



**FY 2027**

**OIL & GAS**

# **MONITORING & ENFORCEMENT PLAN**

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# Oil and Gas Monitoring and Enforcement Plan

*For Fiscal Year 2027*

*By*

*Railroad Commission of Texas*



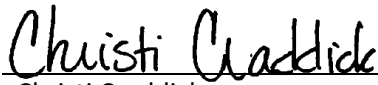

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Jan. 4, 2021 to Dec. 31, 2026  
Dec. 17, 2012 to Dec. 31, 2030  
Jan. 9, 2017 to Dec. 31, 2028

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In 2017, the Texas Legislature directed the Railroad Commission of Texas (the Commission) to develop an annual plan to assess the most effective use of its limited resources to ensure public safety and minimize damage to the environment (House Bill 1818, 85<sup>th</sup> Legislature, Regular Session, 2017). The Commission will continue to strengthen its efforts and capabilities to track, measure, and analyze the effectiveness of its oil and gas monitoring and enforcement program.

The purpose of this Monitoring and Enforcement Plan is to define and communicate the Oil and Gas Division's strategic priorities for its monitoring and enforcement efforts. The Oil and Gas Division is organized into three Sections: Administrative Compliance, Technical Permitting, and Field Operations. The Field Operations Section includes inspections and other on-site field activities conducted by the Commission. It is the primary focus of the Commission's monitoring and enforcement efforts, with the Administrative Compliance and Technical Permitting Sections performing monitoring and enforcement activities specific to their delegated responsibilities.

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## Guide to the Appendices

This plan includes seven appendices that provide additional details about the Commission's enforcement procedures, inspection guidelines, legal processes, and contact information. Appendices B, C, and D describe internal Commission processes and are included in the interest of transparency. Appendices E and F provide procedural guidance on public complaints and well plugging prioritization that may be of direct interest to operators, landowners, and members of the public. Appendix A defines the term “major violation” as used throughout this document, and Appendix G provides contact information for each unit within the Oil and Gas Division.

Readers primarily interested in the Commission's strategic priorities and planned activities for fiscal year 2027 will find that information in the Goals and Action Items section of the main document. The appendices are intended as reference material.

## Mission

The Railroad Commission of Texas (“Commission” or “RRC”) serves the state with its stewardship of natural resources and the environment, concern for personal and community safety, and support of enhanced development and economic vitality for the benefit of Texans.

The Commission works to protect the environment and the public by ensuring that energy production, storage, and delivery minimize harmful effects on the state’s people, environment, and natural resources. An effective monitoring and enforcement program should result in widespread compliance with statewide rules and permit requirements. To address noncompliance, the Commission relies on enforcement strategies that use appropriate tools. These tools are effective, efficient, and transparent, and will reduce the occurrence of violations associated with energy production in Texas.

## About the Railroad Commission

The Commission is the Texas state agency with primary regulatory jurisdiction over the oil, natural gas and geothermal energy exploration and production industries, geologic storage of carbon dioxide, and brine mining, as well as pipeline transporters, natural gas and hazardous liquid pipeline industry, natural gas utilities, the Liquefied Petroleum Gas (LPG)/Liquefied Natural Gas (LNG)/Compressed Natural Gas (CNG) industries, critical infrastructure, and coal and uranium surface mining operations. The Commission exists under the provisions of the Texas Constitution and exercises its statutory responsibilities under state and federal laws to regulate the state’s energy industries.

The Commission’s highest priorities are protecting the public, the environment, and the state’s natural resources through science-based rulemaking and effective enforcement of state and federal laws. The oil, gas, and geothermal energy industries are rapidly evolving in the development and use of technology, and the Commission regularly reviews and updates rules to ensure thorough, effective regulation of the industries. As a result of this comprehensive approach to rulemaking and enforcement, the Commission is widely recognized as a global leader in energy industry regulation.

## Strategic Priorities

The Commission's monitoring and enforcement priorities for fiscal year 2027 exist within a regulatory environment that is expanding in scope, increasing in complexity, and supported by unprecedented legislative investment. By integrating new initiatives with the Commission's established monitoring and enforcement framework, the agency is positioned to deliver strong, accountable oversight that meets the needs of Texas communities and the expectations of the Legislature.

## Goals

The Commission's ability to extract and analyze inspection, compliance, and enforcement data continues to improve as data management systems are enhanced. These enhancements make inspection, compliance, and enforcement data and trends more readily available to the agency, the industry, and the public. The General Appropriations Act (SB1, 89<sup>th</sup> Regular Session, 2025) appropriated \$35,646,776 and 302.0 FTEs for the oil and gas monitoring and inspection strategy (C.1.1 Strategy in the General Appropriations Act) and \$117,368,822 and 220.0 FTEs for the oil and gas well plugging and remediation strategy (C.2.1 Strategy in the General Appropriations Act) for fiscal year 2027.

### Goal 1: Accurately demonstrate the Commission's oil and gas monitoring and enforcement activities

#### Action Item 1: Witness Field Activities Conducted by Operators

The Commission witnesses plugging operations and mechanical integrity tests each year to ensure wells are properly plugged and groundwater is protected. Witnessing these activities is a critical safeguard against potential false or inaccurate reporting, and provides direct verification that operators are meeting their obligations in the field.

In fiscal year 2025, operators plugged 6,938 wells. Commission staff witnessed 76 percent of those pluggings, while also overseeing the plugging of 1,101 orphan wells plugged with state and federal funds to safeguard surface and subsurface water resources. Commission staff performed 460,388 oil and gas facility inspections during the same period, including 46,960 Underground Injection Control well inspection activities encompassing approximately 75 percent of UIC permitted wells.

In fiscal year 2027, the Commission anticipates operators will plug up to 7,000 wells and plans to maintain a similar witnessing rate. Commission staff will also oversee the plugging of at least 1,700 orphan wells using state and federal dollars. The Commission plans to perform 425,000 oil and gas facility inspections, including a similar proportion of Underground Injection Control well inspection activities.

#### Action Item 2: Monitor Permit Requirements for Underground Disposal of Produced Water in the Permian Basin

The Commission monitors the results of permit application requirements adopted for saltwater disposal wells in the Permian Basin to ensure injected fluids remain confined to designated disposal formations and that ground and surface fresh water is protected. These requirements were adopted in response to

unique subsurface conditions in the Permian Basin, including large historical and current rates of saltwater disposal, increased reservoir pressure in disposal formations, and dense historical oil and gas development with numerous wellbore penetrations of active disposal formations.

The Commission may issue a permit for an injection well if it finds that the well will not endanger any oil, gas, or other mineral formation and will, with proper safeguards, adequately protect both ground and surface fresh water from pollution. For wells in areas with heightened risk that fluids may not remain confined, the Commission may require applicants to provide additional information demonstrating that injected fluids will stay within the approved injection interval. For Permian Basin disposal wells, this means demonstrating the mechanical characteristics of the confining strata and providing closer scrutiny of wellbore penetrations within an expanded area of review. Standard permit conditions are established based on the characteristics of the confining strata and reservoir pressure at the time of permitting.

In fiscal year 2027, Commission staff will continue to monitor results of these requirements, evaluating whether permit conditions are being met and whether the guidelines are achieving their intended protective outcomes.

### Action Item 3: Ensure Compliance with New Inactive Well Requirements

The Texas Legislature enacted three bills during the 89th Legislative Session (2025) to address inactive wells across the state. Senate Bill 1146 and Senate Bill 1150 seek to prevent inactive wells from becoming a burden to the state, while House Bill 2663 aims to reduce wildfire risk from deteriorating electrical equipment at inactive well sites. As of August 31, 2025, there were 156,531 shut-in or inactive wells in Texas.

The Commission has already taken action to implement House Bill 2663, adopting rules with an effective date of December 8, 2025. Those rules require operators applying for a plugging extension on a well inactive for at least 10 years to affirm that all equipment associated with providing electric power to the production site has been removed, unless the equipment is owned by a utility provider as defined by Texas Utilities Code §31.002. Operators who fail to terminate electric service to inactive wells may face administrative penalties of up to \$25,000 per violation. Senate Bill 1146 refines the regulatory framework to encourage private landowners and operators to voluntarily plug abandoned wells, while providing liability protection for those individuals so they will not assume legal responsibility for the orphaned well's past operation or future damages.

Senate Bill 1150 separately requires the Commission to submit an annual report to the Governor, Lieutenant Governor, and Legislature no later than December 1 each year, identifying the number, age, and duration of inactivity for inactive wells, extensions granted, wells plugged, wells returned to production or repurposed, a summary of inactive well operators by compliance status, non-renewed or unapproved organization reports, and the annual cost to plug an inactive well. In fiscal year 2027, Commission staff will develop the first annual report required by Senate Bill 1150 and will adopt rules as necessary to implement amendments to Chapter 89 of the Texas Natural Resources Code. Those rules must be adopted no later than December 31, 2026, with an effective date of September 1, 2027.

## Goal 2: Strategically use the oil and gas monitoring and enforcement resources of the Commission to ensure public safety and protect the environment

### Action Item 1: Ensure thorough and systematic facility inspections

The Commission conducts inspections to verify compliance with statewide rules and to protect public safety and the environment. Inspectors evaluate wells, tanks, and other oil and gas facilities across the state, with systematic coverage supported by training, data systems, and district office coordination.

In fiscal year 2025, Commission inspectors conducted 460,388 oil and gas facility inspections, with four percent of those inspections identifying violations. At the close of fiscal year 2025, only 0.59 percent of the state's well population had not been inspected in the previous five years. To maintain consistent and thorough inspections statewide, Commission inspectors participate in ongoing training on topics relevant to their regulatory responsibilities. Recent training topics included commercial surface waste treatment and disposal facility permits, inactive well requirements and false filings, and troubleshooting well plugging issues including verifying plug length and required cement quantities.

In fiscal year 2027, Commission inspectors anticipate performing 425,000 oil and gas facility inspections. The Commission projects that five percent of inspections will identify environmental violations, reflecting continued engagement with industry on compliance expectations. At the close of the fiscal year, no more than one percent of the state's well population should remain without an inspection in the previous five years.

### Action Item 2: Orphaned Well Site Plugging, Remediation, and Restoration Federal Funding

The Commission administers a federally funded orphaned well plugging program to address wells that pose risks to public safety and the environment and for which no solvent operator remains responsible. The program is a multi-year effort with funding available through September 30, 2030. Since the Initial Grant was awarded on August 25, 2022, Texas has been awarded \$25 million from the Initial Grant, \$30 million from the Matching Grant, \$79.7 million from the Phase I Formula Grant, and \$119.5 million from the Phase II Formula Grant, for a total of \$254.2 million.

