

WORK PLAN/PROPOSAL FOR FORMULA GRANT FUNDS
(Suggested Format)

Instructions: A Work Plan should thoroughly address the required elements, which are stated in the Revised State Formula Grant Guidance (Guidance). **This template is provided to assist States in preparing a Work Plan that addresses the required elements. States are not required to use this template. If a State does not use this template, however, it should ensure that the Work Plan addresses each required element. The Work Plan must justify the grant amount.** Please carefully complete each section below, and use additional sheets as needed. Please use at least an 11-point font.

The template outline of suggested sections in the Work Plan is shown in standard font. The *italicized font portion* provides descriptions of the information that should be included within each section. References to the specific portion of the Guidance is included for each element.

Person Submitting Proposal: Colleen Forrest _____ Date: 7/24/25

Organization Name: Railroad Commission of Texas _____

Announcement ID: **D-AQD-FA-25-002-111198 / D-AQD-FA-25-003** _____

Applicant Program Title: Railroad Commission of Texas Abandoned Oil and Gas Well
Plugging Program Phase II Formula Grant _____

Estimated Period of Performance: *September 1, 2025 to August 31, 2030* _____

Proposed Locations: Austin, TX (Administratively); Statewide (Programmatically) _____

Orphaned Well Program Description

- *Provide a description of the State's orphaned well program, including the following:*
 - *Legal authorities, including the State's plugging standards and witnessing requirement. Section IV.B.5.a.aa.I.;*
 - *If the State has no plugging standards, describe how the work performed will reflect, at a minimum the Bureau of Land Management's Onshore Oil and Gas Order No. 2 (for onshore wells) or the relevant provisions of 30 CFR Part 250 (for offshore wells). Section V.B.1-2.*
 - *Describe State standards for well abandonment, including actions necessary to complete surface reclamation and revegetation. If the state does not have well abandonment standards, describe how the state will meet the BLM Reclamation and Abandonment Standards for well sites where appropriate. Section V.B.3-4.*
 - *Processes used to identify and prioritize wells, based on the factors in 42 U.S.C. § 15907(c)(2)(A)(iii), including land use priorities that increase domestic oil and gas production and development activities, support the Administration's efforts to unleash American energy, and address our National Energy Emergency. Section IV.B.5.a.aa.II.;*
 - *Procurement mechanisms. Section IV.B.5.a.aa.III.;* and
 - *Other program elements demonstrating the readiness of the State to carry out proposed activities using the grant. Section IV.B.5.a.aa.IV.*
- *The definitions and processes used by the State to formally identify a well as—an orphaned well; or if the State uses different terminology, otherwise eligible for plugging, remediation, and reclamation by the State. Section IV.B.5.d.*
- *A description of the process the State follows to identify and pursue all potentially responsible parties that may be legally liable for plugging, remediating, or restoring orphaned wells in the State. Section IV.B.5.c.*
- *The means by which the information regarding the activities of the State under a grant will be made available on a public website. Section IV.B.5.a.cc.*

The Railroad Commission of Texas (RRC) is seeking Phase II Formula Grant funding under Sec. 40601 of the Infrastructure Investment and Jobs Act to plug, remediate, and reclaim orphaned wells located on State-owned or privately owned land across Texas. The Commission is the state agency with primary regulatory jurisdiction over the oil and natural gas industry with environmental and safety responsibilities related to oil and gas production. Protecting the environment and preserving natural resources by regulating fossil fuel energy production, storage, and delivery is one of the agency's primary goals. Statute and rules cited in this document were provided as an attachment to the original Phase II Formula Grant submission in 2024.

The Commission began its statewide well plugging program in 1984 seeking to alleviate water quality problems associated with oil and gas production. Texas Natural Resources Code §89.043 delineates the processes and conditions for the Railroad Commission to plug an orphaned or abandoned well. The Commission's plugging standards are found within 16 Texas Administrative Code §3.14. Upon completion of a plugging job, a Plugging Record (Railroad Commission Form W-3) is submitted; this form documents the plugging procedure as implemented. It is signed by the cementer, and by a representative of the Railroad Commission. In nearly every instance when an orphaned well is plugged under contract with the Railroad Commission, Commission staff are on site throughout the plugging process to witness the job.

