TOTAL

COMPANY RECEIVED FROM		HOW MUCH WASTE RECEIVED	
			HOW MUCH WASTE RECEIVED

TOTALS		
REG. SERIAL NUMBER	PLACE OF DELIVERY	ACTUAL DELIVERY

DELIVERIES	
TYPE OF MATERIAL DELIVERED	HOW MUCH OIL DELIVERED
HOW MUCH WASTE DELIVERED	HOW MUCH WASTE DELIVERED

**METHOD OF DISPOSAL:** Salt Water \_\_\_\_\_ Solids \_\_\_\_\_

**CERTIFICATE**

I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this report, that this report was prepared by me or under my supervision and direction, and that data and facts stated therein are true, correct, and complete, to the best of my knowledge.

USE FORMULAS TO MAKE SURE TOTALS ADD UP IN BOXES 1-12

FORMULAS —  
 Columns 1 + 2 = 3 (Stock on Hand Beginning of Month)  
 10 + 11 = 12 (Stock on Hand End of Month)  
 6 + 7 = 5 (Gross Treated Material)  
 2 + 4 = 5 = 11 (Unprocessed Material)  
 1 + 6 = 8 = 9 = 10 (Net Oil and/or Other Material)  
 3 + 4 = 5 + 6 = 8 = 9 = 12 (Basic Formula)

ORIGINAL SIGNATURE \_\_\_\_\_ TITLE OF PERSON SIGNING \_\_\_\_\_  
 Signature \_\_\_\_\_ DATE \_\_\_\_\_ Title \_\_\_\_\_  
 PRINTED NAME OF PERSON SIGNING \_\_\_\_\_  
 Name of Person (Type or Print) \_\_\_\_\_  
 Telephone No. \_\_\_\_\_ Area Code \_\_\_\_\_ Number \_\_\_\_\_

DETAIL STATEMENT OF STOCK ON HAND AT END OF PERIOD

TANK NUMBER	LOCATION	KIND OF STOCK	CAPACITY	BARRELS
<p>LIST OF TANKS AND LOCATION AT R9 FACILITY (PAGE 2 MUST BE INCLUDED EVEN IF STOCK IS "0"/ZERO)</p>		<p>FILL OUT TYPE OF STOCK/HOW MUCH</p>		
<p>TOTAL STOCK ON HAND</p>				

— INSTRUCTIONS —

A. TIME AND PLACE OF FILING:

This report shall be filed with the Railroad Commission at Austin, Texas, on or before the 15th day of the calendar month following the month covered by the report. One copy of this report shall be filed in each District Office in which the claimer has authority to operate.

B. VOLUMES:

All volumes of material shall be reported in whole barrels and computed by Commission approved methods of measurement. Do not use fractions of barrels in this report.

C. STOCK AND OPERATIONS SPECIFIC COLUMNS:

1. The net oil and/or other recovered material that was on hand at the beginning of the month.
2. The unprocessed material that was on hand at the beginning of the month.
3. Combined total of net oil, other recovered material and unprocessed material at the beginning of the month.
4. Gross total of all material received during the month reported.
5. Gross total of material processed.
6. Oil and/or other material recovered from the gross amount treated.
7. The loss or waste of the gross amount treated.
8. Net oil amount delivered from treated amount and/or stock.
9. Material other than net oil which is marketable.
10. The net oil and/or other recovered material that was on hand at the end of the month.
11. The unprocessed material that was on hand at the end of the month.
12. Combined total of net oil, other recovered material and unprocessed material on hand at the end of the month.

D. RECEIPT AUTHORITY

Receipts made by claimer must be made under Form T-5 Gauger Tank Clearing Request or special letter of authority granted prior to receipt. Any material received without prior authority will be subject to confiscation by the Commission.

E. CORRECTED REPORTS:

Any corrections made to Form R-2 must be made in the report covering the month in which the error was made. Prior month adjustments may not be made on current reports.

F. GENERAL INSTRUCTIONS:

- (a) Show receipts and/or deliveries in the reporting period that the transfer was initiated.
- (b) If additional reporting space is required for receipts, deliveries or stock, use attachment sheet with identical format as shown on the report.

## Forms Required by Refineries

Checklist	Form	Authorization
	P-5	SWR 1 – Organization name to be filed and records kept.
	R-5	SWR 60 & 61 – R-5, Certificate of Compliance filed with District Office prior to beginning operation. Renewed annually.
	R-1	SWR 60 & 61 – Monthly report and operations statement for refineries. Due by the 15 <sup>th</sup> of the month following the month of operation.

## Questions and Answers Pertaining to Refinery Report

Questions Pertaining to (Form, Rule, Procedure)	Question	Answer	Contact
R-1	Why should refineries continue to file the monthly reports when the plant is shut down?	The R-1 report should be filed as long as there is stock at the plant. Pages 1 & 4 (only) need to be filed to cover stock on hand when there is no other activity.	512-463-7154
Reporting Stock	Should material (owned by the refinery) stored off the refinery premises be reported as stock on the R-1 report?	Stock stored off the refinery premises should not be reported on the Refinery Report (Form R-1). Crude/condensate belonging to a refinery but stored off refinery premises should be reported on the Transportation Report (Form T-1).	Operators: A-L: 512-463-6874 M-Z: 512-463-6859

# Form R-1 – Monthly Report and Operations Statement for Refineries

Operator

Month

19

Address

Registration No.

(Instructions on Reverse Side)

Name of Material	Code	Storage Beginning of Month	Receipts	INPUT Runs to Still and/or Blends	Products Manufactured	Fuel Used	Deliveries	Storage End of Month
Propane	1							
Butane	2	462,528	174,323	207,843				429,008
Butane-Propane	3				37,602		37,602	
Motor Gasoline	4	1,147,659			6,010,181	444	6,155,903	1,001,493
Kerosene	5	337,216	59,731		808,601	618	997,484	247,446
Home Heating Oil	6				27,019		27,019	
Diesel Fuel	7				748,157		748,157	
Other Middle Distillates	8	3,327,229	216,266		34,985	3,031	319,092	3,256,357
Aviation Gasoline	9							
Kerosene - Type Jet Fuel	10							
Naptha - Type Jet Fuel	11							
Fuel Oil #4 For Utility Use	12				624,882		624,882	
Fuel Oil #5, #6 For Utility Use	13							
Fuel Oil #4 For Non-Utility Use	14							
Fuel Oils #5, #6 For Non-Utility Use	15				888,894		888,894	
Bunker C	16							
Navy Special	17							
Other Residual Fuels	18							
Petrochemical Feedstocks	19	77,420	868,110	853,283				92,247
Lubricants	20							
Special Napthas	21							
Solvent Products	22							
Miscellaneous	23	3,779,126	349,484	119,035	1,994,242	459,032	1,603,439	3,941,346
Crude Oil	24	1,273,352	10,120,535	10,119,002		1,428		
<b>TOTAL: (Barrels)</b>		<b>10,444,530</b>	<b>11,788,449</b>	<b>11,299,163</b>	<b>11,174,563</b>	<b>464,553</b>	<b>11,402,472</b>	

Signature

Date

Telephone No.

