

FAQs for Form EIA-23L

CONTENTS

EIA-23L ESSENTIALS

- What is Form EIA-23L?
- Is it mandatory?
- Why was my company selected?
- What if my company does not have a reserves study?
- What if the reserves information is not available by the due date?
- What if my company is a parent or subsidiary company?

NEW FOR 2022

FORM QUESTIONS

- What are the most common mistakes made on Form EIA-23L and how can I avoid them?
- What is the correct number format?
- Why include comments?
- What are proved reserves?
- What should be included in natural gas production?
- What is the difference between associated-dissolved gas and nonassociated gas?
- What is lease condensate?
- How should acquisitions and divestitures be handled?
- If my company sold reserves assets during the year do they need to be included on the form?
- What are proved nonproducing reserves?

SUBMIT THE FORM

- How do I submit the completed Form EIA-23L?
- What is Secure File Transfer?

RESUBMISSIONS

What if my company's data changes?

COMPANY CHANGES

- What if my company is sold, merged with another company, or buys another company?
- What if my company's contact person changes?

CONTACT EIA

What if I need more help?

EIA-23L ESSENTIALS

What is Form EIA-23L?

Form EIA-23L is part of an annual study of crude oil and natural gas reserves and production in the United States. EIA sends the form to a representative sample of oil and gas operators each year, and their response is mandatory.

EIA uses the collected data to develop national and state estimates of reserves, which are published in the annual report *U.S. Crude Oil and Natural Gas Proved Reserves*. The report informs policymakers, industry, and the general public about U.S. reserves and facilitates national energy policy decisions.

Form EIA-23L is referred to as the "Annual Report of Domestic Oil and Gas Reserves."

Is it mandatory?

Yes. If your company is selected to participate in the study it must submit a completed form by the due date posted above. This is mandated under Title 15 U.S.C. §772(b), as amended. Failure to comply may result in civil and financial penalties (see page 2 of the form <u>instructions</u> for more detail).

Why was my company selected?

Companies are selected based on a combination of factors, including production volume, type, and location. Therefore, companies with lower production volume sometimes are selected based on their location or the type of fuel they produce.

What if my company does not have a reserves study?

There is no need to commission a reserves study to complete the form. If no study exists, submit your best reserves estimates.

What if the reserves information is not available by the due date?

Contact the EIA Survey Support Team at <u>eia4usa@eia.gov</u> or 1-855-342-4872 if you anticipate difficulty meeting the due date shown above.

What if my company is a parent or subsidiary company?

If you are unsure whether another part of your company submits or should submit a form, contact the EIA Survey Support Team at <u>eia4usa@eia.gov</u> or 1-855-342-4872 for clarification.

NEW FOR 2022

Are there any changes this year?

YES. Form EIA-23L has been redesigned for the 2022 Report Year. There are many changes to Form EIA-23L, but these changes have been implemented to reduce the burden of collecting and reporting proved reserves information.

A new spreadsheet version of Form EIA-23L has replaced the PDF version of Form EIA-23L and its E-file software - the Reserves Information Gathering System (RIGS). Respondents will no longer need to download or install the RIGS software. It has been discontinued.

NEW FOR 2022 continued

Total Reserves and Production data will no longer be collected at the **county** level. Data will now be collected at the **state/state-subdivision/area** level in tabular format.

Reporting of reserves by fuel type has been reduced from four (4) fuel types down to two (2) fuel types:

- crude oil
- associated-dissolved natural gas
- nonassociated natural gas, and
- lease condensate

HAVE BEEN REPLACED WITH:

- crude oil plus lease condensate, and
- total natural gas.

Reporting of reserves by reservoir type has been changed from three reservoir type codes (C–conventional, LP–low permeability, and SH–shale) within Schedule A to two separate report parts: Parts 4 and 5.

Parts 4 and 5 replace Schedule A of Form EIA-23L.

Part 4 is for reporting the combined total of all reserves (conventional, low permeability and shale combined). Part 5 is for reporting reserves specifically from identified major shale plays.

The term *Divestitures* is used to describe to the transfer or sale of proved reserves from a respondent to another operator during the report year. In previous years, EIA had used the term *Sales* for this volume.

The term *Acquisitions* will continue to be used to describe the purchase or transfer of proved reserves from another operator to a respondent during the report year. For further description, refer to the answer for *How should acquisitions and divestitures be handled?* below.