Through March 31, 2026, the Commission has plugged 1,779 wells using these funds. Wells are selected for plugging using the Commission's prioritization methodology, which ranks wells based on threat to public safety and the environment as detailed in Appendix F.

In fiscal year 2027, the Commission will continue implementing the federally funded program and anticipates applying for Phase III Formula Grant funds when the Department of the Interior opens the application period.

### Action Item 3: Community Engagement for Class VI Geologic Storage Projects

The Commission holds primacy for regulating Class VI underground injection wells used for geologic storage of carbon dioxide. As this program grows, sustained engagement with affected communities is essential to building public understanding, ensuring preparedness for potential incidents, and maintaining trust in the Commission's regulatory oversight.

Through the second quarter of fiscal year 2026, the Commission held two outreach meetings in communities associated with pending Class VI permit applications and issued one permit, with one draft permit pending hearing. These meetings provided residents and local officials with information about site selection, operations, and risk mitigation measures.

In fiscal year 2027, the Commission will continue engaging with affected communities throughout the permitting process. This includes hosting at least one informational meeting before issuing a draft permit, providing multilingual and accessible educational materials, offering interpretation services upon request, and directing the public to additional state and federal resources. The Commission will also encourage operators to begin community engagement early in project planning and will require consultation with key stakeholders, including local emergency response officials, during development of Class VI project plans. Through this ongoing engagement, the Commission aims to expand community contacts, improve public understanding of Class VI operations, and develop appropriate public access to well data and site assessment information.

## Fiscal Year 2026 Action Items Mid-Year Report

In the *Fiscal Year 2026 Oil and Gas Monitoring and Enforcement Plan*, the Commission identified six action items for the year. Table 1 summarizes progress on the six action items the Commission identified in the *Plan*. Performance is reported through the end of the second quarter of fiscal year 2026, March 31, 2026.

Table 1: Mid-year progress for fiscal year 2026 action items

<b>FY 2026 Action</b>	<b>FY 2026 Metric</b>	<b>Mid-Year Status</b>
Effectively resolve violations using available enforcement mechanisms	30,000 violations of statewide rules	16,439
	800 District Office-based severances	349 District Office-based severances issued through the end of the second quarter
	100,000 Administrative Compliance-based severances	60,258 Administrative Compliance-based severances issued through the end of the second quarter
Provide online access to oil and gas records (both contemporary and historical records)	Digitize 12 million records	1,985,324 records digitized through the end of the second quarter
	Provide 12 million reports from electronic data records	5,471,716 reports provided from electronic data records through the end of the second quarter
Establish a statewide task force to study and make recommendations related to preventing the theft of petroleum products in Texas	Appoint task force members and hold at least four task force meetings during the fiscal year.	Thirteen members, as well as two advisors, were appointed to the task force. Held 2 of 4 quarterly meetings.
Inspect Well and Facility Population	Perform 425,000 inspections	218,132 inspections performed through the end of the second quarter
Orphaned Well Plugging	Plug 754 orphaned wells with state appropriated Oil and Gas Revenue and Cleanup funds	332 orphaned wells plugged with state appropriated Oil and Gas Revenue and Cleanup funds through the end of the second quarter
Engagement with affected communities associated with anthropogenic CO <sub>2</sub> injection wells for geologic storage (Class VI UIC Wells)	Hold at least one public meeting per permit application prior to permit issuance. (19 permit applications submitted since program inception.)	Two outreach meetings held for permit applications in their respective communities. One permit issued, and one draft permit issued, pending Hearing.

## Oil and Gas Division Authority

The Texas Legislature created the Railroad Commission of Texas and vested it with jurisdiction over the state's oil and gas exploration and production industry. This authority is grounded in the Texas Constitution, state statutes, and, in certain areas, federal programs delegated to the state. The Commission's regulatory framework is built on multiple layers of law, rulemaking, and adjudicatory authority.

### Statutes

Statutes represent the formal policy direction of the State of Texas. They authorize agencies to adopt rules and administer regulatory programs. The Oil and Gas Division relies primarily on:

- Texas Natural Resources Code, Title 3 (Oil and Gas) governs most aspects of oil and gas regulation, including drilling, production, well plugging, environmental protection, and prevention of waste. It establishes the Commission's core responsibilities and provides the foundation for statewide rules.
- Texas Water Code, Chapter 27 (Injection Wells) establishes the statutory framework for underground injection activities, including Class II, III, V, and VI wells. The Commission implements these programs under the federal Safe Drinking Water Act through primacy granted by the U.S. Environmental Protection Agency (EPA). The Commission currently holds primacy for Class II and Class VI wells, along with portions of Class III and V. The Commission anticipates that EPA will grant additional Class V primacy for the brine mineral mining program.
- Texas Health and Safety Code, Chapter 401 (Radioactive Materials) authorizes the Commission to regulate disposal of oil and gas NORM waste and requires coordination with the Department of State Health Services and the Texas Commission on Environmental Quality.

### Rules

The Commission adopts rules through a formal rulemaking process that includes public notice, comment, and agency response. Railroad Commission rules are enforceable and operationalize statutory requirements governing drilling, production, environmental protection, and permitting, as well as establishing the Commission's procedural requirements. The Oil and Gas Division administers rules primarily located in 16 Texas Administrative Code Chapter 3 (Oil and Gas Division), as well as portions of 16 Texas Administrative Code Chapters 1, 4, and 5.

### Final Orders

A Final Order is the Commission's written decision in a contested case. Final Orders may establish special field rules, resolve enforcement matters, or authorize certain permits. They are enforceable and follow procedures outlined in 16 Texas Administrative Code Chapter 1.

### Permits

Permits authorize specific regulated activities or facilities. They are typically issued by Commission staff under statutory authority and delegated rulemaking authority. Permit conditions carry the force of law, authorizing activities such as:

- Drilling, recompletions, and re-entries (Form W-1)
- Injection and disposal wells (Underground Injection Control (UIC) permits)
- Waste management facilities and waste haulers
- Production, transport, and storage reporting
- Specialized operations such as flaring, venting, and commingling

## Statutory Basis for Operational Activities

Table 2 details the connections between the Commission’s statutory authority and its operational functions.

*Table 2: How Oil and Gas Division functions are derived from statute*

<b>Statute</b>	<b>Authority Granted</b>	<b>Operational Functions</b>
<b>Natural Resources Code, Title 3</b>	Oil and gas regulation; waste prevention; well construction; production oversight	Drilling permits, well compliance, production audits, flaring/venting oversight
<b>Water Code, Chapter 27</b>	Underground injection regulation; protection of drinking water	UIC permitting, seismicity monitoring, injection well inspections
<b>Health &amp; Safety Code, Chapter 401</b>	NORM waste regulation	NORM disposal permitting, coordination with DSHS/TCEQ
<b>16 TAC Chapters 1, 3, 4, 5</b>	Rulemaking and enforcement authority	Field inspections, enforcement actions, environmental protection
<b>Natural Resources Code §§ 81.01016–81.011</b>	Organizational structure	Division leadership, staffing, program administration

## Oil and Gas Division Organization and Resources

Texas Natural Resources Code §81.01016 requires the Commission to separate policymaking from staff management, with section 81.011 requiring the Commission to employ a Chief Supervisor (Director) of the Oil and Gas Division and necessary personnel to administer statutes and regulations related to oil and gas in the state of Texas. The Oil and Gas Division is organized into three sections:

- Administrative Compliance
- Technical Permitting
- Field Operations

Each section is led by an Assistant Director and structured to carry out its specific delegated regulatory responsibilities.

## Administrative Compliance

The Administrative Compliance Section ensures operators meet statutory and regulatory requirements to participate in the industry and that wells and production are accurately documented throughout their lifecycle. It includes four units:

### P-5 Financial Assurance Unit

- Processes Form P-5 Organization Reports and verifies operator eligibility.
- Collects financial security (bonds, letters of credit, cash deposits) to ensure operators can meet plugging and cleanup obligations.
- Works with Legal Enforcement to ensure compliance with Statewide Rule 15 for inactive wells.
- Supports statewide risk mitigation by ensuring operators maintain financial responsibility.

### Drilling Permits Unit

- Reviews Form W-1 applications for drilling, recompletions, and re-entries.
- Evaluates compliance with spacing, density, and field rules (Statewide Rules 5, 37, 38, 40, 86).
- Issues Notices of Approval to ensure wells are sited and drilled in a manner that protects correlative rights and prevents waste.

### Well Compliance Unit

- Audits forms for compliance with statewide and field rules.
- Processes completion reports (Forms G-1 and W-2), assigns lease numbers, and adds wells to the proration schedule.
- Ensures wells are produced within allowable limits and that required filings are submitted throughout the well's operational life.

### Well Mapping and Production Audit Unit

- Maintains GIS well data and processes plugging records (Form W-3).
- Updates wellbore information and ensures accurate mapping of statewide well locations.
- Reviews monthly production, skim oil, and transport/storage reports to ensure accurate accounting of natural resources produced and transported in Texas.

## Technical Permitting

The Technical Permitting Section manages technical permitting, environmental oversight, and specialized engineering and geoscience functions. It includes five units:

### Geologic (Groundwater) Advisory Unit

- Determines freshwater depths for casing, injection, and plugging requirements.

- Administers the high-cost gas tax incentive.
- Conducts geological studies and provides technical support to the Division and groundwater agencies.

### Engineering Unit

- Reviews gas plant reporting, rule exception requests, and technical issues such as downhole commingling and interval isolation.
- Oversees flaring and venting under Statewide Rule 32. Please note, the Commission does not have jurisdiction over air pollution and air quality. Its role is limited to preventing waste of natural resources.

### Environmental Permits and Support Unit

- Reviews and issues permits for waste management facilities, waste haulers, and wastewater operations.
- Evaluates technical proposals, conducts site visits, and provides regulatory guidance.
- Ensures facilities comply with statewide rules designed to protect public safety and natural resources.

### Oil and Gas Injection Permits Unit

- Regulates injection wells under the UIC program.
- Ensures compliance with Statewide Rules 9, 46, 81, 95, and 97.
- Reviews monitoring and testing reports, analyzes injection data to reduce seismicity risks, and ensures wells are operated in a manner that protects underground sources of drinking water.

### Special Injection Permits Unit

- Administers UIC programs for Class III, V, and VI wells.
- Maintains well inventories, reviews complex permit applications, and issues permits.
- Ensures wells are properly sited, operated, monitored, and closed to protect drinking water resources.