Email

Title

Area Code

Number

Opening balance must match with previous months closing balance.

Print first and last name here.

Closing balance must match with following months opening balance.

Print first and last name here and add your email address.

Manufactured – Fuel – Deliveries – Ending Storage

Operator

Month

19

Address

Registration No.

(Instructions on Reverse Side)

Name of Material	Code	Storage Beginning of Month	Receipts	INPUT Runs to Stills and/or Blends	Products Manufactured	Fuel Used	Deliveries	Storage End of Month
Propane	1							
Butane	2	462,528	174,323	207,843				429,008
Butane-Propane	3				37,602		37,602	
Motor Gasoline	4	1,147,659			6,010,181	444	6,155,903	1,001,493
Kerosene	5	337,216	59,731		808,601	618	997,484	247,446
Home Heating Oil	6				27,019		27,019	
Diesel Fuel	7				748,157		748,157	
Other Middle Distillates	8	3,327,229	216,266		34,985	3,031	319,092	3,256,357
Aviation Gasoline	9							
Kerosene - Type Jet Fuel	10							
Naptha - Type Jet Fuel	11							
Fuel Oil #4 For Utility Use	12				624,882		624,882	
Fuel Oil #5, #6 For Utility Use	13							
Fuel Oil #4 For Non-Utility Use	14							
Fuel Oils #5, #6 For Non-Utility Use	15				888,894		888,894	
Bunker C	16							
Navy Special	17							
Other Residual Fuels	18							
Petrochemical Feedstocks	19	77,420	868,110	853,283				92,247
Lubricants	20							
Special Napthas	21							
Solvent Products	22							
Miscellaneous	23	3,779,126	349,484	119,035	1,994,242	459,032	1,603,439	3,941,346
Crude Oil	24	1,273,352	10,120,535	10,119,002		1,428		1,273,457
TOTAL: (Barrels)		10,444,530	11,788,449	11,299,163	11,174,563	464,553	11,402,472	10,241,354

Signature

Email

Date

Title

Telephone No.

Area Code

Number

Opening balance must match with previous months closing balance.

Closing balance must match with following months opening balance.

## INSTRUCTIONS

1. A corrected Page One with current certification date and original signature must be filed with corrections to any portion of the report.



The Commission requires the refinery to show the individual or company name and registration number or serial number from whom the material is received. Further, this shall be the company that will acknowledge the delivery on the appropriate Commission report. This is normally the party that makes physical transfer.

Show state on domestic imports into Texas and Country on foreign products.

RAILROAD COMMISSION OF TEXAS  
OIL AND GAS DIVISION

Corrected Report

Form R-1  
Page 2  
(Rev. 1974)

Operator Beaker Oil Company Month January 19 XX  
(Instructions on Reverse Side) Registration No. 00-0000  
Receipt Totals Must Equal Those Shown on Page 1.

ACTUAL RECEIPTS												
Received From	RRC Number	Cu	Barrels	Cu	Barrels	Cu	Barrels	Cu	Barrels	Cu	Barrels	Total
Gulf Ref. Co.	T-1 3-103	24	6,809,971									6,809,971
Dutch Shell	Import Alabama	24	437,755									437,755
Texaco, Inc.	Import Trinidad	24	302,288									302,288
Gulf Oil Co.	Import Nigeria	24	1,065,471									1,065,471
Gulf Oil Co. - US	T-1 3-36	24	1,505,050	5	59,731	23	100,000					1,664,781
Gulf Petrochemical Com.	Chemical Pl					19	23,833	8	73,200			97,033
Allied Chem.	Import Louisiana					19	20,344					20,344
Shell Oil Co. Wind	T-1 3-194					23	43,723					43,723
United Tex. TPA	R-3 8-666					23	5,542					5,542
Neches Butane Prod.	Wholesale Retail					2	33,846	8	24,647			58,493
Warren Petro Corp.	T-1 3-71			2	140,447	23	200,219	8	118,419	19	823,933	1,283,048
TOTALS			10,120,535		200,208		407,507		216,266		823,933	11,788,449

**EXAMPLE**

It is permissible to show the transporter and "account" party as per example, although it is not required to show the "account" party.

Some receipts will not have an RRC registration or serial numbers. These will be chemical plants, wholesale, retail, or other parties that are not required to report to the Commission.

Total must match the total receipts on Page 1.

**INSTRUCTIONS**

- Imports – Receipts designated as imports should specify Point of Origin (State or Foreign Country) in addition to Company name.
- The Mode of Transportation is not required (Example – Received from Morrow Oil Company Tank Cars – Tank Cars not needed).
- Material Code Number obtained from Page 1.
- If additional columns required to report receipts from a single source, use two or more lines.

Instructions for the Receipts (page 2)  
apply also to the Deliveries on page 3.

**RAILROAD COMMISSION OF TEXAS  
OIL AND GAS DIVISION**

Corrected Report

Form R-1  
Page 3  
(Rev. 1974)

Monthly Report and Operations Statement for Refineries

Operator Morrow Oil Company

Month January 19 XX

Delivery Totals Must  
Equal Those Shown  
on Page 1.

(Instructions on Reverse Side)

Registration No. 00-0000

**ACTUAL DELIVERIES**

Delivered To	BRC Number	C. Code		C. Code		C. Code		C. Code		Total	
		Barrels	Barrels	Barrels	Barrels	Barrels	Barrels				
Ease Coast Co.	Export New York	5	42	3	37,602	8	2	12	37,478	75,124	
Naches Butane Prod. Co.	Wholesale/Retail					8	42,084		6	27,019	69,103
Gulf Refg. Co.	T-1 3-103	4	999,304	5	83,320			12	580,625	1,657,249	
BeI Transportation	T-1 3-242	4	3,666,775	5	332,813	23	741,125			4,740,713	
Gulf Oil Co. US	T-1 3-36	4	1,495,824	5	581,309	15	888,894	19	6,779	748,157	3,720,963
Gulf Oil Co. US	T-1 3-36	8	277,006	23	862,314					1,139,320	
<b>TOTALS</b>			6,432,951		1,897,358		1,672,105		1,366,260	33,798	11,402,472

**EXAMPLE**

Total must match the Total Deliveries on page 1.