FORM QUESTIONS

What are the most common mistakes made on Form EIA-23L and how can I avoid them?

- Unit errors—The correct volumetric units to use on the form are thousand barrels (MBbls) for oil and lease condensate data and million cubic feet (MMCF) for natural gas data.
 - 1,000 barrels oil = 1 MBbls 1,000,000 cubic feet natural gas = 1 MMCF
- Divestitures—Divestitures (column C on the form) is for recording the sale or transfer of reserves volumes to another operator during the Report Year. Report Divestitures as a positive number, even though they represent a deduction to your company's total of proved reserves.

eia Information Information U.S. Energy Information Administration						U.S. DEPARTM RGY INFORMAT Washingto	CPE No. 1952-0957 Expansion Dues: 02/202020 Product No. 2023.1 Burden: 3Thours						
REPORT YEAR 2022	FORM EA.232 ANNUAL REPORT OF DOWNEST COLL AND GAS RESERVES PART 4: <u>TOTAL</u> RESERVES AND PRODUCTION BY STATE Bentmentions											REPORT YEAR 2022	
	Ever Production and Pleasere data for LDDLA, of and econoderase combined and LDDLA, non-associated and associated-discidend nut algas combined for XXX; working Interest of the properties you operant in each interest in the <u>Contracting space</u> on the large indiced and associated-discidend nut algas combined for XXX; working Interest of the properties you PLA any definition on a second counter and and the data of the space needed. The pay inhibide Statistication are associated and the statistication of the antipaction of the properties you and the statistication of the properties you and the statistication of the properties walked See the form IDP-2X: inclusion of the statistication of the s												
PART 4: TOTAL RESERVES AND PRODUCTION BY STATE													
	Total Crude Oil and Lease Condensate, MBbls							Total Natu	ral Gas, MMCI			Comments	
State, Sub-Division, Area	Production MBbls	Divestitures MBbls	Acquisitions M8bls	Extensions and Discoveries MBbls	Total Producing Reserves MBbls	Total Non- Producing Reserves MBbls	Production MMCF	Divestitures MMCF	Acquisitions	Extensions and Discoveries MMCF	Total Producing Reserves MMCF	Total Non-Producing Reserves MMCF	Comments requested for Divestitures, Acquisitions, stypical values Reference column values by column letter Use as much space as needed Example: C. Sold 123 AGC on \$2022. Example: C. Sold 123 AGC on \$2022.
Alaska		<u> </u>	0	E		6			<u> </u>				0
Alabama Arkansas													
California Coastal Region Onshore													
California Los Angeles Basin Onshore													
Califimia San Joaquin Basin Onshore													
California State Offshore													
CALIFORNIA Subtotal (auto-calculated)	0	0	0	0	0	0	0		0	0	() 0	
Colorado													
Kansas													

What is the correct number format?

All numbers on the form are positive. If reserves decrease due to production, sales, or revisions, record the amounts as positive numbers in the appropriate columns. There should be no negative numbers on your form.

Do not include decimals on the form; round to the nearest whole number. If the nearest whole number is less than 500 barrels of liquids or 500,000 cubic feet of natural gas, record a zero or leave the item blank.

Why include comments in Form EIA-23L Column O?

The Comments Section on Parts 4 and 5 replace the need for attaching a Schedule B of Footnotes to Form EIA-23L. By including state and state/subdivision specific comments, you reduce the need for follow-up inquiries.

Please include comments when reporting:

- Revision increases/decreases greater than 2,500 MBbls of liquids or 15,000 MMCF of natural gas
- Sales and acquisitions—include the seller/buyer company and the date of the operator change
- Significant discoveries and extensions

What are proved reserves?

Proved reserves are the volume of liquids and natural gas recoverable from known reservoirs under existing operating and economic conditions. Reserves volumes are estimates, not precise measurements.

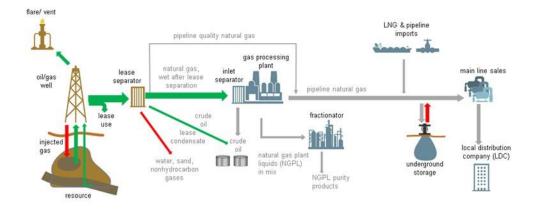
What should be included in natural gas production?