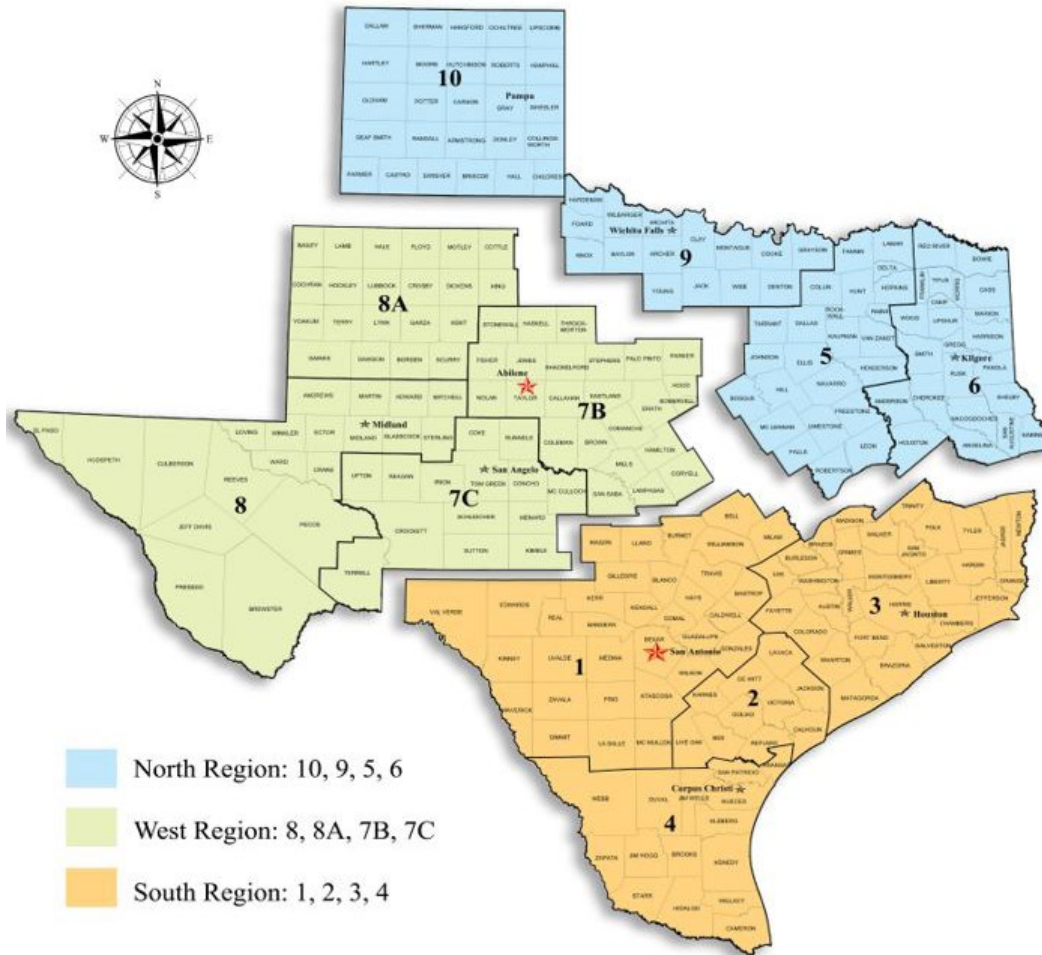
### Subsurface Investigation Unit

- Collects information and performs causal analysis on field incidents (e.g., leaking wells).
- Coordinates response actions with Field Operations and operators to resolve field incident.
- May pursue recompense for any state funds spent.

## Field Operations

Field Operations is responsible for on-the-ground monitoring and enforcement, well plugging, and site remediation. Its work is carried out through district offices across Texas with the state divided into twelve districts supported by ten district offices across three regions, as illustrated by Figure 1.

Figure 1: Map of district offices and regions



## District Offices

### Inspectors

- Conduct onsite inspections and investigate complaints.
- Verify compliance with statewide rules and permit conditions.
- Use the Inspection Compliance and Enforcement (ICE) system to document inspections and access real-time operator and facility information.

### *Technical Staff*

- Review inspection results and assist operators and the public.
- Issue compliance correspondence and track violations.
- Refer cases to Legal Enforcement when necessary.

### *Well Pluggers*

- Oversee high-risk orphaned well testing.
- Develop plugging procedures and oversee contract plugging operations under the State Managed Well Plugging Program.

### *Cleanup Coordinators*

- Assess orphaned wells and other sites.
- Identify pollution risks and develop work plans for cleanup activities under the State Managed Cleanup Program.

## **Austin District Support, State Managed Plugging, and Site Remediation**

- Oversees statewide plugging activities.
- Reviews inactive well filings (Form H-15).
- Provides technical assistance to districts and supports enforcement actions.
- Manages cleanup of abandoned sites using Oil and Gas Regulation and Cleanup funds.
- Oversees operator cleanup and voluntary cleanup programs.
- Supports Brownfield redevelopment by assessing and remediating contaminated properties.

## **Monitoring and Enforcement Overview**

### **Purpose and Background**

The Legislature directed the Railroad Commission of Texas (Commission) to prepare an annual Oil and Gas Monitoring and Enforcement Plan following the 2017 Sunset Review. The statutory intent was to ensure that the Commission clearly communicates how it deploys its monitoring and enforcement resources to protect public safety, safeguard natural resources, and maintain the integrity of the state's oil and gas regulatory framework.

This plan focuses primarily on activities funded under two strategies within the Commission's budget structure:

- Strategy 3.1.1 – Oil and Gas Monitoring and Inspections, and
- Strategy 3.2.1 – Oil and Gas Well Plugging and Remediation.

Representing the full lifecycle of compliance oversight from routine monitoring to enforcement and, when necessary, state-managed remediation or plugging, the Commission's monitoring and enforcement system is designed to:

- Ensure compliance with statutory and regulatory requirements
- Protect public safety and the environment
- Hold operators accountable for violations
- Use escalating enforcement tools proportionate to the severity of the violations
- Maintain transparency through reporting and annual planning

The system integrates monitoring, inspections, financial assurance, administrative penalties, and legal enforcement as tools to ensure responsible development of Texas's oil and gas resources. These tools work together to encourage voluntary compliance, deter violations, and ensure that noncompliance is addressed promptly and effectively.

### Monitoring and Enforcement Model

The Commission's model integrates monitoring, compliance evaluation, and enforcement into a unified regulatory approach.

#### Monitoring

Monitoring activities allow the Commission to identify potential violations early and ensure operators meet statutory and regulatory obligations. Monitoring activities include:

- Reviewing required filings
- Tracking operator compliance status
- Conducting field inspections
- Evaluating operational data submitted under Commission rules

#### *Organization Reports (Form P-5)*

Before conducting any regulated activity, an operator must file a Form P-5 Organization Report, which provides:

- Basic company information
- Identification of responsible officers
- Contact information
- Operational footprint

The P-5 allows the Commission to track operator activity statewide and ensure accountability.

### *Financial Assurance*

Operators must provide financial assurance such as bonds, letters of credit, or cash deposits, to ensure that funds are available to:

- Plug wells
- Address pollution
- Remedy violations

Financial assurance and the P-5 must be renewed annually to maintain authority to operate.

### *Statewide Rules and Routine Reporting*

Commission rules (16 TAC Chapter 3) establish:

- Monitoring and testing requirements
- Inspection standards
- Reporting obligations for drilling, production, injection, disposal, and waste management activities

These filings provide continuous oversight and allow the Commission to identify compliance issues proactively.

### *Enforcement*

When monitoring identifies a violation of a Commission rule, permit condition, or order, the Commission uses a range of enforcement tools to obtain compliance. Many violations can be corrected quickly and do not require legal enforcement. However, violations that are serious, intentional, or unresolved are escalated to formal enforcement.

The Commission's enforcement system is designed to promote compliance and prevent future violations. Enforcement actions are initiated by Commission personnel based on:

- Regularly scheduled field inspections
- Field inspections to assess complaints from the public or other agencies
- Required filings
- Operational data

The Commission uses a rule-based penalty guideline to evaluate violations and determine appropriate enforcement responses. This guideline ensures consistency, fairness, and proportionality.

### *Enforcement Path and Escalation*

Most violations identified during inspections are resolved in the field without escalation. When escalation is necessary, technical staff in Austin and district offices evaluate the violation and determine the appropriate enforcement path.

### Notice of Violation (NOV)

A Notice of Violation is typically the first formal step in the enforcement process. It:

- Notifies the operator of the violation
- Describes required corrective actions
- Establishes a deadline for compliance

NOVs are sent by mail or email and are intended to encourage timely correction.

### Seals and Severances (Cancellation of Form P-4)

If an operator fails to correct a violation or if the violation is severe, the Commission may cancel the operator's certificate of compliance (Form P-4) under Texas Natural Resources Code §§ 91.701–91.707.

Key effects:

- The operator must cease operations on the affected lease
- Production and sales of hydrocarbons must stop
- The operator experiences immediate revenue loss
- Operations may resume only after compliance is restored and a \$750 reconnection fee is paid

Before cancellation, the Commission must:

- Issue a Notice of Violation
- Provide at least 10 days for the operator to comply or request a hearing
- Issue a Notice of Intent to Sever

### Loss of Authority to Operate (P-5 Rejection)

Under Texas Natural Resources Code § 91.114, the Commission may rescind an operator's authority to conduct oil and gas operations if:

- The operator remains non-compliant with an enforcement order, or
- A person in ownership or control of the operator has held a similar position in another organization, which is noncompliant with an enforcement order issued within the past seven years

Consequences include:

- Rejection of P-5 renewal
- Inability to file drilling permits, P-4s, or other required applications
- Restrictions applying to both the company and any tainted officers

This effectively prevents the operator from continuing regulated activities.

### Permit Actions

The Commission may modify, suspend, or terminate permits—including drilling, injection, disposal, and waste management facility permits—when operators violate rules or permit conditions.

Unless handled administratively by agreement, these actions require:

- Notice
- Opportunity for hearing
- Commission order

### Enforcement Referral to Legal Enforcement

If field-level enforcement does not achieve compliance, or if the violation is severe or intentional, the case is referred to Legal Enforcement.

Legal Enforcement Attorneys will:

- Manage settlement discussions
- Prepare cases for hearing

Appendix D outlines the full legal enforcement process.

### Administrative Penalties

Under Texas Natural Resources Code §§ 81.0531–81.0533, the Commission may assess penalties of:

- Up to \$10,000 per day per violation for non-pipeline safety violations
- Up to \$200,000 per day per violation for pipeline safety violations
- Up to \$1,000 per day for non-safety, nonpollution violations

Penalty amounts consider:

- The seriousness of the violation
- The operator’s compliance history
- Any aggravating or mitigating factors

Statewide Rules 107 and 4.107 (16 TAC §§ 3.107 and 4.107) provide detailed penalty guidelines.

### Administrative Hearings

The Hearings Division manages administrative hearings for contested enforcement matters.

Process:

1. Parties present evidence to an Administrative Law Judge
2. For protested matters, the Administrative Law Judge issues a Proposal for Decision
3. Final decisions are made when the Commissioners vote on the order

This ensures due process and transparency in enforcement actions.