**INSTRUCTIONS**

- Exports – Deliveries designated as exports should specify destination point (State or Foreign Country) in addition to Company name.
- It will not be necessary to give a detailed accounting of deliveries to wholesale or retail outlets if you properly identify these deliveries as a category on your report. (May be shown as one category and one amount.)
- The Mode of Transportation is not required. (Example – Delivered to Morrow Oil Company Tank Cars – Tank Cars not needed.)
- Material Code Number obtained from Page 1.
- If additional columns required to report deliveries to a single source, use two or more lines.



## Forms Required by Gas Processing Plants

Checklist	Forms	Authorization
	P-5	SWR – 1
	R-5/R-6	SWR – 16 (R-5) SWR – 62 (R-6)
	R-3	SWR – 54 (a)
	Scrubber Oil Allocation Tabulation	SWR - 56

**\*Note: This is a suggested format for reporting scrubber oil under SWR 56.**

## Question and Answers Pertaining to the R-5 Compliance Form

Questions Pertaining to (Form, Rule, Procedure)	Question	Answer	Contact
R-5	Why do I keep getting Non-Compliance letters from the Railroad Commission?	Our system has flagged you for not having a current R-5.	Sandra Dunfield – 512-463-7154
R-5	I mailed the district office my R-5 form already, why am I still receiving these Non-Compliance letters?	These notices are systematically generated and sent out when the system flags it each month. Until we get the approved inspection report from the district office, these notices will continue to go out.	Sandra Dunfield – 512-463-7154
R-5	Will I get penalized during the time I am waiting for an inspection?	No. No action will be taken during this time. If you emailed a copy of the R-5 form to <a href="mailto:Sandra.Dunfield@rrc.texas.gov">Sandra.Dunfield@rrc.texas.gov</a> when you mailed your R-5 to the district office; there will be a note stating that the R-5 has been submitted and the date of submission.	Sandra Dunfield – 512-463-7154

# Form R-5 – Certificate of Compliance

RAILROAD COMMISSION OF TEXAS  
OIL AND GAS DIVISION  
CERTIFICATE OF COMPLIANCE

Form R-5  
(Rev. 3-72)

Operator		District	
Street or Box		County	
City	State	Zip	
Plant Name		<input type="checkbox"/> Refinery <input type="checkbox"/> Natural Gasoline Plant	
Location			
Check One:	<input type="checkbox"/> Corporation	<input type="checkbox"/> Partnership	<input type="checkbox"/> Individual
Form R-5	<input type="checkbox"/> Attached	<input type="checkbox"/> On file with the Commission	

Put plant serial number here. i.e., 01-2345

This will certify that the above mentioned plant is in compliance with the terms and provisions of the Railroad Commission Statewide Rule 61 covering the operation of refineries and gasoline plants in the State of Texas.

Remarks: \_\_\_\_\_  
\_\_\_\_\_

**CERTIFICATE:**

I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this report, that this report was prepared by me or under my supervision and direction, and that data and facts stated therein are true, correct, and complete, to the best of my knowledge.

Add your email address next to your name.

Signature \_\_\_\_\_ Name of Person (type or print) \_\_\_\_\_  
 Date \_\_\_\_\_ Title \_\_\_\_\_ Telephone Number \_\_\_\_\_ Area Code \_\_\_\_\_ Number \_\_\_\_\_

**INSTRUCTIONS**

This form shall be filed in duplicate to the appropriate Commission District Office prior to initiating operations of any refinery or natural gasoline plant.  
 This certificate is valid for one year and must be renewed one year from date of prior approval.

- FOR COMMISSION USE ONLY -	
<b><u>APPROVED</u></b>	<b><u>DENIED</u></b>
_____ District Director	_____ District Director
_____ Date	_____ Date
REMARKS: _____	

**Form R-6 – Application for Certificate of Compliance**

**RAILROAD COMMISSION OF TEXAS  
OIL AND GAS DIVISION**

Form R-6  
Rev. 9/75

APPLICATION FOR CERTIFICATE OF COMPLIANCE  
(CYCLING PLANT)

I, \_\_\_\_\_, as \_\_\_\_\_  
Name of person Official capacity

\_\_\_\_\_  
Name of owner of Plant

Check One: Individual  Partnership  Corporation

do hereby certify that the terms and provisions of Statewide Rule No. 62 have been  
complied with in the

\_\_\_\_\_  
Plant Name

\_\_\_\_\_  
Location

and a Certificate of Compliance is hereby requested.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of person reporting

**- FOR COMMISSION USE ONLY -**

STATEMENT OF INSPECTION

This is to certify that this plant was inspected and at the time of inspection, there  
appeared to be full  non  compliance with the provisions of Statewide Rule  
No. 62 and it is recommended that a Certificate of Compliance be granted   
refused

\_\_\_\_\_  
Date of Inspection

Signed \_\_\_\_\_

Engineering Department  
Oil and Gas Division  
Railroad Commission of Texas

## Form R-3 Monthly Report for Gas Processing Plants

### INFORMATION FOR GAS PROCESSING PLANT OPERATORS

References: Statewide Rules 54, 61, and 62

#### General Information

##### What is Required of a Gas Processing Operator?

- 1. Organization Report.**  
Prior to initial operation, gas processing plant operators must file with the Commission in Austin on original of the Form P-5: Organization report (Statewide Rule 1). This is to be renewed annually. Any change in operator name, officer and/or address must be reported within days after it occurs
- 2. Certificate of Compliance**  
\* A gasoline plant operator, that is, of a plant making liquid hydrocarbons other those specified Section, V, Number, 2, 3, of the Form R-3 , must file and annually renew with the Commission a Form R-5: Certificate of Compliance for Natural Gasoline Plants (Statewide Rule 61). The R-5 is to be mailed to the Commission District Office having jurisdiction over the gasoline plant. The certificate must be renewed one year from the date of the prior renewal.  
  
\* A cycling plant operator, that is, of a plant cycling gas not liquid hydrocarbons, must be filed and annually renew with the Commission a Form R-6: Application for Certificate of Compliance (Statewide 62). Form R-6 is to be mailed to the Commission District Office having jurisdiction over the cycling plant. The certificate must be renewed by filing a Form R-6 by August 1<sup>st</sup> of each year.  
  