Production, Natural Gas: The volume of natural gas withdrawn from reservoirs during the survey year less:

- the volume returned to such reservoirs in cycling, repressuring of oil reservoirs and conservation operations
- the shrinkage resulting from the removal of lease condensate
- non-hydrocarbon gases where they occur in sufficient quantity to render the gas unmarketable.

Lease use and flared and vented gas are considered production and should be included in the volumes reported. Volumes of gas withdrawn from gas storage reservoirs and native gas, which has been transferred to the storage category, are not considered production.

What counts as Production when filling out Form EIA-23L?



Type of Natural Gas	Report in EIA-23L Production?	Effect on EIA-23L Proved Reserves
Hydrocarbons produced from wells, reported on 8/8ths or Total Operated Basis	Yes	Included in Starting Reserves; Deducted from Ending Reserves
Gas Vented and Flared	Yes	Included in Starting Reserves; Deducted from Ending Reserves
Lease Use	Yes	Included in Starting Reserves; Deducted from Ending Reserves
Injected gas (cycling, repressuring of oil reservoirs and conservation operations)	No	Included in Starting and Ending Reserves
Gas produced from Storage	No	Gas volumes in storage are not included in Proved Reserves
Gas with high percentage of Non-hydrocarbons (Non-Marketable)	No	Include Gas, Exclude Non-hydrocarbons in Proved Reserves
Non-hydrocarbon gases (Carbon Dioxide, Helium, Hydrogen Sulfide, Nitrogen)	No	Not included in Proved Reserves

What is the difference between associated-dissolved gas and nonassociated gas?

Associated-dissolved gas is natural gas that is within crude oil reservoirs. It can be either free (associated gas) or mixed with the oil (dissolved gas). In most cases when a field contains both oil and natural gas, the gas is associated-dissolved gas.

Nonassociated gas is natural gas from reservoirs without significant volumes of crude oil. If a field contains natural gas and no oil, it is nonassociated gas.

On the 2022 Form EIA-23L, there is no need to differentiate between associated-dissolved and nonassociated natural gas production and proved reserves. Report the total of all natural gas production and proved reserves on Part 4, Columns I through N on Form EIA-23L.

What is lease condensate?

Sometimes liquid hydrocarbons are produced along with natural gas. The liquid is separated from the gas either in the field or downstream at gas processing plants. Lease condensate is the liquid separated in the field. It should not be mistaken for natural gas plant liquids, which are recovered later at processing plants.

On Form EIA-23L, lease condensate volumes for 2022 should be combined with your crude oil volumes on Parts 4 and 5.

How should acquisitions and divestitures be handled?

Divestitures: If your company sold or transferred operations of assets during the report year to another operator, you are no longer the operator of these properties. **Do not report production nor reserves for these properties.** Indicate that one or more properties were sold in Item 7 on Part 1 of Form EIA-23L.

Yes, one or more properties sold/merged/transferred Example: Properties in CO, NM, UT sold/merged/transferred to XYZ Oil & Gas Inc. in March 2022	merger/transfer date(s), proceed to Question 8
Properties in TX8 and NME sold to Permian Placeholder Production in April 2022	

Then indicate the volume in thousands of barrels of proved reserves of crude oil and lease condensate sold or transferred on Part 4, column C; indicate the volume in millions of cubic feet of proved reserves of natural gas sold or transferred on Part 4, column J.

