



RAILROAD COMMISSION OF TEXAS
Oil & Gas Division | Technical Permitting
Schedule B Authorized Pit Financial Security Worksheet

Form EP - 2
(Rev. 10/29/25)

Organization Information

Organization Name: _____ P-5 Number: _____

Financial Security

An operator may file a performance bond, letter of credit, or cash deposit in one of the following amounts:

- ☐ (A) **Five or less pits** - \$1.00 per barrel of total pit capacity.
- ☐ (B) **More than five pits**
- ☐ (i) the greater of \$1.00 per barrel of water for ten percent of an operator's total produced water recycling pit capacity or \$1,000,000
- ☐ (ii) \$200,000 per pit, capped at \$5,000,000

Total Number of Pits: _____

Total Working Capacity: _____ (bbls)

Total Financial Security Amount: \$ _____

Financial Security Type

- ☐ Performance Bond (Form EP-3) ☐ Letter of Credit (Form EP-4) ☐ Cash Deposit

Schedule B Pit Information

	RRC Registration Number	Organization Assigned Pit Identifier	Working Capacity (bbls)
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			

CERTIFICATION: I certify that I am authorized to make this report, that this report was prepared by me or under my supervision and direction, and the data and facts stated therein are true, correct, and complete to the best of my knowledge.

Signature: _____

Date: _____

Printed Name: _____

Title: _____

Email Address: _____

Phone Number: _____



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Instructions - Reference 16 TAC §4.115

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For pits that are located on a facility with commercial operations, they must be permitted. Financial security will be due in addition to the financial security already in place for the commercial facility.

Organization Information	Organization Name	Enter the name of the organization as it appears in the Form P-5 Organization Report.
	P-5 Number	Enter the P-5 number assigned to the organization.
Financial Security	(A) Five or less pits	Select this option for organizations operating five or less pits.
	(B) More than five pits	Select this option for organizations operating more than five pits.
	(i)	Select option (i) to indicate that the calculations for the financial security total meet the requirements of: \$1.00 per barrel for 10% of the total produced water recycling capacity. (e.g., if 10% of the total capacity is 200 barrels (bbls), multiply 200 x \$1.00 = \$200) NOTE: The rule reads that the greater amount of the calculation or \$1,000,000 must be paid.
	(ii)	Select option (i) to indicate that the calculations for the financial security total meet the requirements of: Calculate the financial amount by multiplying the number of pits by \$200,000. NOTE: The maximum amount of financial security due for this option is \$5,000,000.
	Total Number of Pits	Enter the total number of pits entered in the table.
	Total Working Capacity	Calculate the total working capacity in barrels and fill in the value for all pits included under the financial security amount entered.
	Total Financial Security Amount	Use the calculator tool to assist in determining the total financial security amount.
Financial Security Type	Performance Bond (Form EP-3)	Select the appropriate box to indicate the type of financial assurance that the organization intends to submit.
	Letter of Credit (Form EP-4)	
	Cash Deposit	
Schedule B Pit Information	All fields are required. One row represents the data for one pit. If additional space is needed to add more pits, use the addendum Form EP-2A and include it with the submission.	
	RRC Registration Number	Enter the assigned RRC registration number when referencing a pit that is being removed from the Performance Bond for a closure.
	Organization Assigned Pit Identifier	Provide the pit identifier (name/number) assigned by the organization.
	Working Capacity (bbls)	Enter the total working capacity of the pit in barrels. Note: Working capacity excludes the freeboard and the 24-hour to 25-year rain event.
Certification	Signature	The authorized person certifying the data signs this line.
	Date	Enter the date being signed.
	Printed Name	Print the name of the authorized person who signed.
	Title	Enter the title of the authorized person signing the form.
	Email Address	Enter the email address for the authorized person signing the form.
	Phone Number	Enter the phone number for the authorized person signing the form.