\* Other typed plants (drip, scrubbers, separators, dehydrators, etc., which produce only liquid hydrocarbons specified in Section V 1, 2, and 3 of the Form R-3) do not need a certificate of compliance.
- 3. Form R-3: Monthly Report for Gas Processing Plants.** This is a monthly report which must be filed by all operators of gas processing plants in accordance with Statewide Rule 54. The original is to be filed with the Commission's Austin Office no later than the 25<sup>th</sup> of the month following the month for which operations are being reported. The failure to timely file the Form R-3 may result in the liquid hydrocarbon stock – on – hand being frozen for the delinquent plant/facility by Commission action. Several facilities (drips, scrubbers, and compressors) may be reported on one Form R-3 if they serve a main system where gas is delivered for final processing and disposition. The Form R-3 must be filed beginning with the initial month of operation through to the time when the plant is no longer in operation. When operations have ceased and all stock in inventory has been disposed of, mark the Form R-3 as "Final Report" in Section XI No. 3. If the Form R-3 is the first report for a new plant, not "New Plant" at the top of the form. For new plant serial numbers, Fax a completed R-3 with all appropriate lines filled in and a serial number will be issued. Detail instructions for the Form R-3 are covered below.
- 4. Changes in gas processing plant operator, plant name or plant type** are to be brought to the attention of Gas Plant Audit Section of Permitting/ Production Services by noting the changes and effective dated on the Form R-5, R-6 and in Section XI Line 3 of the Form R-3: Monthly Report of Gas Processing Plants.



## DETAILED INSTRUCTIONS FOR THE FORM R-3: MONTHLY REPORT FOR GAS PROCESSING PLANTS

Purpose of the Form R-3. It is an accounting in general and in detail of:

- natural gas received at the gas processing plant or facility and its disposition see Natural Gas detail below,
- solids, other gases, and liquid hydrocarbons, that result from the treatment and/or processing of the gas are received by the plant/facility; for liquid hydrocarbon production, there is also stock balancing and disposition (see other materials below).

Identification Section of the Form R-3

- use the serial number as assigned by the Commission Austin Office
- use the operator name exactly as shown on Form P-5 (Organization Report) and operator number.
- use the operator name exactly as listed for the Commission assigned R-3 Serial number (system name is no longer required).
- List the names of fields that are the source of the natural gas supply
- Give the name of the county where plant/facility is located
- Physical location (for initial R-3 only) show street address ,direction, or distance from nearest major intersection.
- Give the maximum daily MCF that the plant or facility was constructed to process
- Give type of plant

Section I, II, III, IX, and XI relate to natural gas. All gas volumes must be reported in the thousands of cubic feet (whole numbers only, no decimals) at a base pressure of 14.65 PSI absolute and a base temperature of 60 degrees Fahrenheit in accordance with the gas measurement law. The number and volumes from all oil and/or gas well connected to the whole system are to be included. Note: do not fill out these sections if the R-3 is filed for a main line drip station (see other material detail)

Section I: Intake Volumes (MCF monthly)

1 - 6 number of wells and gas volumes must be given separately for gas well and casinghead gas as well as totals.

\* Gas Well: a producing well carried on the Commission gas well proration schedule.

\* Oil Well: a well that is producing oil and casinghead gas and is carried on the Commission oil well proration schedule)

2. Total volume of gas **PRODUCED BY WELLS** connected to the plant by any gathering system (s) **AS MEASURED AT THE WELL FOR GAS WELL GAS OR ON THE LEASE FOR CASINGHEAD GAS.**
3. Volume of gas from the gathering system that will not be processed through the plant/facility. If any volume is listed, Section II must be completed to itemize its disposition. The volumes across Line 3 for gas well gas, casinghead gas, and total should equal those volumes shown in Section II, Line 10.
4. The volume of gas from the gathering system that Will be processed. (Line 2 minus Line 3.)
5. Volume of gas coming into the plant/facility from the well **AS MEASURED BY PLANT INTAKE METERS.**
6. Volume of any discrepancy between Line 4 and Line 5.
7. Refinery and Storage Vapors. Self explanatory. Total volume that source.
8. Volume of natural gas received for further processing from **ANOTHER GAS PROCESSING PLANT/FACILITY** that is being reported on a Form R- 3 by that plant/facility. The Commission assigned serial number of that plant/facility is be given on this Line and the amount of gas in the total column.

9. Volume from a line carrying gas that is already processed and/or gathered directly from gas wells or oil leases.
10. Gas Withdrawn From Storage .Occasionally gas is withdrawn from some reservoirs and sent to processing plants. In this case, they will  
  
Show the total volume gotten from all reservoirs on the line that says withdraw from storage.
11. Volume of natural gas that is received for processing or further disposition from another state. The name of  
of the state is to be given on this line along with the amount of gas  
in the total column.
12. Total of volumes given in Lines 5 and 7 in the "Total" column. This total volume is to be itemized as  
disposition in Section III and should equal the volume shown in  
Section III Line 15, total.

SECTION II AND SECTION III both itemize total volumes according to the disposition of the natural gas. Section II is for gas from the gathering system that is not processed through the plant. Section III is for the residue gas. The following are explanations of the various dispositions.

1. Extraction Loss. Volumetric equivalent of liquid hydrocarbons removed during processing. If any liquid hydrocarbons are recovered, Section V must be completed.
2. & 3 H2S and CO2 Loss. Volume of hydrogen sulfide and/or carbon dioxide removed during processing. If any is recovered, Section IV must be completed. Note: Prior to removal of hydrogen sulfide, a Form H-9;  
Certificate of Compliance Rule 36 must be filed with the appropriate district office.
4. Plant Fuel. Volume of gas used as fuel for plant during its operation.
5. Fuel System and Lease Use/Lease Fuel and Use. Volume of natural gas used, sold / given for field operations, lease drilling fuel, compressor fuel, etc.
6. Gas Lift. Volume of gas used, sold, or given for injection into oil wells to lift oil that will be reported by the lease operator on the Form P-1 production report in Column 9.
7. Repressuring and Pressure Maintenance. Volume of gas used, sold or given to maintain up reservoir pressure through an injection well in an oil reservoir. If any volume of gas is reported under this disposition Section IX must be completed and there must be agreement between volumes in both sections.
8. Cycled. Volume of gas returned to gas cycling projects (gas reservoir / gas cap of association reservoir) after extraction of liquid hydrocarbons. If any volumes of gas under this disposition Section IX must be completed.
9. Underground Storage. Natural gas injected into underground storage. If any volume of gas is reported under this disposition, Section IX must be completed.  
Note: A monthly GAS STORAGE DATA SHEET (G-3) must be filed with the Commission in Austin.
10. Carbon Black Plants. Volume of natural gas delivered to a gas carbon black plant

11. Other Processing Plants. Volume of natural gas delivered to ANOTHER GAS PROCESSING PLANT/FACILITY which will report its receipt on a Form R-3.
  12. Transmission Line. Volume of natural gas sent through transmission line to be used for industrial plant, irrigation fuel, refinery fuel, etc.
  13. Vented. Volumes of gas unavoidably vented. If any volume is given, Section XI must be completed.
  14. Meter Difference. Volume of difference between Section I, Line 12 and Section III sum of volumes of numbers 1 – 13. If this amounts to 10 percent or more of Section I, Line 12, a letter of explanation must be attached to Form R-3.
1. Extraction Loss due to removal of water should be listed in Section III identified as item 15.
  2. Extraction Loss due to Nitrogen should be listed in Section III listed as item 16.