U.S. Energy Information Administration	U.S. DEPARTMENT OF ENERGY ENERGY INFORMATION ADMINISTRATION Washington, DC 20585 FORM IE 23U.											OHB No. 1905-0057 Expiration Date: (02020/2006 Product No: 2023.1 Burden: 31 hours	
REPORT YEAR 2022	FORM ELA 23L ANNUAL REPORT OF DOMESTIC OIL AND GAS RESERVES PART 4: TOTAL RESERVES AND PRODUCTION BY STATE											REPORT YEAR 2022	
	PART 41 <u>(DTAR RCSEVERVE AND PRODUCT FOM BT STATE Section Instructions Entr Frokuction and Reserves data for TUTAL</u> of and condensate combined and TUTAL non-associated associated-desolved natural gas combined for 100%, working interest of the properties you operate in each state. PA any cluster of the <u>Comments</u> is the <u>Comments</u> associated desolved of each row and use at the space needed. The gray based datated involves are adv-calculated places do not not entrar any values in the space needed. The gray based datated involves are adv-calculated places do not not entrar any values in the space needed. Weining/Entrars us color coded, Loss for error reseages along the right edge of the form. The row based datated involves are advected by the space needed. The gray based in the row data. Set the form Entrary values in the row data.												
						F	PART 4: TO	TAL RESER	VES AND PR	ODUCTION	BY STATE		
		Total Cri	de Oil and L	ease Condens	ate, MBbls				Total Natu	iral Gas, MMC	F		Comments
State, Sub-Division, Area	Production MBbls	Divestitures MBbls	Acquisitions MBbls	Extensions and Discoveries MBbls	Total Producing Reserves MBbls	Total Non-Producing Reserves MBbls	Production MMCF	Divestitures MMCF	Acquisitions MMCF	Extensions and Discoveries MMCF	Total Producing Reserves MMCF	Total Non-Producing Reserves MMCF	Comments requested for Divestitures, Acquisitions, atypical value Reference column values by column letter Use as much space as needed Example: C: Sold 123 to ABC on 62022; K: Punchased 65 from XY2 on
λ	В	С	D	E	F	G	I	J	к	L	м	N	0
Nebraska													
New Mexico East		50						250					C: Sold to Permian Placeholder Production Co in April 2022 J: same sale as C
New Mexico West													
NEW MEXICO Subtotal (auto-calculated)	0	50) 0) 0	0	250) 0		0 (D
New York													
North Dakota													
Ohio													
Oklahoma													
Pennsylvania													
South Dakota													
Texas RRC District 1													
Texas RRC District 2 Onshore													
Texas RRC District 3 Onshore													
Texas RRC District 4 Onshore													
Texas RRC District 5													
Texas RRC District 6													
Texas RRC District 7B													
Texas RRC District 7C													
Texas RRC District 8		400						2,000					C: Sold to Permian Placeholder Production Co in April 2022 J: same sale as C
Texas RRC District 8A													
Texas RRC District 9													
Texas RRC District 10													
Texas State Offshore													
TEXAS Subtotal (auto-calculated)	0	400) 0	() 0	0	2.000		0		0 (D

Acquisitions: If your company bought reserves assets during the year from another operator, then you became the new operator during 2022. **Reserves and production for the acquired properties should be reported for the entire year.** Indicate you made a purchase in Item 8 on Part 1 of Form EIA-23L.

8. During report year 2022, did your Company acquire any oil and gas operating companies or any properties from other companies? Select all that apply. No → Proceed to Question 9 Yes, the Companie(5) listed in the box below were acquired X Yes, one or more properties were acquired from Companies listed below Example: Properties (CO, NM, & UT acquired from ABC Oil & Gas Inc. in March 2022	Below, enter company name(s) your Company acquired or acquired properties from, state(s) where the acquired Company or properties are located, and final sale/ merger/hansfer date(s), proceed to Question 9
2 properties (6 wells) acquired from Utica Club LLC in OH in 10/2022	

Then indicate the volume in thousands of barrels of proved reserves of crude oil and lease condensate acquired on Part 4, column D; indicate the volume in millions of cubic feet of proved reserves of natural gas acquired on Part 4, column K. Include the acquired reserves and production within your totals in columns B, F, and G.

U.S. Energy Information Administration					ENEF	CMB No. 1905-0057 Expansion Date: (02280206 Product No. 2023.1 Burden: 31 hours							
REPORT YEAR 2022					ANNUAL REP PART 4: TOT	REPORT YEAR 2022							
	operate in ea Put any clarif The gray sha WarningsiErre	tion and Reserves ch state. ng comments in th ded Subtotal rows ors are color codeo	data for <u>TOTAL</u> oil e <u>Comments</u> spac- are auto-calculate I. Look for error me ns for more details	e on the farright : d, please do no l ssages along th	t enter any values								
							PART 4: TO	TAL RESER	VES AND PR	ODUCTION B	Y STATE		
	Total Crude Oil and Lease Condensate, MBbls								Total Nati	iral Gas, MMC	F		Comments
State, Sub-Division, Area	Production	n Divestitures MBbls	Acquisitions	Extensions and Discoveries MBbls	Total Producing Reserves MBbls	Total Non- Producing Reserves MBbls	Production	Divestitures MMCF	Acquisitions MMCF	Extensions and Discoveries MMCF	Total Producing Reserves MMCF	Total Non-Producing Reserves MMCF	Comments requested for Divestitures, Acquisitions, atypical values Reference column values by column letter Use as much space as needed Example: C: Sold 210 ABC or 69227: K: Purchased 551 from XYZ on 92022
A	В	C	D	E	F	G	1	J	К	L	M	N	0
ansas													
entucky													
uisiana North													
uisiana South Onshore													
ouisiana State Offshore		0								0) 0	
DUISIANA Subtotal (auto-calculated)		0	0 0		0		0	0		0		0	
ssissippi													
ontana													
braska													
w Mexico East													1
ew Mexico West													
W MEXICO Subtotal (auto-calculated)		0	0 0		0	C	0	0	(0		0 0	
ew York													
orth Dakota													
nio							100		500	500	60	300	K: 2 wells, 4 PUD locations purchased from Utica Club LLC in October. L: New Utica shale well completed in M
klahoma	1												1
wanoma													

