

INSTRUCTIONS FORM PR: MONTHLY PRODUCTION REPORT REFERENCE: Statewide Rules 27, 54, 58(b)

FILING REQUIRED. File Form PR monthly for all crude oil, casinghead gas, gas well gas, and condensate produced. File Form PR for oil wells for any month there is production, whether the production was prior to or after initial completion, and/or for stock on hand. File Form PR for gas wells from the month of the completion date shown on Form G-1. For recompletions file Form PR from the recompletion date on both oil and gas wells. If the lease is recompleted and there is stock on hand, continue reporting that stock on Form PR under the old RRC Identifier until the stock is disposed of. On reclassified wells, Form PR is due from the month of test as shown on Form G-1 and/or Form W-2.

WHEN AND WHERE TO FILE. File the original monthly Form PR with the Commission's Austin Office on or before the last day of the month following the month covered by the Form PR report. Upon the request of any transporter authorized to remove liquid hydrocarbon from the lease, you are required to supply that transporter with copies of all Form PR reports, including corrected reports, until requested to discontinue doing so.

CORRECTED REPORTS. Fill in the "CORRECTED REPORT" circle in the upper right-hand corner of Form PR. List ONLY those leases being corrected and provide all identification information and monthly figures (Columns 1-12) for each listed lease.

ORDER OF THE REPORT AND CERTIFICATION INFORMATION. File a separate report for each RRC District. List field names alphabetically. Under each field, list lease names in the numerical order of the RRC identifier (drilling permit #, API#, lease #, or gas ID#). Report lease total production and disposition for each lease. For new leases not yet assigned an RRC identifier, use the drilling permit or API number. For multiple page reports covering one district: (a) number the pages sequentially within the district (e.g. page 1 of 15, page 2 of 15, etc.), (b) staple together the pages for the district, and (c) complete and sign the certification section at the bottom of **each page**.

COMMINGLED PRODUCTION. Report surface commingling of oil/condensate on Form PR. If a lease is commingled under only one commingle permit number, report the total oil and gas production and disposition for the lease in Columns 1-12, listing the commingle permit number in Column 4. If a lease is commingled under multiple commingle permits, provide the lease total oil and gas production in Columns 1-12, and enter the letter "T" for "Total Production" in Column 4. Directly under the "lease total production," repeat the lease with each commingle permit number (Column 4). Provide the oil/condensate production and disposition volumes by commingle permit numbers in Columns 5-9, but do not list gas production for the commingled production breakdown. The total of all oil/condensate volumes by commingle permit must equal the lease total volume line.

VOLUMES. Indicate volumes for each lease as monthly totals, in whole numbers, computed by accepted standards of measurement. Do not use decimals, fractions, or negative numbers. See disposition information below.

OIL/CONDENSATE. Column 6 is for actual oil/condensate produced. Do not include water or circulating or frac fluids (oil, condensate or refined oil) brought from another lease. Do not show as a disposition any oil/condensate used from stock tanks to frac or treat the same lease until you have determined that the oil/condensate will never be recovered; at which time use oil/condensate disposition Code 74. The volumes in Column 5 plus Column 6 minus Column 7 must equal the volume in Column 9 for each lease. NOTE: If skim liquid hydrocarbons are charged back by a saltwater disposal facility, include the charged volume in Column 6 as oil/condensate production. Show the same volume in Column 7 as a disposition with an oil/condensate disposition Code 8 for skim liquid hydrocarbons.

CASINGHEAD GAS/GAS WELL GAS. Report all gas produced regardless of disposition. This includes test production and vented or flared gas, as well as regular production. Use MCF (thousand cubic feet) at base pressure of 14.65 psi and base temperature of 60°F. Under formation production Column 10, show gross production volumes after meter corrections have been applied. Column 10 must equal Column 11 for each lease. You no longer need to report volumes for gas lift gas injected or recovered; however, if you produce gas that is used for gas lift, indicate the initial disposition of that gas using gas disposition Code 5. For gas well gas, you no longer need to convert the condensate production to a gas equivalent volume; the RRC will automatically convert the volume.

Note: Gas vented or flared, when required to be reported by SWR 32, must be either measured or estimated pursuant to SWR 27.

DISPOSITION. In Column 8, enter an oil/condensate disposition code for each oil/condensate disposition volume shown in Column 7. In Column 12, enter a casinghead gas/gas well gas disposition code for each casinghead gas/gas well gas disposition volume shown in Column 11. You may use more than one code; however, do not use the same code more than once in Column 8 or Column 12 for the same RRC identifier. Show all dispositions according to the initial use or purpose.

CRUDE OIL/CONDENSATE DISPOSITION CODES:

- 0 Pipeline
- 1 Truck
- 2 Tank car or barge
- 3 Net oil/condensate from commercial tank cleaning – as calculated on the basis of a shakeout test. Show BS&W as oil/condensate disposition Code 6. Indicate the name of tank service and/or R-2 facility in REMARKS on Form PR.
- 4 Circulating oil/condensate – original movement off lease. File a notification letter with the appropriate district office and Austin.
- 5 Lost or stolen – includes loss from fire, leaks, spills, and breaks, as well as theft. File Form H-8 if more than 5 barrels.
- 6 Sedimentation – BS&W from commercial tank cleaning. Show net oil/condensate as oil/condensate disposition Code 3. Indicate the name of the tank service and/or R-2 facility in REMARKS on Form PR.
- 71 Other – change of operator
- 72 Other – road oil
- 73 Other – lease use
- 74 Other – production lost to formation.
- 75 Other – Provide an explanation in REMARKS on Form PR.
- 8 Skim liquid hydrocarbons – as charged back on Form P-18 by a saltwater disposal system.

CASINGHEAD/GAS WELL GAS DISPOSITION CODES:

- 1 Lease or field fuel use – gas used or given to others for field operations including lease drilling fuel, compressor fuel, etc.
- 2 Transmission line – gas delivered to a transmission line that will not be processed further before ultimate use, including gas used for industrial purposes, irrigation or refinery fuel, etc.
- 3 Processing plant – total gas delivered to a gas processing plant (any plant or facility reported on Form R-3). Do not report the "plant breakdown" of the gas on Form PR.
- 4 Vented or flared. –Indicate why the gas was vented or flared in REMARKS on Form PR.
- 5 Gas Lift – gas you use, sell or give to others directly for gas lift. Do not include gas delivered to pressure maintenance or processing plants even though it is ultimately used for gas lift.
- 6 Repressure or pressure maintenance – gas delivered to a system or plant that does not extract liquid hydrocarbons. That system or plant will report on Form R-7. (A pressure maintenance plant or system that does extract liquid hydrocarbons must file Form R-3. If gas is delivered to a plant or system that recovers liquid hydrocarbons, use casinghead gas/gas well gas disposition Code 3 even though the gas may ultimately be injected for pressure maintenance.)
- 7 Carbon black – gas delivered to a carbon black plant.
- 8 Underground storage – gas injected directly into a storage reservoir.
- 9 Flared – Indicate why the gas was flared in REMARKS on Form PR

NOTE: Operators wishing to file on continuous feed paper or computer-generated forms or electronically must receive prior approval. Contact the Oil and Gas Division's Production/Permitting Services section for more information