Texas Natural Resources Code §89.085 authorizes the Commission to dispose of well-site equipment and any amount of hydrocarbons from an orphaned or abandoned well in a commercially reasonable manner. When salvage equipment is present, the Commission provides public notice of the equipment available for bid, including a description of the equipment and any materials. When such activity occurs at well sited plugged using federal funds, proceeds are segregated within the State's General Revenue Dedicated Oil and Gas Regulation and Cleanup fund, per the direction of the State's Comptroller of Public Accounts. Salvage income becomes additive to the grant and is incorporated periodically into the grant budget using the SF-424A.

Texas Natural Resources Code §89.044 authorizes Commission staff to enter private property for the purpose of plugging or replugging a well that has not been properly plugged. The Railroad Commission has no authority to grant access to private property to a federal agency. The Commission will coordinate access to federal land for those wells that will be plugged under cooperative agreements with federal land management agencies.

With an existing inventory of more than 8,000 documented orphaned wells in Texas, resources are most effectively directed towards the known orphaned well population. The Commission has extensive knowledge of both the state's current well population of over 440,000 wells and its historical well populations. Since the Railroad Commission's orphaned well plugging program began nearly 47,000 orphaned wells have been plugged by the Commission, with more than 230,000 additional wells plugged by operators in Texas since 1991. With this experience the Commission has a well-established prioritization process that assigns numerical values to factors in four categories: well completion, wellbore conditions, well location with respect to sensitive areas, and unique environmental, social, or economic concern. The sum of those values assigns a priority level to each well. A copy of the prioritization system was provided as an attachment to the original Phase II Formula Grant submission in 2024. With the Phase II Formula Grant, the Commission will plug wells across the state, including bay and offshore and those wells with a higher concentration of hydrogen sulfide. Specific wells to be plugged with this funding will be determined during the project implementation phase.

The Commission follows the fiscal policies and procedures established by the Texas Comptroller of Public Accounts, which implement the statutory and regulatory intent of the Texas Legislature inclusive of statutory requirements found within Texas Government Code and the General Appropriations Act, as well as rules promulgated by the Comptroller in Texas Administrative Code. Specific procurement mechanisms are detailed in the *State of Texas Procurement and Contract Management Guide* [please see [link to guide](#)] and the *Railroad Commission of Texas Procurement and Contract Management Guide* [please see [link to guide](#)].

Texas Natural Resources Code Sec. 89.047(3) defines an Orphaned well as a well for which the commission has issued a permit, when production of oil or gas or another activity under the jurisdiction of the commission has not been reported to the commission for the preceding 12 months, and whose operator's commission-approved organization report has lapsed. This statutory language is implemented at the Commission to formally identify a well as orphaned when an inactive, non-compliant well that has been inactive for a minimum of 12 months and the responsible operator's Organizational Report (Railroad Commission Form P-5) has been delinquent for greater than 12 months.

Chapter 91 of the Texas Natural Resources Code requires operators to file a bond, letter of credit, or cash deposit providing financial assurance to operate in the state. This financial assurance is forfeited if the operator becomes delinquent in their reporting requirements. Texas Natural Resources Code Sec. 91.108 requires these funds to be used only for actual well plugging and surface remediation. Financial security forfeitures are included in the Commission's annual state-funded well plugging and site remediation budgets. Financial security forfeitures are used to plug orphaned wells as part of the on-going state-funded effort to address orphaned wells but will not directly offset any Phase II Formula Grant well plugging projected costs. Financial security forfeitures are collected when an operator is no longer compliant with Commission rules. Forfeiture funds are used in the year they are received to plug wells according to the Commission's prioritization system. A well for which an operator forfeited their financial security may not be plugged for several years or could be taken over by another operator.

The Commission works with the Texas Office of the Attorney General (OAG) to seek reimbursement for plugging costs from the operator of record when the Commission must plug a well. The success rate of these reimbursement collections is low as most of these operators are no longer in business. Some reimbursements are collected by OAG in installments over a period of several years to avoid being a financial hardship for an operator. The sporadic nature of collections prevents the Commission from estimating a reimbursement recovery rate for well pluggings from the Phase II Formula Grant. It is likely that any collections would not be received until after the project period is complete. Any reimbursements received for wells plugged with Infrastructure Act funds will be treated as program income. The Commission will request to use these funds as additive to its Phase II Formula Grant allocation in a manner like amendments to the Initial Grant and anticipated Phase I Formula Grant additive program income from salvage equipment revenue.