NOTE: Since the example acquisition above comes from a *Shale Play* (the *Utica Shale Play* in Ohio), these volumes must also be reported on Part 5 of Form EIA-23L.

If my company sold reserves assets during the year do they need to be included on the form?

No, see the question above for how to correctly report sales and acquisitions.

What are proved nonproducing reserves?

Proved nonproducing reserves are reserves that meet the definition of proved but no volume of oil or gas was produced to surface during the Report Year. They include Proved Developed Nonproducing Reserves (Behind Pipe) and Proved Undeveloped Reserves (PUDs).

If a well produced oil or gas at any time during 2022, even if it is temporarily shut-in on December 31, 2022, its reserves should be considered proved developed producing reserves.

Reserves estimated from offset locations from an existing producing well that are drilled but uncompleted, and any undrilled locations that would be drilled and completed within a 5-year period, are considered proved nonproducing reserves.

On Form EIA-23L, proved nonproducing reserves of crude oil and lease condensate should be reported in column G. Proved nonproducing reserves of natural gas should be reported in column N.

SUBMIT THE FORM

How do I submit the completed Form EIA-23L?

Form EIA-23L should be completed and submitted electronically using EIA Secure File Transfer. Since proved reserves are sensitive company-level data, we do not recommend using unencrypted email.

Electronic: Secure File Transfer instead of email; see below for more information.

If you need help submitting the form, please contact the EIA Survey Support Team at <u>eia4usa@eia.gov</u> or 1-855-342-4872.

What is Secure File Transfer?

Secure File Transfer—an encrypted method for transmitting data files—must be used instead. It is simple to use: accept the terms to access the upload page, provide your contact information, upload your file(s), and submit. You will receive an emailed confirmation that your data has been received.

RESUBMISSIONS

What if my company's data changes?

If your company's data changes by more than five percent from already reported data, please resubmit the form as soon as possible. Guidelines for resubmissions are:

- Check the box on page 1 of the form indicating a resubmission
- > Resubmit the entire form, not just the parts with changes
- Include a Comment explaining the changes

COMPANY CHANGES

What if my company is sold, merged with another company, or buys another company?

Please contact the EIA Survey Support Team at <u>eia4usa@eia.gov</u> or 1-855-342-4872 to report any changes to your company's structure. Also note changes in Part 1 of Form EIA-23L.

What if my company's contact person changes?

Please inform EIA of any change to your company's contact person or contact information. Register contact updates any time during the year with the EIA Survey Support Team at <u>eia4usa@eia.gov</u> or 1-855-342-4872.

Remember that the contact person should be knowledgeable about the reported data.

CONTACT EIA

What if I need more help?

- Contact the EIA Survey Support Team at <u>eia4usa@eia.gov</u> or 1-855-342-4872
- **EIA-23L Instructions**

FORM CHANGES FOR REPORT YEAR 2022

LIST OF REVISIONS TO FORM EIA-23L

Form EIA-23L has been renewed for Report Year 2022 with several significant changes. EIA made the following changes to Form EIA-23L, Annual Report of Domestic Oil and Natural Gas Proved Reserves:

Schedule A of Form EIA-23L, which collected annual proved reserves and production data for four fuel types (crude oil, associated-dissolved natural gas, non-associated natural gas, and lease condensate) on a county-level basis was changed to collect annual proved reserves and production data for two fuel types (crude oil plus lease condensate, and total natural gas) on a state/state subdivision-level basis.