## Stakeholder Engagement

The Commission continuously seeks ways to educate industry operators about its rules and processes to ensure operators remain in full compliance. New and expanded efforts for virtual training events are well received and allow the Commission to reach a broader audience. The Commission anticipates virtual training events and webinars will continue. In addition, in-person events for education and outreach typically include:

- Annual Regulatory Conference – held in Austin, generally in August each year with thousands of participants from across the oil and gas industry.
- Regulatory Forums – day-long, in-person regional conferences for industry in cities across the state such as Midland, Corpus Christi, Houston, and Fort Worth.
- Presentations at industry events – Commission staff members serve as guest speakers at events hosted by industry associations including conferences, seminars, and workshops.
- Presentations to local government officials, including emergency response officials – Commission staff serve as guest speakers at events hosted by local governments.
- User Guides – often developed as the Commission releases new RRC online resources. For example, the [User Guide for the Groundwater Protection Determination](#) (GW-1) can be found on the Commission’s website.
- Webinars – Commission staff members host webinars on topics related to rule and process changes. For example, a series of four webinars were hosted by Environmental Permitting staff to instruct on rule changes and online filing options for waste haulers and recyclers.
- Instructional Videos – the Commission’s [YouTube Channel](#) features instructional videos related to specific RRC forms and processes.
- Notice to Landowners—Efforts are made to notify landowners prior to state managed plugging operations that will occur on their property.

## Stakeholder Participation Process

Texas Natural Resources Code Sec. 81.066(b) directs the Railroad Commission of Texas to seek input from stakeholders when developing the annual Oil and Gas Division Monitoring and Enforcement Plan.

For the FY 2027 plan, the Commission sought feedback from stakeholders prior to the drafting of the plan, hoping to gather feedback to aid in the development of action items that will address the totality of oil and gas monitoring and enforcement activities, inclusive of technical permit monitoring and administrative compliance enforcement.

The Commission developed a communications plan for seeking input from stakeholders and distributed an announcement in English and Spanish.

1. Posted the announcement on the Commission’s website at:
  - a. [RRC Announcements](#)
  - b. [RRC Oil and Gas Announcements](#)
  - c. [RRC What’s New](#)
2. Emailed to the Commission’s Oil and Gas News subscription list.
3. Emailed to associations and legislative entities.
4. Posted on the Commission’s social media:
  - a. Facebook
  - b. Instagram
  - c. X (formerly Twitter)
  - d. LinkedIn
5. Published an article in the Commission’s RRC Energy News newsletter.

The Commission accepted feedback from stakeholders via email and U.S. mail from March 16 to April 16, 2026. The Commission received 157 emails from stakeholders before the due date. Stakeholder feedback is posted on the Commission’s website, alongside this Plan and may be found on the Commission’s website on the Oil and Gas [Enforcement Activities](#) webpage. Also linked from the Enforcement Activities webpage is a Spanish version of this Plan.

The Commission uses stakeholder input to develop action items in accordance with its regulatory authority and biennial appropriations from the Legislature. Each action item highlights planned activities for the coming year.

## Data

The Commission collects data that accurately shows the Commission’s oil and gas monitoring and enforcement activities. This edition of the annual Oil and Gas Monitoring and Enforcement Plan includes data from fiscal year 2025, alongside comparative data from fiscal years 2020 to 2024 as shown in Table 3.

*Table 3: Summary of enforcement data for fiscal years 2020 through 2025*

<b>Measure</b>	<b>Fiscal Year 2020</b>	<b>Fiscal Year 2021</b>	<b>Fiscal Year 2022</b>	<b>Fiscal Year 2023</b>	<b>Fiscal Year 2024</b>	<b>Fiscal Year 2025</b>
Number of oil and gas well and facility inspections performed <sup>1</sup>	347,617	308,922	359,278	424,952	461,852	460,388
Number of statewide rule violations	32,361	34,273	34,880	32,099	28,748	32,550
Number of violations for which the Commission imposed a penalty or took other enforcement action	32,361	34,273	34,880	32,099	28,748	32,550

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<sup>1</sup> Please note, this number should not be compared to the number of inspections prior to fiscal year 2020. The current measure counts inspections at the well level, while numbers reported in 2019 and earlier reported inspections at the lease level.

Measure	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025
Number of alleged oil and gas violations sent to Office of General Counsel Legal Enforcement	1,528	1,350	3,428	2,737	2,013	2,138
Number of major statewide rule violations*	12	24	16	48	3	32
Number of major violations for which the Commission imposed a penalty or took other enforcement action	12	24	16	48	3	32
Amount of final oil and gas enforcement penalties assessed	\$3,222,376	\$3,705,403	\$3,696,946	\$3,431,992	\$6,591,230	\$6,164,380

*\*Please see Appendix A: Definition of a Major Violation.*

### RRC Online Inspection Lookup (OIL)

For current data the Commission offers an online tool called RRC Online Inspection Lookup (OIL) to access data entered in the Commission’s electronic tracking system (ICE). Users can search for available statewide oil and gas inspections and enforcement information including notices of violation and intentions to sever leases and download data set files either statewide or by the Railroad Commission district office. Users may customize inspection and violation searches by a variety of criteria in real-time. Data is updated nightly.

Data from inspections that are in progress or under review is not displayed. Data available through RRC OIL is from inspections dated August 2015 to the present. To request inspection and violation information before August 2015, contact [open.records@rrc.texas.gov](mailto:open.records@rrc.texas.gov).

RRC OIL is found on the Commission’s website at [RRC Online Inspection Lookup](#).

A user guide is available on the Commission’s website at [RRC Oil User Guide](#).

Table 4: Number of violations per rule by subsection (The number of violations was current at the time it was downloaded) for fiscal years 2020 through 2025

Statewide Rule	Number of Violations Fiscal Year 2020	Number of Violations Fiscal Year 2021	Number of Violations Fiscal Year 2022	Number of Violations Fiscal Year 2023	Number of Violations Fiscal Year 2024	Number of Violations Fiscal Year 2025
<a href="#">Commission Access to Properties</a>						
16 TAC § 3.2(a)	440	296	285	201	255	260
16 TAC § 3.2(b)	12	22	5	4	41	32
<a href="#">Identification of Properties, Wells, and Tanks</a>						
16 TAC § 3.3(1)	2,139	2,461	2,104	1,698	1,970	1,585
16 TAC § 3.3(2)	6,006	6,002	5,941	5,033	4,456	4,257
16 TAC § 3.3(3)	1,582	1,774	1,780	1,262	1,330	1,053
16 TAC § 3.3(4)	2	7	11	6	16	8
16 TAC § 3.3(5)	109	153	215	178	167	135
<a href="#">Application to Drill, Deepen, Reenter, or Plug Back</a>						
16 TAC § 3.5	2	20	14	16	14	16
16 TAC § 3.5(a)	3	4	1	0	2	3
16 TAC § 3.5(c)	5	6	3	3	1	0
<a href="#">Water Protection</a>						

Statewide Rule	Number of Violations Fiscal Year 2020	Number of Violations Fiscal Year 2021	Number of Violations Fiscal Year 2022	Number of Violations Fiscal Year 2023	Number of Violations Fiscal Year 2024	Number of Violations Fiscal Year 2025
16 TAC § 3.8	100	187	246	269	149	131
16 TAC § 3.8(b)	60	45	34	35	31	51
16 TAC § 3.8(d)(1)	7,430	7,540	8,546	8,318	7,251	5,987
16 TAC § 3.8(d)(2)	322	193	246	193	149	144
16 TAC § 3.8(d)(4)(H)(i)	290	255	205	230	129	90
16 TAC § 3.8(d)(4)(H)(i)(I)	93	90	60	43	53	24
16 TAC § 3.8(d)(4)(H)(i)(II)	27	46	12	11	10	20
16 TAC § 3.8(d)(4)(H)(i)(III)	208	249	253	255	193	224
16 TAC § 3.8(d)(4)(H)(i)(IV)	86	69	45	24	37	20
16 TAC § 3.8(d)(5)(B)	1	0	0	2	0	2
16 TAC § 3.8(f)(1)	7	2	0	5	2	0
16 TAC § 3.8(f)(1)(C)(ii)	3	1	1	10	1	3
16 TAC § 3.8(f)(1)(C)(iii)	8	1	1	7	0	1
<a href="#">Disposal Wells</a>						
16 TAC § 3.9	159	263	284	250	303	252
16 TAC § 3.9(1)	40	24	31	32	22	38
16 TAC § 3.9(12)(C)(i)	32	55	50	66	43	44
16 TAC § 3.9(12)(C)(ii)	5	4	2	11	6	3
16 TAC § 3.9(9)(A)	1	5	4	1	3	5

Statewide Rule	Number of Violations Fiscal Year 2020	Number of Violations Fiscal Year 2021	Number of Violations Fiscal Year 2022	Number of Violations Fiscal Year 2023	Number of Violations Fiscal Year 2024	Number of Violations Fiscal Year 2025
16 TAC § 3.9(9)(B)	46	22	50	32	28	18
<a href="#">Casing, Cementing, Drilling, and Completion Requirements</a>						
16 TAC § 3.13(a)(6)(A)	2,405	2,609	2,890	3,097	2,283	2,299
16 TAC § 3.13(a)(6)(B)	4	3	3	1	4	7
16 TAC § 3.13(a)(6)(E)(i)	0	0	0	0	0	2
16 TAC § 3.13(b)(1)(B)(i)	0	5	0	1	1	1
<a href="#">Plugging</a>						
16 TAC § 3.14(a)(3)	25	5	11	6	7	8
16 TAC § 3.14(b)(1)	17	13	14	14	24	23
16 TAC § 3.14(b)(2)	5,217	7,695	6,823	5,690	5,408	6,970
16 TAC § 3.14(d)(1)-(11)	40	24	22	36	43	32
16 TAC § 3.14(d)(12)	452	368	372	437	377	393
<a href="#">Surface Equipment Removal Requirements and Inactive Wells</a>						

Statewide Rule	Number of Violations Fiscal Year 2020	Number of Violations Fiscal Year 2021	Number of Violations Fiscal Year 2022	Number of Violations Fiscal Year 2023	Number of Violations Fiscal Year 2024	Number of Violations Fiscal Year 2025
16 TAC § 3.15(f)(2)(A)	47	21	36	53	29	95
16 TAC § 3.15(f)(2)(A)(i)	13	17	25	29	27	30
16 TAC § 3.15(f)(2)(A)(ii)(I)	107	50	98	71	131	239
16 TAC § 3.15(i)(2)	0	0	0	0	0	2
<a href="#">Log and Completion or Plugging Report</a>						
16 TAC § 3.16(b)	107	110	116	115	165	117
<a href="#">Pressure on Bradenhead</a>						
16 TAC § 3.17(a)	959	808	671	416	449	715
<a href="#">Notification of Fire Breaks, Leaks, or Blow-outs</a>						
16 TAC § 3.20(a)(1)	116	87	99	87	70	61
<a href="#">Fire Prevention and Swabbing</a>						
16 TAC § 3.21(d)	0	0	0	0	0	2
16 TAC § 3.21(i)	0	0	0	0	0	249
16 TAC § 3.21(j)	364	340	475	370	301	502
16 TAC § 3.21(k)	2	5	38	36	53	185
16 TAC § 3.21(l)	451	951	2,196	1,671	870	2,554