Totals. (Lines 1 – 16) The totals of Section II must equal the totals of Section I Line 3, while the total of Section III Must equal Section I Line 12.

Section IX: Report of gas injected. Only gas from this plant/facility is to be shown in this section. If any volumes were listed in either Section II or Section III

under the following disposition, this section must be completed.

\* Repressuring and Pressure Maintenance                      \* Cycled                      \*Underground Storage

In Column 3, "Lease", please put the oil lease or gas well ID number in parentheses under the lease name. If more space for injection listing is needed, continue on a form R-4; Gas Processing Plant Report of Gas Injected. Oil wells receive credit for gas injected and reported by the lease operator as "repressuring and maintenance" on Form W-9. Gas wells receive credit for gas cycled and reported a "cycled" on Form G-9.

Section X: Detail of delivery of gas. If any volumes were listed in either Section II or Section III under the following dispositions, this section must be completed.

\* Other processing plants                      \* Transmission line(including gas to others for lease use, storage, industrial use, etc)

Gas shown in Section II is to be listed under "Unprocessed Gas" column, while that shown in Section III is to listed as "Residue Gas" column. Deliveries of both contract gas and non-contract should be reported in this section. Include contract gas for injection.)

Section XI: Remarks. If volumes are listed in Section II or Section III under the disposition of "Vented", this section must be completed. Section 1 for unprocessed gas, Section 2 for residue gas.

#### Other Materials Detail

Section IV relates to the recovery of sulfur and CO<sub>2</sub> during the processing of the natural gas. Section V, VI, VII, and VIII relate to the production, stock balancing, and disposition of liquid hydrocarbons resulting from the processing of the natural gas. All liquid quantities shown shall be in barrels of U.S. gallons based on actual physical gauges computed from 100 % U.S. Tank Tables or other method of measurement approved by the Commission and corrected for the temperature at the time of measurement to a standard temperature of 60 degrees Fahrenheit. Do not use fractions of barrels of liquid in this report

\* Main-line drip stations need fill out ONLY Section V, VI, VII, and VIII and leaving Section I-IV and IX-XI blank. A main-line drip station is one located downstream from the main gas processing plant compressor, that is, the gas has ALREADY been through the plant.

\* Operators in the Panhandle oil fields refer to Commission memorandums of September 24, 1985 and February 6, 1986, concerning the reporting of LTX liquids on Form R-3.

Section IV: Sulfur and CO<sub>2</sub> Recovery. Sulfur should be reported in long tons.

Section V: Plant Liquid Hydrocarbons Production (barrels only). ALL liquids production is to be reported on this section. No 11 is the total of all volumes listed in No's 1 thru 10. This total should be identical to the total in Section VII Line 5, "Produced". Do not include as production any products received since this section is only for those products extracted from natural gas taken into the plant for processing.

1. Condensate from Gas Well Gas: drip and/or condensate production from gas well gas are liquids reported on Form R-3. Do not report any condensate production on the Form P-2 (Producers Monthly Report of gas wells). Any volume entered here is to be carried over to Section VII, Line 5, first column.
2. Drip and/or Scrubber Oil from casinghead Gas: The total volume of drip and/or scrubber oil recovered prior to compression from casing head gas by the gas processing plant. This drip from casinghead gas is assumed to be liquids in the line that have naturally dropped out of casinghead gas. This would include ALL liquids that cannot be proven to be dripped from gas well drip.
3. Plant Condensate: Condensate recovered after compression through plant processing and not recoverable through normal lease separation. Any volume entered here must be carried over to Section VII line 5 and included in the first column. NOTE: When reporting hydrocarbons or LPG mixtures in this section, the components should be listed if they are known rather than the mixture itself.

Section VI: Detail of Drip of Scrubber Recovery: This must be completed, including well counts if the Form R-3 is being filed for a main-line drip station or

or a system  
composed of more than one facility. Total volume should be the same as that shown for Section V, Number 2.

Section VII: Barrels (liquid hydrocarbon stock balancing). In this section, the details are given of the various liquid hydrocarbons that were reported in

Section V, opening and closing inventories, receipts, deliveries, and losses. LPG and hydrocarbon mixtures should be broken down and listed by components if those components are known.

Line1: Should equal Line 10 of the previous month's R-3.

Line2: Stock being held by Commission action due to violation of Commission rules

Line3: Total of line 1 plus Line 2

Line4: Amount received into plant for further processing or disposition: must be itemized in Section VIII

Line5: Total of volumes reported in Section V as extracted from natural gas taken into the plant for processing. Do not list any products that were received; they are to be listed in Line 4 by component.

Line6: Amount taken from plant for delivery elsewhere including LPG placed in underground storage; must be itemized in Section VIII

Line7: Amount lost due to evaporation, theft, etc., An explanation should be given.

Line8: Line 3 plus line 4 plus line 5 minus line 6 minus line 7

Line9: See Line 2 explanation

Line10: Line 8 minus Line 9. Should equal Line 1 following month's Form R-3

Section VIII: Liquid Operations Statement. In this section, any liquid hydrocarbons listed in Section VII on lines 4 or 6 must be individually identified.

LPG and hydrocarbons mixtures are to be given as a mixture rather than by components. Any commodities going into or coming from underground storage should be listed in this section with notation of "underground storage" made in the first column.

All receipts and deliveries must be shown. If the commodity is condensate, drip, or scrubber liquid hydrocarbon or the company listed is another gas processing plant, the second column must also be completed by entering the COMPLETE Commission assigned registration serial no. of the receiving/delivering company,(e.g., T-1 8A-004,R-3). If the transaction is wholesale/retail, note this in the second column.

If additional space is required to list receipts and deliveries, a page may be attached listing in the exact same format as shown in Section VIII.