Schedule A of Form EIA-23L, which used three reservoir type codes (C–conventional, LP–low permeability, and SH–shale) to subdivide county-level proved reserves data within Schedule A was changed to two separate report parts: Parts 4 and 5.

Part 4 collects the combined total of annual proved reserves and production data on a state - and state subdivision-level basis. Part 5 collects that portion of annual proved reserves and production data sourced only from identified major shale plays on a state- and state subdivision-level basis.

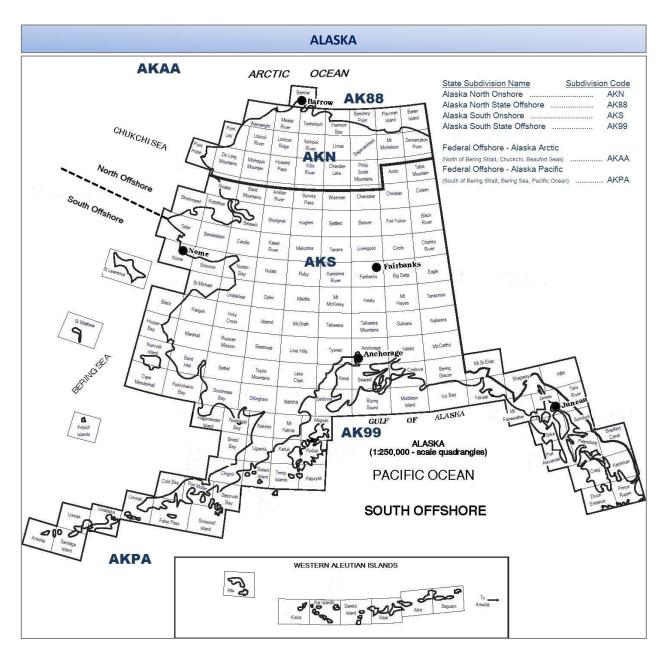
A fillable spreadsheet version of Form EIA-23L has replaced the PDF version of Form EIA-23L and its E-file software (the Reserves Information Gathering System (RIGS)). The burden hours for completing the new proposed Form EIA-23L is estimated to be an average of 31 hours, a reduction from an average burden of 45 hours for the previous version of Form EIA-23L which required county-level data collection and reporting for 4 fuel types and 3 reservoir types.

The term *Divestitures* is used to describe to the transfer or sale of proved reserves from a respondent to another operator during the report year. In previous years, EIA had used the term *Sales* for this volume.

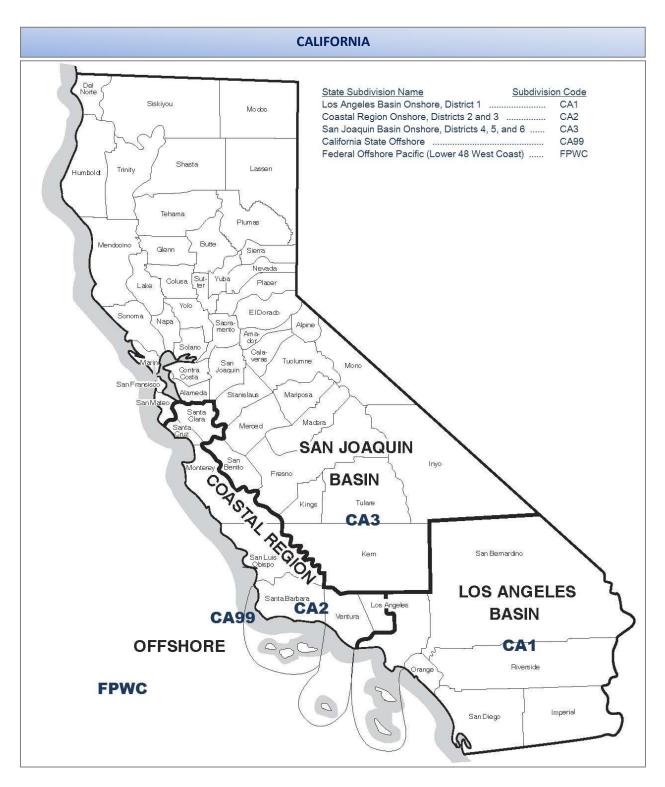
FORMS and DATA ACQUISITON:

Form EIA-23L is now a Microsoft Excel-based fillable spreadsheet. EIA has discontinued use of our Microsoft Access-based *Reserves Information Gathering System* (RIGS) software application.

