

RAILROAD COMMISSION OF TEXAS  
Oil and Gas Division

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NOTICE TO OIL AND GAS WELL OPERATORS

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**RRC RESPONSE TO INCREASE IN COMPLETION ACTIVITY**

With oil and gas completion filings at a twenty year high mark, the Railroad Commission has responded with adjustments to internal procedures for processing well completions in order to handle the increased paperwork with existing staff levels. **As a result of those changes, the Commission is pleased to announce that the paperwork backlog that once existed has now been greatly reduced. Well completion forms are being reviewed timely, filing deficiencies are being communicated more quickly, and unless the applicant's filing has a significant deficiency, RRC Lease/ID numbers are being assigned within 4-6 weeks of the forms being received in the Austin office.**

When well completion forms are received at the Austin office of the RRC from the appropriate district office, the Well Compliance Unit staff audit the forms to verify compliance with Commission rules and regulations. The drilling permit for the well is compared to and validated with the completion forms. The Well Compliance analyst assigns each well an RRC Lease/ID Number for tracking purposes and updates the proration schedule database.

*A production allowable will be assigned when the well is initially assigned a Lease/ID Number **IF** the well is in compliance with all applicable rules. If the well requires further technical review, or a filing deficiency exists, the allowable will **NOT** be assigned.*

A supplement notice is generated and mailed to the operator when the Commission assigns the Lease/ID Number. The supplement will either show a numeric production allowable if the filing is approved, or a non-numeric allowable code if a filing deficiency exists or further review is required. Remarks will appear at the bottom of the supplement that explain what information is still required before a production allowable can be assigned.

You are encouraged to review all supplements you receive very carefully since it communicates the status of well filings and any possible filing deficiencies. Subsequent changes to allowables will be communicated through oil and gas supplements and will be reflected on the Oil and Gas Proration Schedule Listed by Operator (or "Strip out") that is mailed to operators monthly. The current month's operator schedule "strip-out" is also available on the Commission's web site at [www.rrc.state.tx.us](http://www.rrc.state.tx.us).

Please monitor these initial supplement notices and the monthly schedule "strip-out" mailings carefully. Failure to file necessary paperwork or data after the assignment of a Lease/ID Number could result in further Commission action.

The Railroad Commission is committed to providing the best service possible while efficiently using the time and the resources of the Commission. If you have any questions regarding this procedure, or the timely processing of your completion forms, please call the Well Compliance Unit Manager at 512-463-6742.

Austin, Texas

January 2007

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**PLEASE FORWARD TO THE APPROPRIATE SECTION OF YOUR COMPANY**

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