Statewide Rule	Number of Violations Fiscal Year 2020	Number of Violations Fiscal Year 2021	Number of Violations Fiscal Year 2022	Number of Violations Fiscal Year 2023	Number of Violations Fiscal Year 2024	Number of Violations Fiscal Year 2025
<a href="#">Protection of Birds</a>						
16 TAC § 3.22(b)	341	330	352	343	325	282
16 TAC § 3.22(c)	0	0	0	0	0	3
<a href="#">Separating Devices, Tanks and Surface Commingling of Oil</a>						
16 TAC § 3.26(a)(2)	2	40	26	4	11	12
<a href="#">Gas to Be Measured and Surface Commingling of Gas</a>						
16 TAC § 3.27(a)	67	46	83	65	98	53
16 TAC § 3.27(c)	0	0	0	0	0	22
<a href="#">Gas Well Gas and Casinghead Gas Shall Be Utilized for Legal Purposes</a>						
16 TAC § 3.32(d)(2)	29	51	64	65	71	85
16 TAC § 3.32(f)(2)	0	0	0	0	0	1
16 TAC § 3.32(h)	105	94	43	12	14	9

Statewide Rule	Number of Violations Fiscal Year 2020	Number of Violations Fiscal Year 2021	Number of Violations Fiscal Year 2022	Number of Violations Fiscal Year 2023	Number of Violations Fiscal Year 2024	Number of Violations Fiscal Year 2025
<a href="#">Oil, Gas, or Geothermal Resource Operation in Hydrogen Sulfide Areas</a>						
16 TAC § 3.36(c)(11)-(12)	0	5	3	0	0	1
16 TAC § 3.36(c)(13)	0	1	0	0	2	0
16 TAC § 3.36(c)(14)	3	1	3	0	1	2
16 TAC § 3.36(c)(5)(B)	231	219	196	118	173	132
16 TAC § 3.36(c)(6)(A)	14	13	19	10	22	26
16 TAC § 3.36(c)(6)(B)	14	12	20	10	19	42
16 TAC § 3.36(c)(6)(C)	6	5	7	4	5	5
16 TAC § 3.36(c)(8)	66	37	38	13	30	44
16 TAC § 3.36(c)(9)(A)	5	2	6	2	2	5
16 TAC § 3.36(c)(9)(Q)	2	0	1	0	1	0
16 TAC § 3.36(d)(1)	0	0	0	0	0	2
16 TAC § 3.36(d)(1)(G)	44	110	195	372	685	614

Statewide Rule	Number of Violations Fiscal Year 2020	Number of Violations Fiscal Year 2021	Number of Violations Fiscal Year 2022	Number of Violations Fiscal Year 2023	Number of Violations Fiscal Year 2024	Number of Violations Fiscal Year 2025
16 TAC § 3.36(d)(2)	1	0	0	3	0	0
16 TAC § 3.36(d)(3)	0	0	2	0	0	1
<a href="#">Fluid Injection into Productive Reservoirs</a>						
16 TAC § 3.46	641	962	1,023	980	1,013	848
16 TAC § 3.46(a)	97	109	97	48	37	49
16 TAC § 3.46(g)(1)	8	7	1	1	1	0
16 TAC § 3.46(g)(2)	167	195	183	160	106	84
16 TAC § 3.46(j)	352	378	294	187	207	200
<a href="#">Reclaiming Tank Bottoms, Other Hydrocarbon Wastes, and Other Waste Materials</a>						
16 TAC § 3.57(c)(1)	1	0	2	3	3	2
16 TAC § 3.57(d)	1	0	0	1	6	2
<a href="#">Pipeline Connection; Cancellation of Certificate of Compliance; Severance</a>						
16 TAC § 3.73(a)	1	2	0	1	2	1

Statewide Rule	Number of Violations Fiscal Year 2020	Number of Violations Fiscal Year 2021	Number of Violations Fiscal Year 2022	Number of Violations Fiscal Year 2023	Number of Violations Fiscal Year 2024	Number of Violations Fiscal Year 2025
16 TAC § 3.73(h)	6	15	14	19	12	11
16 TAC § 3.73(i)	213	174	274	343	394	456
<a href="#">Class III Brine Mining Injection Wells</a>						
16 TAC § 3.81(b)(2)	1	0	1	1	0	0
<a href="#">Cleanup of Soil Contaminated by a Crude Oil Spill</a>						
16 TAC § 3.91(d)(1)	349	262	146	180	123	58
16 TAC § 3.91(e)(1)	0	0	5	3	2	2
<a href="#">Underground Storage of Gas in Productive or Depleted Reservoirs</a>						
16 TAC § 3.96(b)(1)	3	1	0	0	0	0
<a href="#">Underground Storage of Gas in Salt Formations</a>						
16 TAC § 3.97(b)(1)	1	0	0	0	0	0
<a href="#">Standards for Management of Hazardous Oil and Gas Waste</a>						

Statewide Rule	Number of Violations Fiscal Year 2020	Number of Violations Fiscal Year 2021	Number of Violations Fiscal Year 2022	Number of Violations Fiscal Year 2023	Number of Violations Fiscal Year 2024	Number of Violations Fiscal Year 2025
16 TAC § 3.98(d)	44	43	56	83	72	76
<a href="#">Prevention of Pollution</a>						
16 TAC § 4.101(a)	0	0	0	0	0	24
<a href="#">Prohibited Waste Management Methods</a>						
16 TAC § 4.103(a)	0	0	0	0	0	1,234
16 TAC § 4.103(c)	0	0	0	0	0	3
16 TAC § 4.103(d)	0	0	0	0	0	33
<a href="#">Authorized Pits</a>						
16 TAC § 4.113(e)	0	0	0	0	0	12
<a href="#">Schedule A Authorized Pits</a>						
16 TAC § 4.114(2)	0	0	0	0	0	1
16 TAC § 4.114(3)	0	0	0	0	0	5
16 TAC § 4.114(3)(A)(i)	0	0	0	0	0	18
16 TAC § 4.114(3)(A)(ii)	0	0	0	0	0	5
16 TAC § 4.114(3)(A)(iii)	0	0	0	0	0	28
<a href="#">Oil and Gas Waste Haulers</a>						
16 TAC § 4.193(a)	0	0	0	0	0	1
16 TAC § 4.193(e)(2)	0	0	0	0	0	1

Statewide Rule	Number of Violations Fiscal Year 2020	Number of Violations Fiscal Year 2021	Number of Violations Fiscal Year 2022	Number of Violations Fiscal Year 2023	Number of Violations Fiscal Year 2024	Number of Violations Fiscal Year 2025
16 TAC § 4.193(e)(3)	0	0	0	0	0	1
16 TAC § 4.193(e)(6)	0	0	0	0	0	1
16 TAC § 4.193(e)(10)	0	0	0	0	0	1
16 TAC § 4.193(e)(11)	0	0	0	0	0	1
<a href="#">Recordkeeping</a>						
16 TAC § 4.194(a)	0	0	0	0	0	1
<a href="#">False Applications, Reports, and Documents and Tampering with Gauges</a>						
Tex. Nat. Res. Code § 91.143	2	12	23	6	3	34

Source: Railroad Commission Inspection, Compliance, and Enforcement (ICE) System

A repeat major violation occurs when an individual oil or gas lease has more than one major violation within a fiscal year or other designated period. The definition of a major violation is described in Appendix A of this document. Appendix A includes those rules found within Title 16 Texas Administrative Code, Chapter 3 that constitute a major violation; however, characterization of a violation as a major violation is not limited to a violation of the rules listed in Appendix A.

## Appendix A: Definition of a Major Violation

In 2017, the *Sunset Commission Staff Report* Management Action 3.4 directed the Commission to systematically track major violations. To comply with this directive, the Commission developed the following definition of a major violation:

*A major violation is a safety or pollution related violation that causes a significant impact to public safety and/or the environment, is accompanied by conditions that indicate a significant impact to public safety and/or the environment is imminent, or is the result of deliberate disregard of Commission rules and regulations related to public safety or environmental protection.*

A violation of a rule listed below does not automatically constitute a major violation. A major violation may result in conditions that can cause a significant or imminent impact to public safety or the environment<sup>2</sup>.

- 16 Texas Administrative Code § 3.5(a)—Drilling or reentering a well without a permit. Statewide Rule 5(a)
- 16 Texas Administrative Code § 4.101(a)—Surface management of waste without a required permit or in violation of a permit that results in movement of waste or waste constituents that endangers surface or subsurface water or public health or safety.
- 16 Texas Administrative Code § 4.103(b)—An unauthorized discharge of oil or gas waste into a sensitive area, such as the presence of shallow groundwater or pathways for communication with deeper groundwater; proximity to surface water, including lakes, rivers, streams, dry or flowing creeks, irrigation canals, stock tanks, and wetlands; proximity to natural wildlife refuges or parks; or proximity to commercial or residential areas.
- 16 Texas Administrative Code § 3.9 or § 3.46—Injection at a pressure that exceeds the permitted injection pressure and may cause the movement of fluid outside the authorized injection zone, if such movement may have the potential for endangering an underground source of drinking water (USDW).
- 16 Texas Administrative Code § 3.9(1) or 3.46(a)—Operation of a disposal or fluid injection well without a permit.
- 16 Texas Administrative Code § 3.9(12)(c) or § 3.46(j)—Operation of a well that lacks mechanical integrity, which may allow the movement of fluid outside the authorized injection zone, if injection of such fluid may have the potential for endangering a USDW.
- 16 Texas Administrative Code § 3.13(a)(6)(B)(i)— Failure to install a blowout preventer system or control head and other connections to keep the well under control at all times as soon as surface casing is set.
- 16 Texas Administrative Code § 3.13(b)(1)(B)(i)— Failure to set and cement sufficient surface casing to protect all usable-quality water strata, as defined by the Groundwater Advisory Unit of the Oil and Gas Division.
- 16 Texas Administrative Code § 3.14(b)(2)— Failure to properly plug a well.
- 16 Texas Administrative Code § 3.36(c)(9)—Conducting hydrogen sulfide operations without a written contingency plan.