MAPS of the current States with Subdivisions are included after this page.

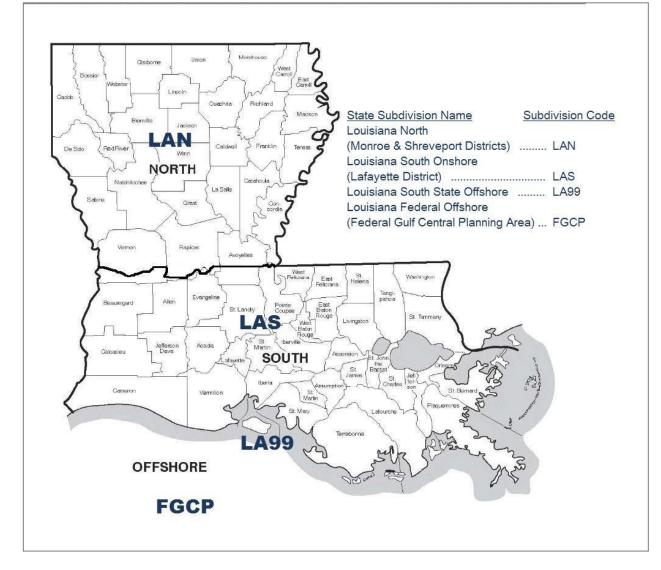


Source: U.S. Energy Information Administration, Office of Energy Statistics.



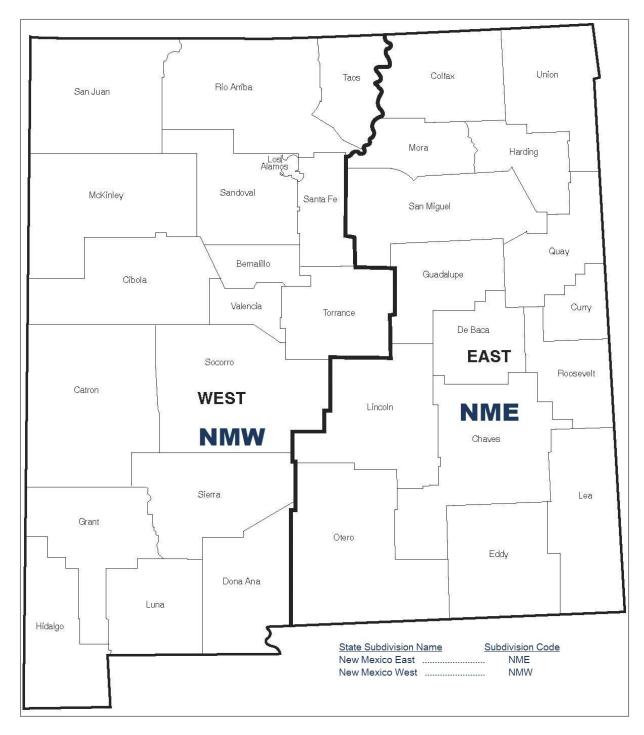
Source: U.S. Energy Information Administration, Office of Energy Statistics.

LOUISIANA

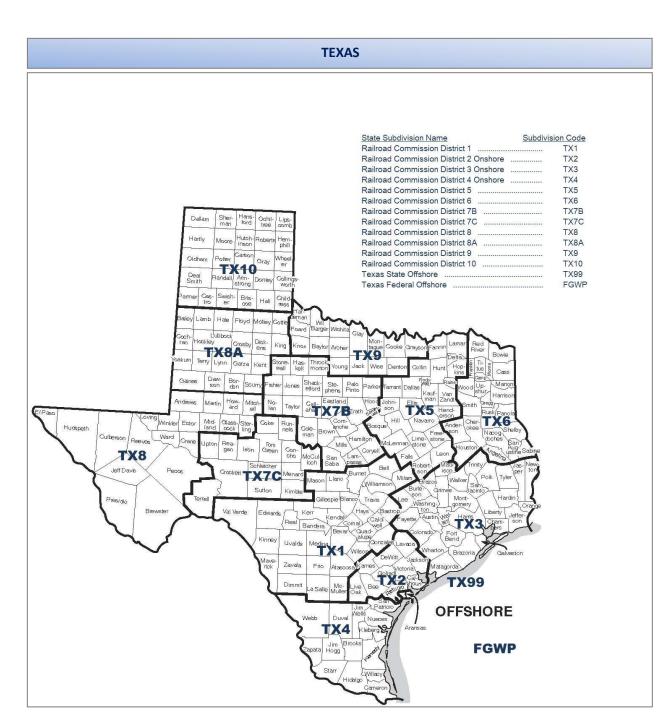


Source: U.S. Energy Information Administration, Office of Energy Statistics.

