

UNIVERSITY LANDS OIL & GAS LEASES
REQUIRED OPERATING, REPORTING & COMPLIANCE PROCEDURES
(Updated June 2023)

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Operating, reporting and compliance procedures have been adopted and are the basic procedures to be followed by lessees and/or operators on University Lands.

SUBMIT INFORMATION TO:

Postal Mail: University Lands
P. O. Box 553
Midland, Texas 79702
Business: (432) 684-4404

Emails: Drillingreport@utsystem.edu (Drilling & completion information only)
OGRegulatory@utsystem.edu (Regulatory forms)
WellLogs@utsystem.edu (Digital logs)
ULCommingle@utsystem.edu (Commingle Approvals)
UL_LandMinerals@utsystem.edu (all Oil & Gas sub-surface contracts, shut-in requests, assignment questions, division orders)
LeaseSale@utsystem.edu (questions regarding future lease sales or leasing process)

A. Notice of Move-Ins

Operator shall submit a notice of move-in prior to the commencing of any move-in, drilling or reentry activity. Such notices must include the location of the well, the lease name, well number and the address and phone number of the operator. A copy of the Railroad Commission Form W-1, W-1H (if applicable), RRC permit, plat and Water Board Letter must also be submitted prior to spudding the well.

B. Copies of Railroad Commission Forms and Documents

Operator shall submit copies of all forms and documents, including all corrected reports, pertaining to a University lease and filed with the Railroad Commission of Texas. These copies shall be simultaneously transmitted to University Lands when filed with the Railroad Commission of Texas. This required reporting category also includes all information submitted for Railroad Commission of Texas hearings and all corrected reports. A copy of all approved documents must also be submitted to University Lands within 10 days of receiving approval from the Texas RRC.

C. Copies of Drilling & Completion Records

Operator shall submit a detailed daily drilling and completion report, core analysis, drill stem tests, mud or sample logs, deviation surveys or other information relative to the drilling and completion operations conducted on the leased premises.

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Drilling and completion reports are to be transmitted on a daily basis from the date of move-in on a location through the date of completion. Samples of all cuttings or cores are to be submitted upon request.

D. Copies of Logs

Operator shall submit a digital copy of all electric, radioactive or other borehole surveys no later than fifteen (15) days after reaching the total depth for the well. Logs should be submitted in TIFF or PDF and LAS formats to WellLogs@utsystem.edu. Contact the Midland office for additional means of digital log submission.

Failure to furnish University Lands with all logs required by the applicable lease form shall result in the lessee, at lessor's option, to reenter the well and run the required log or logs, or, require the lessee to pay to lessor the sum of \$15,000 (or the amount so prescribed in the applicable lease form).

E. Division of Interest

Operator shall submit the Division of Interest on University wells prior to the submission of the first production report. Contact information for all Working Interest Owners is required; which at minimum will include the entity's legal name, physical address and phone number. A contact name should be included, if known. If operator will be remitting royalties on less than 100% of the production, notification must be made to University Lands prior to first sales and shall include contact information, as stated previously, for the parties that will be remitting, as well as the percentage of gross production each party will remit. Throughout the life of the well, the operator shall immediately notify University Lands of any change in the Division of Interest or the percentages being reported by each party. This information shall be submitted by email to UL_LandMinerals@utsystem.edu or by mail to the address listed on page 1.

F. Notice of Changes in Well Status

Operator shall submit a written notice via email to OGRegulatory@utsystem.edu when the status of a well changes, whether or not such a notice is filed with the Railroad Commission of Texas.

If a well ceases producing, or is placed on production after being shut-in, the exact nature and date of such change shall be submitted within five (5) days of such change.

G. Workover Reports

Operator shall submit a written weekly report of any workover operation conducted on any well.

Leases issued before November 29, 1955, do not contain a workover clause, and it is suggested that all applicable lessees apply for a 60-day workover amendment; otherwise, these leases will terminate after 30 days of no production even though a workover is in progress and is being reported to the University.

H. Other Production Related Reports

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For additional information concerning operations on University Lands (Commingling, LACT Systems, miscellaneous operations, field inspections and measurement of production), please review Chapters 4, 5, and 6 of the Board for Lease of University Lands Rules. The Rules are located on the following website:

http://www.utlands.utsystem.edu/Content/Documents/BFL/bfl_rules.pdf

- **Request for Permission to Abandon a Producing Lease**

Operator shall notify University Lands prior to abandonment of a lease.