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<sup>2</sup> See [16 Texas Administrative Code, Chapter 3 \(Oil and Gas Division\)](#)

## Appendix B: Oil and Gas Division Enforcement Process

The Commission seeks consistent application of compliance and enforcement actions taken by all sections of the Oil and Gas Division when violations of Statewide Rules, Permits, or Orders are reported by inspectors, operators, or third parties. The following guidelines describe the internal procedures Commission staff follow when documenting, escalating, and resolving violations of statewide rules, permits, and orders. They are included here to give the public, operators, and other interested parties a clear understanding of how the Commission applies its enforcement authority consistently and fairly across the state.

Whenever violations of Commission Statewide Rules, Permits, or Orders are observed, the operator must be notified. The Notice of Violation will include the following elements:

1. Identification of the site where the violation exists, including the exact location with GPS coordinates.
2. A description of the violation with appropriate citation(s) (statute, rule, order, permit provision).
3. A brief description of the corrective action necessary to achieve compliance.
4. A deadline by which corrective action must be completed.

The operator is provided an opportunity to demonstrate compliance whenever possible, but if an operator does not make satisfactory progress toward actual conditions in the field necessary for full compliance, the next level of enforcement is initiated.

### Types of Notifications

For each type of notification identified below, an inspection report will document the violation and how the operator is notified of the violation. Each violation is tracked and counted. The district office tracks this in the ICE system.

#### *Verbal Notice*

Verbal notice should be used for incidents where active pollution is discovered, and immediate attention is required for protection of public safety and/or the environment. If contact cannot be made with the responsible party for incidents where active pollution is discovered, Commission staff are directed to proceed with a state-funded response.

Verbal notice can also be used for violations that are not classified as Major Violations on actively operated leases when the operator has a history of compliance and responsiveness to correcting previous violations. Each violation must be described in an inspection report with a comment that a verbal notice was provided, with the date and time the notice was provided, and to whom.

#### *Speed Memos or Email Notifications*

Speed memos or email notifications may be used for violations that are not classified as Major Violations on actively operated leases when the operator has a history of compliance and responsiveness to

correcting previous violations. A speed memo is a multi-copy form that is left at the well, lease, or facility to notify an operator of a violation. Each violation must be clearly described in the inspection report with a comment that a speed memo was left on location or that the operator was notified of the violation by email.

### *Notice of Violation (NOV)*

A Notice of Violation (NOV) is a letter sent through first class mail or email attachment. The NOV is the initial notice an operator receives if a verbal notice, speed memo, or email notification is not used. If a violation of SWR 14(b)(2) (plugging of an inactive well) is involved, the 15-day 14(b)(2) letter will also be sent at the same time as the NOV is sent. The issuance of a NOV is not a prerequisite for sending a Notice of Intent (NOI) (see below).

### *Notice of Intent to Cancel the P-4 (NOI)*

A Notice of Intent is a certified letter that lists each Commission violation that gives the operator at least ten (10) days to achieve compliance or to request a hearing prior to the cancellation of a P-4 and/or the placing of seals on a well or associated surface equipment related to the well. By statute, the operator is provided with notice of the facts or conduct alleged to justify the cancellation.

The NOI may be used in lieu of the NOV in cases where the operator has a history of noncompliance or in other appropriate circumstances. If an emergency situation exists or a P-4 has not been filed with the Commission, a physical seal may be placed on a well, along with any associated surface equipment related to the well, prior to issuance of a certified letter.

### *Notice of Penalty Action (NOPA)*

The Notice of Penalty Action (NOPA) is a letter from the District Office addressed to the Assistant Director of Field Operations recommending administrative penalty enforcement action against an operator for violation(s) of Commission Rules, Permits, or Orders of the Commission. The P-4 operator of the lease, facility, and/or well that is the subject of the recommendation is copied with the letter.

## **Compliance Follow Up**

Regardless of the type of notification used, the operator is advised of a deadline by which compliance must be achieved.

For Major Violations, the operator will be provided with a deadline appropriate to the circumstance for corrective action, up to 10 days; the operator may be given up to 30 days to correct other violations. Additional time may be granted for good cause (weather delays, personnel shortages, etc.) provided the extended compliance deadline does not result in increased risk to public safety or the environment.

Follow-up (back-check) inspections are scheduled to correspond with the compliance deadline date to confirm that the lease, facility, or well is in compliance. During the back-check, the site is inspected to determine if the required corrective action has occurred.

If an operator fails to substantially comply with a verbal, speed memo, or email notification or a NOV, a NOI is issued unless additional time has been granted for good cause. A P-4 severance/seal order should be issued in a timely manner for the lease/well if the violation(s) have not been corrected by the deadline date set forth in the NOI.

### *Administrative Penalty Referral*

A recommendation of an administrative penalty enforcement action will be considered by the District and Austin offices for operators that fail to comply with the time allowed in the written NOV or NOI. Leases that have been severed more than ninety (90) days should be referred for administrative penalty enforcement action.

If an operator fails to respond to a written NOV for a well with an approved 14(b)(2) plugging extension, staff should cancel 14(b)(2) plugging extensions and initiate a plug-hearing recommendation.

If compliance is achieved after a referral was submitted, a decision will be made on a case-by-case basis as to whether to proceed with a referral to the Office of General Counsel—Legal Enforcement Section. The NOPA letter recommending enforcement action after compliance is achieved should say this referral is for the extended violation of Commission rules and request penalties for time out of compliance.

### *Automatic Referral*

Automatic referral for administrative penalties will be considered for any deliberate or intentional violation. Table 5 lists examples of violations that should be considered for automatic referral. This list is not all inclusive and violations should be evaluated to determine if automatic referrals are warranted.

*Table 5: Examples of violations considered for automatic referral*

<b>Statewide Rule</b>	<b>Rule Summary</b>
16 TAC 3.5(a)	Drilling without a permit
16 TAC 4.101(a)	Pollution of surface or subsurface water
16 TAC 4.103(b)	Large volume spills, minimal effort from the operator to clean the spill, intentional unauthorized disposal of oil and gas waste, intentional discharges, cutting pit walls, intentionally breached firewalls, draining tanks, landfarming without a permit, violation of any provision of a permit under which a commercial waste management facility or a reclamation plant is an operated.
16 TAC 4.193(a)	Waste hauling without a permit
16 TAC 3.9(9)(A) and 3.46(j)(1)	Inadequately set packer in the production string

<b>Statewide Rule</b>	<b>Rule Summary</b>
16 TAC 3.9(12)(B) and 3.46(j)(2)	Rigged MIT tests
16 TAC 3.9(12)(C) and 3.46(j)	H-5 violations that have been out of compliance for an extended period
16 TAC 3.13(a)(6)(B)(i)	Drilling below surface casing without installing a blowout preventer
16 TAC 3.13(b)(1)(B)	Failure to protect UQW
16 TAC 3.13(b)(1)(C)	Failure to notify District Office when cement does not circulate
16 TAC 3.13(b)(1)(H)	Failure to obtain exception for an alternative casing program
16 TAC 3.14(a)(2) and 3.14(a)(3)	Plugging without approved procedure (W-3A) and failure to notify district office before commencing plugging
16 TAC 3.14(d)(1-11)	Failure to follow approved plugging procedure
16 TAC 3.16(b)	Failure to file completion reports in a timely manner
16 TAC 3.20(a)(1)	Failure to provide notice of fire, leak, or spill
16 TAC 3.36(c)(14)	Failure to report H2S incident and any other SWR 36 violation that results in injury or death.
16 TAC 3.36(d)(1)(G)	Failure to file H-9 30 days before commencing drilling
16 TAC 3.46(a)	Injection without a permit
16 TAC 3.73(i)	Producing while under Pipeline Severance or Seal Order
16 TAC 3.82(c)	Unauthorized construction or operation of a brine production project.
16 TAC 3.82(j)	Unauthorized injection into a Class V spent brine return injection well
16 TAC 5.202(a)	Unauthorized construction or operation of a Class VI carbon dioxide injection well

## Appendix C: Standard Operating Guidelines for Inspection Priorities

Appendix C details the guidelines used by Commission field inspectors and district office management to plan and prioritize their daily inspection activities. They are included here so that operators, landowners, and the public can understand how the Commission allocates its inspection resources and why some facilities are inspected sooner, or more often, than others.

### Purpose

The purpose of the Job Priorities for Field Inspectors guideline is to provide guidance to district offices management and field inspectors to help them plan and conduct their daily work activities in support of established Commission goals and performance standards and to emphasize that the Commission’s primary focus is the protection of the public, the environment, and the State’s natural resources.

### General Guidance

The Job Priorities for Field Inspectors guideline is used to determine which activities take priority over others for field inspection purposes. This guideline does not require that an activity of higher risk always be performed over one with a lower risk. Factors such as timing of an activity, location of inspectors relative to the activity, and overall industry activity in an area all impact our ability to perform inspections. Jobs that require immediate response are incidents listed under “Known Compliance Issues” and jurisdictional complaints (referenced in Appendix E).

### Risk Factors

Table 6: Risk factor priority order

<b>Risk Factor (In Priority Order)</b>	<b>Likelihood of Harm</b>	<b>Likelihood of Occurrence</b>
Known Compliance Issues (Complaints, incidents, emergencies, etc.)	High	High
Length of time since last inspection (Target at least once every five years)	High/Medium	High
Proximity to Public or Sensitive Areas	High	Medium
Compliance History	Medium	High
Major Safety/Pollution Prevention Activities (Notices of well plugging, MIT, surface casing, etc.)	Medium	Medium
Area Knowledge/Unique District Office Concerns	Low	Medium
Routine/General Inspection Needs	Low	Low

### Known Compliance Issues

Some known compliance issues include blowouts, spills and/or releases that impact or pose an imminent threat to sensitive areas. Other types of issues that trigger immediate inspection responses are emergency incidents that pose a threat to the health or safety of the public, and accidents involving injury or death resulting from a possible violation of Commission rules. All pollution or safety related

complaints are required to be investigated within 24 hours. Responses will generally require continuous surveillance until the situation is brought under control.

#### *Length of Time Since Last Inspection*

The Commission targets inspecting each well at least once every five years (Commission performance measure Outcome 3.1.2 found on page 42 of the [Commission's Strategic Plan for the Fiscal Years 2025 to 2029](#)).

#### *Proximity to Public or Sensitive Areas*

Includes safety and pollution prevention activities and lease/facility inspections near sensitive areas as defined by 16 Texas Administrative Code §3.91(a)(2).

#### *Compliance History*

Includes inspections of lease facilities where violations of Commission Statewide Rules have been discovered and documented.

#### *Major Safety/Pollution Prevention Activities (Non-Sensitive Areas)*

Includes safety and pollution prevention activities and lease/facility inspections in non-sensitive areas.