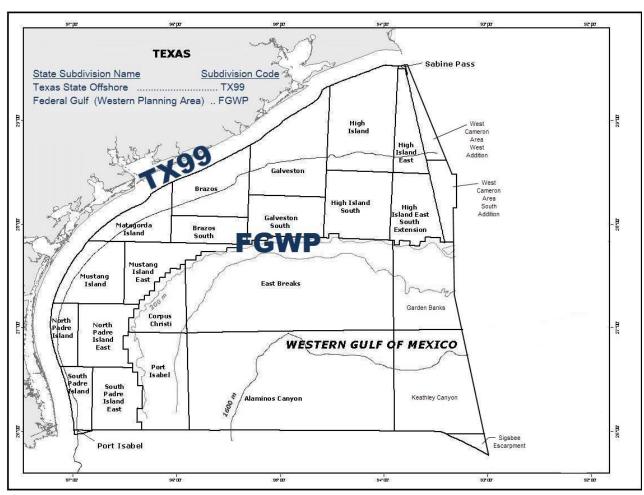
NEW MEXICO



Source: U.S. Energy Information Administration, Office of Energy Statistics.

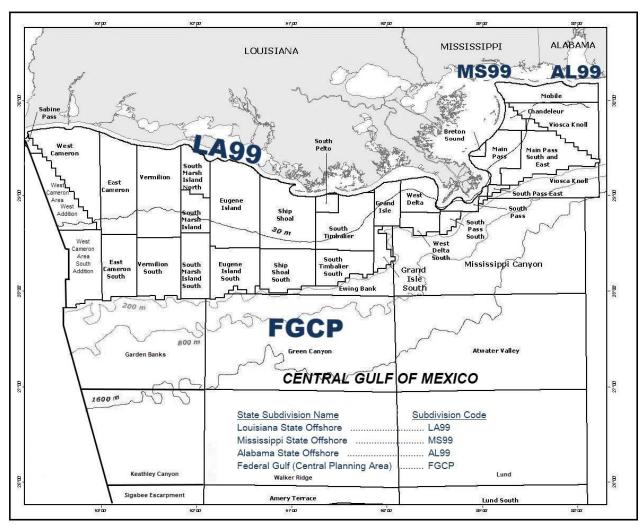






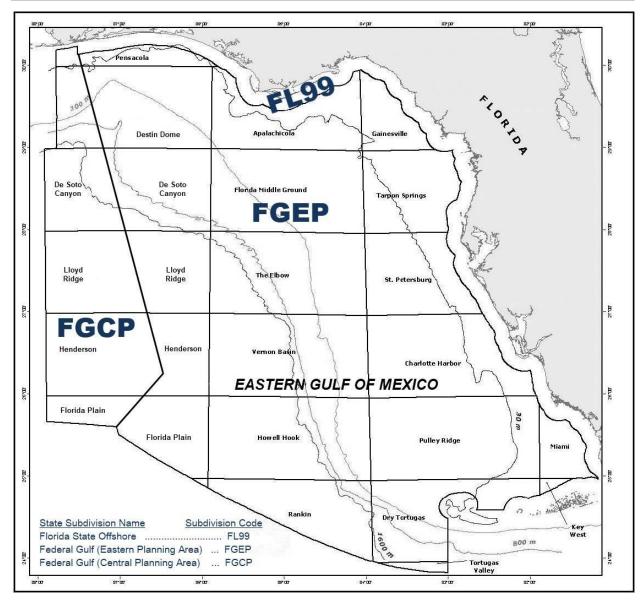
GULF OF MEXICO WESTERN PLANNING AREA

Source: U.S. Department of the Interior.



GULF OF MEXICO CENTRAL PLANNING AREA

Source: U.S. Department of the Interior.



GULF OF MEXICO EASTERN PLANNING AREA

Source: U.S. Department of the Interior.