OTHER REFERENCES: SWR 56 Scrubber Oil and Skim Hydrocarbons

AUSTIN, TEXAS PERMITTING/PRODUCTION SECTION

OCTOBER 2000

### Summary of Form R-3 Balancing Conditions

1. Section I, line 12 (Total) needs to equal Section III, line 16.
2. Section I, line 3 needs to equal Section II, line 10.
3. Section I, line 8 needs to include serial number from the other processing plant(s). Circle your response before submitting.
4. Section I, line 11 needs State abbreviation. Circle your response before submitting.
5. Lines 2, 4 and 5 should equal the same total unless loss or gain on line 6.
6. Lines 5 and 6 equal line 4 and 2.
7. Section I, line 3 equals total in section II, so this line is subtracted from line 2 and equals line 4.
8. Section V numbers need to be the same in Section VII, line 5.
9. Section VI no longer applies. Can be omitted.
10. Section VII, line 4 needs to be the same as Section VIII under Received. Make sure to complete the rest of section VIII and to complete the Totals.
11. Section VII, line 6 needs to be the same as Section VIII under Delivered. Make sure to complete the rest of section VIII and to complete the Totals.
12. Section VII, line 7 loss needs explanation in Section XI.3 (Examples - BS&W, Evaporation or measurement loss. Please circle response before submitting.)
13. Section VIII does have a total line.
14. Section IX numbers come from Section II line 3, 4 and/or 5 and/or Section III, line 7, 8 and/or 9.
15. Section X numbers for Unprocessed Gas comes from Section II, line 6 (List amount on line 6 as "A" under "Use or Disposition") and/or 8(List number on line 8 as "B" under "Use or Disposition").
16. Section X numbers for Residue Gas comes from Section III, line 11(List number on line 11 as "A" under "Use or Disposition") and or 12 (List number on line 12 as "B" under "Use or Disposition").
17. Section XI, line three explains the loss in Section VII. Line 7 or reason for Final Report or information when the plant is being transferred to another operator.

Please refer periodically to the online version of the form instructions for updates:

<http://www.rrc.state.tx.us/forms/forms/og/pdf/r-3ins.pdf>

## Questions and Answers Pertaining to the R-3 Monthly Form

Questions Pertaining to (Form, Rule, Procedure)	Question	Answer	Contact
R-3	How do I know if I am required to submit an R-3?	If you are producing, selling, and transporting liquids, then reporting a monthly R-3 Forms are required. The only exception to this is if you are operating a Compressor or Drip Station and your liquids can be allocated back to the lease, then you have the option of reporting on the monthly Production Report.	Sandra Dunfield – 512-463-7154  Krystal Heibel - 512-463-6881
R-3	<b>Do I have to submit an R-5 Form with the R-3 Form?</b>	If you have volumes in Section V, Lines 4 thru 10, an annual R-5 Form is required. The form is mailed to the district office, and a copy emailed to Sandra.Dunfield@rrc.texas.gov. If you are only producing condensate or scrubber oil (Form R-3, Section V, Lines 1 thru 3) you do not have to file the Form R-5.	Sandra Dunfield – 512-463-7154  Krystal Heibel - 512-463-6881
R-3	<b>Why do I need to submit an R-3? I don't have a Gas Processing Plant.</b>	Any plant where natural gas liquids are produced, sold, or transported (including condensate or drip) is required to file an R-3 Form. The exception to this is if the condensate or drip can be allocated back to the lease, then you can report NGL's on a Production Report instead. Do not double report NGL's on a PR form and a Form R-3.	Sandra Dunfield – 512-463-7154  Krystal Heibel - 512-463-6881
R-3	When are the R-3 Forms due?	The R-3 Form is due no later than the 25 <sup>th</sup> of the following month.	Sandra Dunfield – 512-463-7154  Krystal Heibel - 512-463-6881
R-3	What is the preferred method to send the R-3 Forms to the Railroad Commission?	Please email all R-3 Forms to: <a href="mailto:R3Submit@rrc.texas.gov">R3Submit@rrc.texas.gov</a>	Sandra Dunfield – 512-463-7154  Krystal Heibel - 512-463-6881
R-3	How are the R-3 Forms filed in	All R-3 Forms are on microfilm and are	Sandra Dunfield –

	Central Records?	filed by reporting date, district, operator, and plant name.	512-463-7154  Krystal Heibel - 512-463-6881
<b>R-3</b>	How do I send in a corrected form?	Email the corrected R-3 Forms to: <a href="mailto:R3Submit@rrc.texas.gov">R3Submit@rrc.texas.gov</a> and be sure to put a checkmark in the “corrected report” option located at the top of the form.	Sandra Dunfield – 512-463-7154  Krystal Heibel - 512-463-6881
R-3	What does the “Final Report” option on the Form R-3 mean?	Only check and highlight if the plant is shutting down or currently not producing any liquids. Every item on top of form must be filled in to include Plant Intake Capacity.	Sandra Dunfield – 512-463-7154  Krystal Heibel - 512-463-6881
R-3	Can I report negative values on the Form R-3?	The only place for a negative number is in Section I, Line 6 or Section III, Line 14; Section VII, Lines 6 and 7.	Sandra Dunfield – 512-463-7154  Krystal Heibel - 512-463-6881
R-3	How can I obtain copies of previous submitted R-3 Forms?	There are several options: <ul style="list-style-type: none"> <li>• Email your request to <a href="mailto:open.records@rrc.texas.gov">open.records@rrc.texas.gov</a>,</li> <li>• Mail your request to P.O. Box 12967 Austin, TX 78711-2967.</li> <li>• Fax your request to 512-463-6684.</li> <li>• To visit the Railroad Commission Office in Austin, and make copies yourself, you will have to contact Central Records at 512-463-6882 to schedule a time.</li> </ul> Please check out the website at <a href="https://www.rrc.texas.gov/general-counsel/open-records/procedures-for-requesting-information/">https://www.rrc.texas.gov/general-counsel/open-records/procedures-for-requesting-information/</a> for more information.	Sandra Dunfield – 512-463-7154  Krystal Heibel - 512-463-6881
R-3	<b>How do I get a new serial number for a new plant?</b>	Completely fill out the top portion of an R-3 Form and email to <a href="mailto:Sandra.Dunfield@rrc.texas.gov">Sandra.Dunfield@rrc.texas.gov</a> . Make sure to include a date of the first R-3 submission. <b>Note:</b> There is a 30-day time frame to assign a serial number.	Sandra Dunfield – 512-463-7154  Krystal Heibel - 512-463-6881
R-3	<b>How do I get the Gas Plant Code</b>	Email <a href="mailto:Sandra.Dunfield@rrc.texas.gov">Sandra.Dunfield@rrc.texas.gov</a>	Sandra Dunfield –

	removed from our P-5?	<p>the following:</p> <ul style="list-style-type: none"> <li>• If there are assets that were sold to another operator, list the specific assets (serial number) that were sold to that operator</li> <li>• The complete name of the new operator</li> <li>• The new operator's P-5 number</li> <li>• The effective date of transfer</li> </ul>	<p>512-463-7154</p> <p>Krystal Heibel - 512-463-6881</p>
R-3	<b>We are dismantling our facility and will no longer be reporting liquids, what do I need to do?</b>	<p>Make sure your R-3 submissions are all up to date; check the "Final" box at the top of the form and highlight it. Make sure that you have a zero-closing balance.</p>	<p>Sandra Dunfield – 512-463-7154</p> <p>Krystal Heibel - 512-463-6881</p>
R-3	<b>Can I submit an R-3 online?</b>	<p>No – the R-3 is only available in paper format. <b>Please print double sided pages.</b> The font should be size 11, Sections I-VI should be on page 1 and Section VII – X should be on page 2. If too small, it will not be legible on microfilm. <b>Please do not staple!</b></p>	<p>Sandra Dunfield – 512-463-7154</p> <p>Krystal Heibel - 512-463-6881</p>