#### *Area Knowledge/Unique District Office Concerns*

Includes inspections of leases/facilities where local knowledge of operations and/or conditions are of concern to the inspector or district office. Concerns in this category are unique and determined at a local level.

#### *Routine/General Inspections*

Facilities in non-sensitive areas, oil theft, audits, and production testing receive routine and general inspections.

## Appendix D: Office of General Counsel Legal Enforcement Process

Appendix D describes the legal enforcement process used by the Commission's Office of General Counsel when violations are referred for formal action. It is included here in the interest of transparency, so that operators facing enforcement proceedings and members of the public interested in how penalties are assessed and collected can understand how the Commission pursues compliance and accountability through formal legal action.

### Governing Rules

The Commission has adopted rules of practice pursuant to the Administrative Procedure Act's requirements. *See* Tex. Gov't Code § 2001.004. The Commission's General Rules of Practice and Procedure are found in Texas Administrative Code, Title 16, Part 1, Chapter 1. These rules govern the service of process, notice of hearings, default judgments, and motions for rehearing in Legal Enforcement's contested cases. The Commission's rules for the Oil and Gas Division are found in Texas Administrative Code, Title 16, Part 1, Chapter 3 and Chapter 4. These rules (Statewide Rules) govern oil and gas operations within the State.

### Attorney Evaluation

Incoming referrals from the district offices and various other sections of the Oil and Gas Division are assigned to an enforcement attorney. The assigned attorney evaluates the legal sufficiency of the alleged violations based on evidentiary support. The attorney proceeds with an enforcement action when evidentiary support exists. Questionable evidentiary support requires the attorney to contact the district or referring section to inquire about the existence of additional evidence or to formulate an alternative legal theory. Referrals with insufficient evidence are administratively closed.

### Settlement Negotiations

Legal Enforcement seeks to achieve compliance and assess appropriate administrative penalties for proven violations. Legal Enforcement achieves these goals either through settlement, or a hearing. Based on the severity of the violation and/or the operator's history of prior violations, Legal Enforcement may initiate the process with reasonable attempts to settle the matter through voluntary compliance and reduced administrative penalties. If the operator chooses to voluntarily bring the violation into compliance, the frequency, severity, and intent of the violation weighs heavily in the settlement determinations. The penalty guidelines provide a flexible structure for most, but not all, violations. *See* 16 Texas Administrative Code §§ 3.107 and 4.107. The Commission is authorized to assess administrative penalties up to \$10,000 per day per violation. *See* Tex. Nat. Res. Code § 81.0531(b). Legal Enforcement consults with the regulatory division to determine its penalty recommendation. Operators that comply with the settlement provisions enter an Agreed Order with Legal Enforcement that is submitted for the Commission's approval.

### Default Judgments

If initial settlement attempts are unsuccessful, or if the facts do not warrant settlement negotiations, Legal Enforcement files a complaint and serves the operator with the complaint and a notice of

opportunity for hearing. If the operator fails to answer the complaint or requests a hearing and fails to appear, Legal Enforcement seeks a default order.

A final default order (Default Order) includes findings of facts, conclusions of law, and the recommended penalty and compliance terms. The Enforcement Master Default Order summarizes each Default Order and is submitted at Conference for Commission approval and signature. The Order is appealable to the district court if an operator files a motion for rehearing with the Commission within 25 days of the Default Order being signed and that motion is denied either expressly or by operation of law. If the operator fails to file a motion for rehearing within this time, the Default Order is final and not appealable to the district courts. If the operator files a motion for rehearing within the required time and the Commission grants the motion for rehearing, the Order is vacated, and the case is referred back to Legal Enforcement and the above-described settlement and hearings process repeats.

### Hearings in Protested Cases

If no settlement is reached and the case does not default, the case proceeds to hearing before an Administrative Law Judge (ALJ) and in some cases a Technical Examiner (TE). This process begins with Legal Enforcement serving the operator a notice of hearing and complaint via certified mail. After the hearing, at which the operator appears, the ALJ and TE prepare a proposal for decision (PFD) for the Commissioners to consider at a Commissioners' Conference duly posted with the Secretary of State.

The PFD is the ALJ's and TE's recommendation to the Commission regarding how the case should be decided based on applicable law and technical analysis of the facts presented at hearing. The PFD includes findings of fact and conclusions of law to support the recommended decision. If Legal Enforcement prevails, the PFD will include a penalty recommendation and compliance terms. The PFD is circulated to the parties to allow time for exceptions and replies to be filed in accordance with the Commission's General Rules of Practice and Procedure prior to presentation to the Commission. The PFD and any exceptions and replies filed are provided to the Commission prior to Conference. At a regularly noticed Conference, the ALJ and TE will present the PFD to the Commissioners and answer any legal or technical questions regarding the PFD's recommendations and points raised in the exceptions and replies. Operators have an opportunity to request oral argument before the Commissioners.

The Commissioners then vote whether to accept, reject, or modify the PFD. A majority of Commissioners must agree to determine the outcome. The PFD's recommendation—and any modifications adopted by the Commissioners—are included in a final order (Final Order) signed by the Commissioners. The above-described procedure for motions for rehearing and appeals to the district court regarding Default Orders also applies to Final Orders. If the Commission grants a motion for rehearing, the case is referred to the Hearings Division and the above-described hearing process repeats consistent with any instructions contained in the order granting the rehearing.

Following every Commissioners' Conference in which administrative penalties are assessed and approved, the Commission compiles and publicly distributes information on enforcement actions. This information includes the total amount of penalties assessed, and internet links to master default orders, master agreed orders, and an index for protested enforcement actions detailing the amount of each fine assessed to each non-compliant operator.

## Collections

Once the order becomes final, if the operator fails to timely comply with the order's terms, Legal Enforcement may refer the order to the Office of the Attorney General (OAG). The OAG may file suit in Travis County District Court seeking payment of administrative penalties per the terms of the order. The OAG may also seek civil penalties, attorneys' fees, court costs, and interest. Legal Enforcement assists the OAG in trial preparation, hearings, and appeals.

A warrant hold may also be placed on the delinquent operator through the Texas Comptroller of Public Accounts. The warrant hold will direct state funds due to an operator to the Commission to reduce or pay off the debt. The operator will be notified prior to the placement of a warrant hold.

The Commission may also refer debts to an independent debt collection agency. Additional expenses are assessed to offset the portion of the collection retained by the debt collection agency.

If an operator fails to achieve compliance, Legal Enforcement works with the OAG or the debt collection agency to secure reimbursement of Oil and Gas Regulation and Cleanup Fund expenditures to plug abandoned wells and/or remediate pollution. Once the Oil and Gas Division calculates the final cost for remediation, Legal Enforcement forwards the matter to the OAG's Bankruptcy and Collections Division or the debt collection agency. Alternatively, the reimbursement may be included in a Legal Enforcement complaint and become part of an order before the matter is referred for collection. Occasionally, the OAG deems the operator judgment proof and determines that administrative penalties and reimbursement cannot be collected. Cases returned from the OAG may be referred to the debt collection agency.

# Appendix E: Public Complaint Procedures

## Purpose and Statutory Framework

The Railroad Commission of Texas (Commission) receives 500 to 600 public complaints annually, reflecting the breadth of statewide oil and gas activity and the public’s reliance on the Commission to ensure environmental protection, public safety, and regulatory compliance. Anyone can file a complaint with the Commission.

The Commission’s authority to investigate and resolve complaints is grounded in:

- Texas Natural Resources Code, Title 3 (Oil and Gas)
- Texas Water Code, Chapter 26 (Water Quality Control)
- 16 Texas Administrative Code (TAC) Chapter 3, including Statewide Rules (SWR) governing pollution prevention, well integrity, plugging, and operational standards

The Commission prioritizes complaints involving:

- Imminent threats to public health, safety, or the environment (investigated immediately)
- Pollution-related incidents (investigated within 24 hours)
- Non-pollution complaints (investigated within 72 hours)

This statutory framework ensures timely response, consistent statewide enforcement, and transparency for complainants.

Table 7: Fiscal year 2025 formal complaints (Oil and Gas Division Field Operations)

Measure	Fiscal Year 2025
Number of oil and gas complaints received	463
Number of oil and gas complaints resolved	536

*\*The number of complaints received and resolved are not equal in a fiscal year as a complaint is not always resolved in the same fiscal year it is received.*

## Complaint Categories and Jurisdiction

### Jurisdictional Complaints

The Commission regulates activities associated with:

- Exploration, development, and production of oil, gas, and geothermal resources
- Storage, handling, reclamation, gathering, transportation, and distribution of crude oil or natural gas prior to refining or end use

Common jurisdictional complaint types include:

- Abandoned equipment

- Breakouts
- H<sub>2</sub>S incidents
- Inactive wells
- Disposal/injection wells
- Active leaks/spills
- Pits
- Pollution
- Production issues
- Seismic events
- Venting/flaring
- Water well impacts
- Wellhead control issues

These categories align with SWR 8 (Water Protection), SWR 14 (Plugging), SWR 36 (H<sub>2</sub>S), and other core regulatory provisions.

### Non-Jurisdictional Complaints

Complaints may involve matters that are outside the jurisdiction of the Commission, and are referred appropriately, as shown in Table 8:

*Table 8: Non-jurisdictional complaint routing table*

Issue Type	Primary Jurisdiction / Referral	Notes
Contracts, leases, deeds, royalties	Civil courts	These are private legal matters outside Commission authority.
Dust, noise, odors, traffic	TCEQ or local authorities	Commission only regulates crude oil spills and H <sub>2</sub> S releases that may cause odors.
Water well contamination	Commission (conditional)	RRC jurisdiction applies only if contamination originates from Commission-regulated activity.
Roads, gates, fences, livestock, crops	Private property or civil matters	May involve access obligations, but not necessarily Commission jurisdiction.

The Commission ensures complainants receive clear guidance on the appropriate venue for resolution.

## Special Complaint Categories Requiring Review

### *Expired Lease Allegations*

When a complainant asserts that an operator's lease has expired, the Commission must evaluate whether the operator maintains a "good faith claim" under SWR 15 (Plugging Extension Requirements).

The operator must provide:

- A copy of the lease
- A written explanation identifying the lease and the basis for alleging invalidity

The Hearings Division reviews the operator's documentation. If the operator cannot substantiate a good faith claim, the 14(b)(2) plugging extension is cancelled, and the matter is returned to the district for compliance.

### *False Filing of Form W-3C*

Form W-3C is required for plugging extensions under SWR 14(b)(2). Operators must certify that:

1. Electricity is disconnected
2. Tanks and flowlines are purged
3. Surface equipment is removed

If a complainant alleges false filing, or it is identified during an inspection:

- District staff verify the operator's W-3C filing
- Inspect the site and document remaining equipment
- Issue a Notice of Violation (NOV)
- Refer the case to Austin for enforcement

The P-5 Department may refuse to renew the operator's Organization Report if the extension was obtained under false pretenses.