Operator shall file with the University Lands final appropriate affidavits of production showing proper disposition of all closing stock, any required supporting documents and shall make payment in full of all sums owed under said lease.

Upon consideration of the operator's compliance with all other University regulations, the operator will be given permission for abandonment of a lease.

- **Drilling Operations**

All operators must contact the designated field representative, at least (3) three days in advance of a move-in to expedite and coordinate the move-in with the surface lessee. In addition, an approved W-1 packet must be sent to OGRegulatory@utsystem.edu before the well is spud.

Information for rates and damages fees may be obtained in the Rate and Damage Schedule.

UNIVERSITY LANDS CONTACT LIST (page 4) provides the telephone numbers and email addresses for UL personnel.

- **Production Reporting**

Operator shall submit production reports (UT-1 oil and UT-2 gas) to University Lands as required by the Board for Lease Rules and the individual Lease Agreements. **Oil** reports and royalty payments are due on or before the 5th of the 2nd month following production (ie: January production is due in March). **Gas** reports and royalty payments are due on or before the 15th of the 2nd month following production. UT-3 reports must be sent with the royalty payments.

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CONTACT LIST

Oil And Gas:

Sr. Land VP Brian Owen BOwen@utsystem.edu 432/686-4753
Sr. Landman..... John “J” Thompson JoThompson@utsystem.edu 832/632-4413
Counties: Culberson, El Paso, Hudspeth, Pecos, Terrell, Loving, Ward, Winkler (except Block 11)
Sr. Landman..... Mike Matison MMatison@utsystem.edu 432/686-5473
Counties: Andrews, Crane, Crockett, Dawson, Ector, Gaines, Irion, Martin, Reagan, Schleicher,
Upton, Winkler (only Block 11)
Land Tech Shauna Rowlett..... SRowlett@utsystem.edu 432/686-5472
Land Tech..... Joni Young..... JYoung@utsystem.edu 432/686-5471
Mineral Working Interest Lease Assignments/Name Changes/Mergers
Lisa Belue LBelue@utsystem.edu 432/686-5479
Counties: Crockett, Irion, Reagan, Schleicher, Upton (except Block 30), Terrell
Debbie Wright..... DWright@utsystem.edu 832/521-1246
Counties: Andrews, Crane, Ector, Gaines, Martin, Upton (only Block 30), Winkler (only Block 11)
Judy Zogg..... JZogg@utsystem.edu 832/521-1261
Counties: Culberson, El Paso, Hudspeth, Pecos, Loving, Ward, Winkler (except Block 11)

Regulatory:

Regulatory Michelle Maurer MMaurer@utsystem.edu 432/686-4727
Drilling, Completion, Logs Julie Shirley JShirley@utsystem.edu 432/686-4711

Accounting:

O&G Accounting Supervisor Sonya Barguiarena SBarguiarena@utsystem.edu ... 713/352-3835
Director, Budget & Revenue Amber Jackson AJackson@utsystem.edu 432/686-4722
Financial Marketing Manager..... Jeff Hanson JHanson@utsystem.edu 432/686-4760

Surface:

Director, Surface Operations..... Jeff White..... Jeff.White@utsystem.edu 432/686-4751
Manager, Surface Operations Nick Alejandro..... NAlejandro@utsystem.edu 432/686-4752
Commercial Surface Supervisor . Dave Williamson DWilliamson@utsystem.edu 432/686-4780
Surface ROW Coordinator Kathy Woods KWoods@utsystem.edu 432/686-4725

Surface Landman/Field Representatives:

Ryan Kennedy — RKennedy@utsystem.edu

Cellular Telephone: **325/812-3623** Office Telephone: 432/686-4730
Counties: Crockett, Irion, Reagan, Schleicher, Upton, Terrell

Greg Lundgren --- GLundgren@utsystem.edu

Cellular Telephone: **432/813-9527** Office Telephone: 432/686-4732
Counties: Crane, Ector, Pecos

Nick Alejandro --- NAlejandro@utsystem.edu

Cellular Telephone: **830/889-4335** Office Telephone: 432/686-4752
Counties: Andrews, Dawson, Gaines, Martin

Michael Taylor — MiTaylor@utsystem.edu

Cellular Telephone:..... **432/940-4945**
Counties: El Paso, Hudspeth, Culberson, Loving, Ward, Winkler