## Forms Required by Underground Storage of Natural Gas Operations for Monthly/Annual Reporting

Checklist	Form	Authorization
	P-5	SWR – 1
	G-3	SWR – 96 and 97
	Annual Storage Report	

## G-3 – Gas Storage Data Sheet

RAILROAD COMMISSION OF TEXAS  
 Oil and Gas Division – Production Allocation  
 P.O. Box 12967, Austin, Texas 78711-2967  
 FAX 512-463-6955

### GAS STORAGE DATA SHEET

**G-3**  
 REV. 10/94

1. Operator Name		2. Oper. P-5 Organization No.	DATE REPORT FILED
3. Operator Address, including city, state, and zip code		4. RRC District No.	PERIOD COVERED BY REPORT Preliminary data for the first 15 days of current (mo/yr) _____ / _____ Final data for full preceding (mo/yr) _____ / _____ <input type="checkbox"/> other (specify) _____
		5. County	
6. Facility Name		7. RRC field number	
8. Lease Name(s), as shown on RRC proration schedule		9. Lease number(s)	10. UIC project (formation) or permit (salt dome) no.
11. Max. storage capacity	12. Minimum pad	13. Max. injection rate/day	14. Max. withdrawal rate/day

SECTION I. Stored Gas Inventory (working volume)		A. Preliminary (1 <sup>st</sup> -15 <sup>th</sup> current mo.)	B. Final (full preceding mo.)
15. Beginning balance of stored gas		_____	_____
16. Volume of gas injected			
a. Gas owned by storage operator		_____	_____
b. Gas owned by affiliate of storage operator		_____	_____
c. Gas owned by non-affiliated third party		_____	_____
d. Other		_____	_____
e. TOTAL		_____	_____
17. Volume of gas withdrawn			
a. Gas owned by storage operator		_____	_____
b. Gas owned by affiliate of storage operator		_____	_____
c. Gas owned by non-affiliated third party		_____	_____
d. Other		_____	_____
e. TOTAL		_____	_____
18. Ending balance of stored gas		_____	_____

SECTION II. Resident Gas Inventory (non-working vol.)		A. Preliminary (15 <sup>th</sup> day/current mo.)	B. Final (last day/preceding mo.)
19. Current volume		_____	_____

SECTION III. Native Gas Inventory		A. Preliminary (1 <sup>st</sup> -15 <sup>th</sup> current mo.)	B. Final (full preceding mo.)
<input type="checkbox"/> check here if no native gas is present in reservoir			
20. Beginning balance of native gas		_____	_____
21. Total volume of native gas withdrawn		_____	_____
22. Ending balance of native gas		_____	_____

SECTION IV.		A. Preliminary (15 <sup>th</sup> day/current mo.)	B. Final (last day/preceding mo.)
23. Total gas in storage		_____	_____

**CERTIFICATION.** I declare under penalties prescribed in T.N.R.C. Sec. 91.413 that I am authorized to make this report, that it was prepared by me or under my supervision and direction, and that the data and facts stated herein are true, correct, and complete to the best of my knowledge.

Signature \_\_\_\_\_ Name (print) \_\_\_\_\_ Phone \_\_\_\_\_

Title \_\_\_\_\_ Contact (if different) \_\_\_\_\_ Phone \_\_\_\_\_

**— REPORT ALL GAS VOLUMES AT 14.65 PSIA PRESSURE AND 60° f, IN MCF —**  
**— READ INSTRUCTIONS ON REVERSE SIDE —**

## Instructions for Filing

### Form G-3: Gas Storage Data Sheet

<b>Who Files</b>	The Form G-3 is filed by the operator of underground gas storage facilities.
<b>When and Where to File</b>	File the G-3 no later than two (2) working days after the 15 <sup>th</sup> day of each month. Fax a copy of the form to the Oil and Gas Division's Production Allocation Section – Engineering Group at (512) 463-6780. Mail the original at the same time to the address shown on the front. Special filings may be required during periods of very high demand for gas supplies; storage facility operators will be notified when this occurs. A separate Form G-3 should be filed for each facility.
<b>What does the G-3 cover</b>	<p>The G-3 covers volumes and rates for two periods. Data for both is filed at the same time on the same sheet.</p> <p><b>PRELIMINARY.</b> This is the data representing activity at the facility for the period from the 1<sup>st</sup> – 15<sup>th</sup> of the current month. This includes the data from the 15<sup>th</sup> day.</p> <p><b>FINAL.</b> This is the data representing activity at the facility for the full preceding month.</p>
<b>General Identification and Information Section</b>	The RRC district no. and the county are those in which the storage facility is located. The facility name is that under which the facility is permitted and the lease name(s) are those for the wells which are assigned to the field in which the facility is located. The UIC project number is the number assigned to reservoir storage. (If the storage facility is in a salt dome formation, a UIC permit number is assigned, instead.) Maximum storage capacity is the known maximum capacity of the storage facility. The minimum pad is the total volume of gas which will maintain the required rate of delivery during an output cycle. The maximum injection rate/day is the maximum volume of gas that can be injected on any given day under normal operating conditions while the maximum withdrawal rate/day is the maximum volume of gas that can be withdrawn on any given day under normal operating conditions.
<b>Section I</b>	<b>Stored Gas Inventory (working volume)</b> - Reflects injected/stored gas volumes immediately available to meet demand, excluding Resident Gas (see Sec. II) and Native Gas (see Sec. III). Injected and withdrawn volumes are to be split out by who retains title to the gas being stored: the storage operator, a party affiliated with the storage operator, or a non-affiliated third party. The term "affiliate" is to be read to include direct and indirect common ownership or control, joint venture, partnership, or other form of coordinated relationship.
<b>Section II</b>	<b>Resident Gas Inventory (non-working volume)</b> - Cushion or pad gas volume maintained/held in storage for operational purposes, excluding Native Gas (see Sec. III), and not available to meet demand.
<b>Section III</b>	<b>Native Gas Inventory</b> - Native gas volume as defined under Texas natural Resource Code Sec. 91.173 (4) and required under Sec. 91.174 (A)(3), 91.175 and Commission Final Order, to be reported and accounted for by the operator of the storage facility.
<b>Section IV</b>	<b>Total Gas in Storage</b> - The sum of sections I, II, and III.



