GENERAL

PURPOSE OF FILING: Form P-16, Acreage Determination, is to be filed for the determination of acreage credit in connection with the filing of a Form W-1, Application for Permit to Drill, Recomplete, or Re-Enter, or a Completion Report (Form W-2, Oil Well Potential Test, Completion or Recompletion Report, and Log, or Form G-1, Gas Well Back Pressure Test, Completion or Recompletion Report, and Log). Operators shall file for each oil or gas well in this lease and field, and shall list the number of acres that are being assigned to each well on the lease or unit.

WHO FILES: Form P-16 shall be filed by an applicant filing for a Form W-1. The form shall also be filed in connection with a Form W-2/Form G-1 or independently to adjust acreage designation for existing leases/wells, by the operator of subject lease as listed on the most current Form P-4, Producer’s Transportation Authority and Certificate of Compliance, who assumes responsibility for the physical operation, control, and proper plugging of the well listed in Section II of Form P-16 being filed.

WHEN TO FILE: Form P-16 shall be filed in conjunction with each Form W-1 and each Form W-2/Form G-1 for all horizontal wells, and for all wells in designated UFT Fields. Form P-16 may also be filed with each Form W-1 and Form W-2/Form G-1 for any other wells. In addition, Form P-16 may be filed independently when acreage designation updates are necessary to an existing lease.

SECTION I. OPERATOR INFORMATION (REQUIRED)

Operator P-5 No. and Operator Address shall be completed with the filer’s information.

SECTION II. WELL INFORMATION (REQUIRED)

When filing Form P-16 in addition to the Form W-1 application or Form(s) W-2/G-1 report, the well information section should be completed with the data that pertains to the specific well for which the permit application or completion report is being filed.

When filing Form P-16 independently to update acreage designation to an existing lease, the well information section can be completed with the data that pertains to any well on subject lease as selected by filer.

If lease acres are being adjusted on a pooled unit, a new Form P-12 and an original certified plat delineating the pooled unit shall be required. Each tract in the certified plat shall be identified with an outline and a tract identifier that corresponds to the tract identifier listed on the Form P-12 as provided for in §3.40(a) & §3.40(a)(1)

SECTION III. LISTING OF ALL WELLS IN THE APPLIED FOR FIELD ON THE SAME ACREAGE AS THE LEASE, POOLED UNIT, OR UNITIZED TRACT DESIGNATED BY FILER

This section should be utilized for wells on a single lease, pooled unit, or unitized tract designated by the RRC or where multiple operators have an agreement to share lease acreage.

Item A and B is required only if field rules have an exception to SWR 40. Item C is required for all other filings. (Submit either A & B, or C.)

A) Designate total acreage assigned to horizontal wells and total remaining acreage (SWR 40 exception)

B) Designate total acreage assigned to vertical/directional wells and total remaining acreage (SWR 40 exception)

C) Total assigned acreage and total remaining acreage

When being filed in conjunction with the Form W-1, list all completed and permitted wells. Completed wells should reflect the current assigned proration acreage as reflected on RRC schedule.

When being filed in conjunction with the Form G-1/W-2 list all completed wells reflecting proposed assigned proration acreage.

SECTION IV. REMARKS/ PURPOSE OF FILING (REQUIRED)

When submitting with Form W-1 application or Form(s) W-2/G-1 report or if submitting Form P-16 independently, indicate any information pertaining to the purpose of filing and/or any detailed information to aid in the processing of this form. If Multiple Operators are listed in Section III due to the method of development, please explain the method of development. §3.40(d
SECTION V. LISTING OF ALL TRACTS CONTRIBUTING ACREAGE TO AN RRC DESIGNATED DRILLSITE DEVELOPMENTAL UNIT THAT IS NOT A SINGLE LEASE, POOLED UNIT, OR GROUP OF TRACTS UNITIZED BY CONTRACT FOR THE PURPOSE OF SECONDARY RECOVERY (IF NOT APPLICABLE SECTION V IS NOT REQUIRED)

Complete this section when total lease acreage is being adjusted from 2 or more tracts in order to create a new RRC Oil lease number or Gas ID number. For Gas leases, use only the most current Gas ID number (a listing of all gas wells within the same lease is not required). List all affected leases, lease names, and beginning acreage as indicated on most recent Form W-1 application or Form(s) W-2/G-1 report. Acreage being removed from existing leases should be listed in Allocated Lease Acreage. The Beginning Lease Acreage minus the Allocated Lease Acreage should equal the Ending Lease Acreage for each affected lease. In addition, a plat of the lease, unit or property; containing at minimum a new lease outline and lease acres label shall be required.

SECTION VI. LISTING OF ALL WELLS IN THE APPLIED FOR FIELD ON THE SAME ACREAGE AS THE LEASE OR POOLED UNIT DESIGNATED BY FILER

List all wells and assigned proration acreage. This list should include all wells associated with leases in Section V and wells that traverse these tracts. RRC issued Gas ID numbers and Oil lease numbers, well numbers, acreage assignment with a total well count and a total acreage count. Should an RRC ID/Lease number not have been assigned, use the Drilling Permit number associated with the wellbore.

Item A is required data for filings. Item B and C is required only if field rules have an exception to SWR 40. (Submit either A, or B & C.)

A) Total well count and total assigned acreage
B) Designate total acreage assigned to horizontal wells (SWR 40 exception)
C) Designate total acreage assigned to vertical/directional wells (SWR 40 exception)

When being filed in conjunction with the Form W-1, list all completed and permitted wells. Completed wells should reflect the current assigned proration acreage as reflected on RRC schedule.

When being filed in conjunction with the Form G-1/W-2 list all completed wells reflecting proposed assigned proration acreage.

IMPORTANT TERMS

DISTRICT: Indicate the Commission district associated with the RRC identifier listed in Section II.

RRC ID NO OR LEASE NO.: Indicate the Commission lease or well ID numbers associated with this filing. If no ID has been assigned, provide a drilling permit number.

WELL NO.: Indicate the well number as listed on the Commission proration schedule or drilling permit.

ACRES ASSIGNED: Indicate the number of acres being assigned to a well for acreage designation purposes.

TRACT: Lease, pooled unit, unitized unit, or undeveloped acreage being assigned for production.