### *Complaints from Elected Officials or State Agencies*

These complaints follow standard procedures but require immediate notification to the Regional Director or Assistant Director of Field Operations to ensure coordinated, timely response.

## Receiving and Assessing Complaints

Complaints may be submitted by phone, email, fax, letter, or in person. They may be formal or informal, but all require timely action, ensuring that complainant is treated with courtesy and that each complaint is considered important.

Each District Director designates a Complaint Coordinator responsible for:

- Monitoring complaint progress

- Ensuring timely inspections
- Preventing inadvertent delays

### *Jurisdiction and Emergency Determination*

Upon receipt, staff must determine:

1. Whether the complaint is within Commission jurisdiction
2. Whether it constitutes an emergency
3. Whether immediate inspection or operator contact is required

Emergency incidents follow the Emergency Incident Report (Red Border) protocol.

### *Formal Complaint Processing*

For formal complaints, the District Office enters the following required information into the ICE system:

- Date received
- Complainant name and contact information
- Nature of alleged violations
- Location
- Emergency status
- Formal vs. informal designation

ICE generates inspection and complaint IDs and dispatches inspectors, who following the appropriate inspection timeline:

- Immediate: Imminent threats
- 24 hours: Pollution or suspected pollution
- 72 hours: Non-pollution complaints

Inspectors should invite complainants to attend when safe and lawful.

## Post-Inspection Actions

### *No Violations Found*

The District Office sends a Complaint Letter stating the operator is in compliance and closes the complaint.

### *Violations Found*

1. Issue a Notice of Violation (NOV)
2. Conduct a back-check by the NOV deadline
3. If unresolved, issue a Notice of Intent to Sever/Seal

4. If still unresolved, sever the lease and issue a status report
5. Refer the case to Austin for enforcement unless substantial progress warrants a District Director approved extension

Complainants receive updates at least every 30 days during delays, however; once a complaint is referred to Legal Enforcement, the District Office closes its file and directs all inquiries to the Office of General Counsel—Legal Enforcement.

### Complaint Closure Procedures

A complaint may be closed when:

- Violations are corrected
- The matter is non-jurisdictional
- The issue is referred to another group and no active pollution exists

### *Legal Enforcement Referrals*

Closing letters must clarify that enforcement actions continue independently, indicating that the closing of a complaint file does not alter or suspend any Legal Enforcement action currently pending.

### *Site Remediation Referrals*

No active pollution:

- Close complaint
- Refer to Site Remediation
- Direct future inquiries to DOCC

Active pollution:

- Keep complaint open
- District Office Cleanup Coordinator provides inspection reports
- Complaint Coordinator continues status updates

### *State-Managed Plugging Referrals*

Complaints may be closed and referred to State-Managed Plugging when:

- No active pollution exists
- No active operator is available
- The well is not being referred to Legal Enforcement

Closing letters must explain the well plugging prioritization process, as shown in Appendix F, and provide contact information for the District Office Plugging Coordinator.

## Appendix F: Well Plugging Prioritization Methodology

The Commission uses a priority methodology to rank wells for plugging to ensure that those wells posing the greatest threat to public safety and the environment are plugged first. The priority system includes four factors relating to the threat a wellbore poses to public safety and the environment:

1. Well Completion;
2. Wellbore Conditions;
3. Well Location with respect to sensitive areas; and
4. Unique Environmental, Safety, or Economic Concern.

Table 9 lists the factors used in the well plugging prioritization system. The sum of all factors provides a total weight, which determines a well's plugging priority. Wells receive a priority of 1, 2H, 2, 3, or 4, where 1 is the highest priority. The priority system assigns leaking wells the highest priority (an automatic priority 1) and assigns an automatic priority 2 if the well fails a fluid level test.

Table 9: Well Plugging Priority System

	FACTOR	Weight
<b>1.</b>	<b>Well Completion</b>	
A.	Unknown (no well records)	15
B.	No surface casing or set above base of deepest usable quality water	10
C.	Additional casing string not adequately cemented to isolate usable quality water	5
D.	Injection or Disposal Well	10
E.	Well penetrates salt/corrosive water bearing formation or abnormally pressured formation	5
F.	Well in H2S Field	5
G.	Age: Well drilled $\geq$ 25 years ago	5
	<b>Total: (40 points max)</b>	
<b>2.</b>	<b>Wellbore Conditions</b>	
A.	Well is pressured up at the surface (tubing or prod casing)	10
B.	Bradenhead pressure exists *	5
	<b>Auto 2H if UQW not protected and fluid at BH is not UQW</b>	
C.	Measured fluid level	
D.	Fluid level at or above the base of deepest usable quality water.	50
E.	Fluid level less than 250' below base of deepest usable quality water (NA if 2D applies)	15
F.	MIT Failure	5
G.	H-15 (MIT) never performed or test > 5 years old (NA if F applies)	3
H.	Inadequate wellhead control/integrity	5
	<b>Total: (75 points max)</b>	
<b>3.</b>	<b>Well location with respect to sensitive areas:</b>	
A.	H2S well with Public area ROE** <b>Automatic Priority 2H</b>	
B.	In Marine Environment	10
C.	Within 100' of river, lake, creek, or domestic use fresh water well (NA if B applies)	5
D.	Between 100' and 1/4 mile of river, lake, creek, or domestic use fresh water well (NA if C)	3
E.	Located within an agricultural area.	2
F.	Well located in known sensitive wildlife area.	3
G.	Well located within city or town site limits.	10
	<b>Total (20 points max)</b>	

<b>4.</b>	<b>Unique environmental, Safety, or Economic Concern</b>	
<b>A.</b>	Adjacent to active water flood or disposal well at or above completion interval.	5
<b>B.</b>	Logistics (poor roads, encroaching public, etc.)	5
<b>C.</b>	Well contains junk.	5
<b>D.</b>	P-5 Delinquent > 5 years	5
<b>E.</b>	Other (attach explanation)	1-20
	<b>Total: (20 points max)</b>	

**Total Weight**

<b>Priority 1 = Leaking Well [based upon definition]</b>
<b>Priority 2H = Higher Risk well [based on definition and/or total weight of 75+]</b>
<b>Priority 2 = Total Weight of 50-75</b>
<b>Priority 3 = Total Weight of 25-49</b>
<b>Priority 4 = Total Weight &lt; 25</b>

\*BH pressure is sustained.

\*\*2H if public areas could be impacted based on 16 Texas Administrative Code §3.36 [Statewide Rule 36] definition.

Undetected/continuous leak possible.

Table 10 shows the number of wells plugged by priority during fiscal year 2025 and between fiscal years 1992 and 2025. The table includes wells plugged with both OGRC and federal funding sources. In September 2001, the Commission implemented the High Risk Well Testing Program, established by SB 310 (77<sup>th</sup> Legislature, 2001) and began concentrating its well plugging efforts on priority 1 and 2 wells.

*Table 10: Number of wells plugged by priority.*

	<b>Fiscal Year 2025</b>	<b>Fiscal Years 1992–2025</b>
<b>Priority 1</b>	52	3,712
<b>Priority 2H</b>	451	8,092
<b>Priority 2</b>	217	12,785
<b>Priority 3</b>	380	10,260
<b>Priority 4</b>	1	4,065
<b>Priority 5*</b>	0	1,651
<b>Total</b>	<b>1,101</b>	<b>40,565</b>

\* The Commission eliminated the Priority 5 category fiscal year 2001. Priority 5 was removed and replaced with priority 2H to give further granularity to the higher priority wells.

## Appendix G: Oil and Gas Division Contact Information

The following table provides contact information for each unit within the Oil and Gas Division. Members of the public with questions or concerns about oil and gas activity in Texas are encouraged to contact the Railroad Commission's main line or submit a request through the Public Assistance form on the Commission's website. Operators and industry representatives seeking guidance on a specific permit, filing, or compliance matter may wish to contact the unit responsible for that activity directly.

Table 11: Oil and Gas Division contact information

Unit / Section	Email	Phone
<b>Railroad Commission</b>	<a href="mailto:Publicassist@rrc.texas.gov">Publicassist@rrc.texas.gov</a>	(512) 463-7158
<b>P-5 Financial Assurance Unit</b>	<a href="mailto:P-5@rrc.texas.gov">P-5@rrc.texas.gov</a>	(512) 463-6772
<b>Drilling Permits Unit</b>	<a href="mailto:drillingpermits-info@rrc.texas.gov">drillingpermits-info@rrc.texas.gov</a>	(512) 463-6751
<b>Well Compliance Unit</b>	<a href="mailto:prorationunit@rrc.texas.gov">prorationunit@rrc.texas.gov</a>	(512) 463-6456
<b>Well Mapping Unit</b>	<a href="mailto:RRC.Mapping@rrc.texas.gov">RRC.Mapping@rrc.texas.gov</a>	(512) 463-6726
<b>Production Audit Unit</b>	<a href="mailto:ProductionReporting-Info@rrc.texas.gov">ProductionReporting-Info@rrc.texas.gov</a>	(512) 463-6726
<b>Geologic (Groundwater) Advisory Unit</b>	<a href="mailto:GAU@rrc.texas.gov">GAU@rrc.texas.gov</a>	(512) 463-2741
<b>Engineering Unit</b>	<a href="mailto:EngUnit@rrc.texas.gov">EngUnit@rrc.texas.gov</a>	(512) 463-1126
<b>Environmental Permits – General</b>	<a href="mailto:Enviro.Permits@rrc.texas.gov">Enviro.Permits@rrc.texas.gov</a>	(512) 463-3840
<b>Environmental Permits – Domestic Wastewater</b>	<a href="mailto:domestic.wastewater@rrc.texas.gov">domestic.wastewater@rrc.texas.gov</a>	(512) 463-3840
<b>Environmental Permits – Waste Haulers</b>	<a href="mailto:whp@rrc.texas.gov">whp@rrc.texas.gov</a>	(512) 463-7371
<b>Injection Storage Permits &amp; Support Unit</b>	<a href="mailto:UIC@rrc.texas.gov">UIC@rrc.texas.gov</a>	(512) 463-7167
<b>Special Injection Unit</b>	<a href="mailto:SIP@rrc.texas.gov">SIP@rrc.texas.gov</a>	(512) 463-6703
<b>Site Remediation Section</b>	<a href="mailto:SR-SMCU@rrc.texas.gov">SR-SMCU@rrc.texas.gov</a>	(512) 463-6765
<b>Field Operations Section (General)</b>	<a href="mailto:FOPS@rrc.texas.gov">FOPS@rrc.texas.gov</a>	(512) 463-6830