# RAILROAD COMMISSION OF TEXAS

## OIL AND GAS DIVISION

**TO:** ALL OPERATORS OF UNDERGROUND NATURAL GAS STORAGE FACILITIES IN THE STATE OF TEXAS

**FROM:** The Railroad Commission of Texas

**RE:** Revised Gas Storage Data Sheet, Form G-3

The Commission approved revision of the Gas Storage Data Sheet required for monthly reporting of gas storage facility data effective October 10, 1994. Please use the Form G-3 (rev. 10/94) to report monthly storage data no later than two working days after the 15<sup>th</sup> of each month.

The Form G-3 consolidates the requests that in the past have been made by telephone by staff of the R-3 Section of the Oil and Gas Division and the former Reports and Curtailment Section of the Transportation/Gas Utilities Division. Those telephone inquiries have been replaced by the data submitted on the Form G-3. In an emergency you may be contacted by phone.

If there are any questions concerning the filing of this form please contact the Engineering Unit at 512-463-1126 or 6943.

*UIC permitting procedures can also be found at <http://www.rrc.state.tx.us/divisions/og/uic/manual/HTML/index.html>.*

1701 NORTH CONGRESS AVENUE ★ POST OFFICE BOX 12967 ★ AUSTIN, TEXAS 78711-2967 ★ PHONE: 512/463-6792 ★ FAX: 512/463-6780  
TDD 800/735-2989 OR TDY 512/463-7284 ★ AN EQUAL OPPORTUNITY EMPLOYER ★ <http://www.rrc.texas.gov>

# Annual Gas Storage Operator Report

**RAILROAD COMMISSION OF TEXAS**  
**R-3 Section, Oil & Gas Division**  
**P. O. Box 12967, Austin, Texas 78711-2967**

## ANNUAL GAS STORAGE OPERATOR REPORT

REPORT YEAR: \_\_\_\_\_

1. Operator Name:		2. P-5 No:		
3. Mailing Address:				
4. Facility Name:		5. Facility Location:		
6. RRC District	7. County:	8. Field Name & No.:	9. UIC Project No. or UIC Permit No.:	
<b>10. List the three maximum injection and withdrawal periods during the last twelve months. State volumes and duration.</b>				
a. Injection	b. Period start:	c. Period end:	d. Total hours	e. Volumes injection/withdrawn
1				
2				
3				
<b>Withdrawal</b>				
1				
2				
3				
<b>11. CERTIFICATE:</b> I declare under penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that I am authorized to make this report, that this report was prepared by and or under my supervision and direction, and that data and facts stated therein are true, correct, and complete, to the best of my knowledge.		Signature: _____ Date: _____ Name of Person Signing: _____ Title: _____ Phone: _____ Address: _____		
<i>Please fill out information on reverse side of form.</i>				

12. Summary of storage service by customer: (Please use separate page for each customer).					
a. Customer: Consistent with RCT practice, storage operator may use coded identification numbers for each customer.  ( ) Customer is affiliate of storage operator		b. Contracted Volumes: (if applicable)	c. Type of service: E.g., firm Interruptible, Seasonal Annual, etc.	d. Type of customer: E.g., LDC, electric utility, marketer, producer, broker, industrial end user, intrastate pipeline, interstate pipeline, etc.	
e. RCT Tariff No. applicable to this customer.:	f. Injection charge: (\$/mcf)	g. withdrawal charge: (\$/Mcf)	h. Demand/Reservation Charge (\$/Mcf)	i. Deliverability charge: (\$/Mcf)	j. Other charges:
k. Storage Balance on hand for this customer as of January 1 <sup>st</sup> of reporting year:	Injection	Withdrawal			
Total Injections/Withdrawals for January					
Total Injections/Withdrawals for February					
Total Injections/Withdrawals for March					
Total Injections/Withdrawals for April					
Total Injections/Withdrawals for May					
Total Injections/Withdrawals for June					
Total Injections/Withdrawals for July					
Total Injections/Withdrawals for August					
Total Injections/Withdrawals for September					
Total Injections/Withdrawals for October					
Total Injections/Withdrawals for November					
Total Injections/Withdrawals for December					
l. Storage Balance on hand for this customer as of December 31 <sup>st</sup> of reporting year:					



**ANNUAL GAS STORAGE OPERATOR REPORT  
INSTRUCTION**

1. All gas volumes are to be reported in Mcf (thousand cubic feet).
2. Attach additional sheets for responses that exceed space provided.
3. Please sign and date form.
4. In Box 12, the coded I.D. number is a unique number assigned by the storage operator. The term "affiliate" is to be read to include direct and indirect common ownership or control, joint venture, partnership or other form of coordinated relationship. The term "contracted volume" refers to the maximum contractual quantity available to the customer under the type of service being provided. If the service is provided only as available, for example, there will be no response in this box. If a rate is charged other than suggested in boxes 12.f. through 12.i., please indicate that rate in box 12.j.
5. Deadline for submission is by January 31<sup>st</sup> of each year.

File with:

G-3 Section, Oil & Gas Division

Railroad Commission of Texas

P.O. Box 12967

Austin, Texas 78711-2967

6. For questions regarding the completion of this form, please contact the G-3 Section of the Oil & Gas Division at (512) 463-3840.



# RAILROAD COMMISSION OF TEXAS

## OIL AND GAS DIVISION

TO: ALL OPERATORS OF UNDERGROUND NATURAL GAS STORAGE  
FACILITIES IN THE STATE OF TEXAS

FROM: The Railroad Commission of Texas

RE: Annual Gas Storage Operator Report

As approved on October 10, 1994, the Commission requests the annual reporting of the indicated data on the Annual Gas Storage Operator Report. Please complete the form and file it as required in the instructions no later than 5:00 p.m., on January 31<sup>st</sup> of each year.

If there are any questions concerning the filing of this form please contact the Oil and Gas Engineering Department at (512) 463-1126 or 6943.

*UIC permitting procedures can also be found at <http://www.rrc.state.tx.us/divisions/og/uic/manual/HTML/index.html>.*