The Commission developed a public website during the implementation of the Initial Grant. The website is available at [this link](#), and includes the quarterly data reporting template identifying those wells plugged with these funds, the well prioritization system, rules related to inactive and orphaned wells, as well as other information related to this effort. The Commission will continue to update this website and use its social media channels to promote new information as it is available.

Proposed Grant Activities, Milestones, Outcomes and Schedule

- *Provide a description of the details of each activity to be carried out with the grant, including a preliminary work schedule covering the period of performance of the grant. Each activity must include a schedule, and resources needed for getting the work completed, which must cover the entire relevant period of performance. Section IV.B.5.e.aa.*
- *Provide proposed performance goals including a schedule of milestones for completing the activities funded by the grant and to achieve the objectives of the workplan (a suggested example is shown below), or through other graphical aids, work schedule, Gantt chart, etc. Section IV.B.5.e.bb.*
- *Describe the estimated health, safety, habitat, and environmental benefits of plugging, remediation, or reclaiming orphaned wells. States are encouraged to carry out activities that increase domestic oil and gas production and development activities, support the Administration’s efforts to unleash American energy, and address our National Energy Emergency. Section IV.B.5.a.bb.*
- *Provide, if practical, the latitude/longitude, type of well, the well ID (API or US well number), surface ownership, and mineral ownership for those wells that are likely to be plugged, remediated, or reclaimed with grant funds. Section IV.B.5.e.cc.*
- *Provide an estimate of the number of orphaned wells in the State that will be plugged, remediated, or reclaimed using grant funds. Section IV.B.5.b.aa.*
- *Provide an estimate of the number of jobs that will be created or saved through the activities to be funded under this grant and the assumptions and methodology to develop the estimate. Section IV.B,5.b.dd.*

Activity	Preliminary Schedule	Resources
Amend Existing Well Plugging and Site Remediation Contracts as needed	July -August 2025	Pre-Award activity with no associated cost to the grant, RRC Contracts Management and Program Staff
Phase II Formula Grant Awarded	Anticipate no later than September 2025	DOI Program and Grants Management Staff
Deploy well plugging contractors under amended contracts to plug wells, with RRC staff in an oversight role	September 2025-August 2030	Grant funded RRC Well Plugging staff, and existing contractors
Submit Quarterly Reports	October, January, April, and July for each year of the project period.	RRC Project Management, Financial and Grants Management Staff
Submit Closeout Reports	December 2030	RRC Project Management, Financial and Grants Management Staff

The Railroad Commission's implementation of the Phase II Formula Grant authorized by Section 40601 of the Infrastructure Investment and Jobs Act (2021) will benefit health, safety, habitat, and environment by eliminating the potential threat of an uncontrolled liquid hydrocarbon release from orphaned wells across the eastern region of the state. With Phase II Formula Grant funding, the Commission anticipates it will oversee plugging of 1,670 orphan wells during the project period. The actual number of wells plugged will be determined based on costs at the time of plugging. Funds will be allocated across the state.

Mitigation efforts will implement proper well plugging techniques to protect subsurface and surface waters, wetlands, protected species, and sensitive natural resources, as well as the removal of above and below ground oil and gas well equipment. Contracted well plugging service companies will complete generally accepted and state regulator approved well plugging procedures, with Commission staff onsite to oversee operations and document the plugging of each well, ensuring that plugging operations comply with all regulatory requirements.

The Commission will determine the specific wells that will be plugged with Phase II Formula Grant funds as funding is implemented through its standard work order process, while anticipating that 1,670 orphan wells will be plugged during the project period. The Commission maintains a list of orphaned wells with a P-5 delinquent for more than twelve months. The list includes the lease name, operator name, and API number, as well as the number of months each well has been inactive. Based on the API number, wells on the list may be searched using the Commission's GIS Public Viewer to identify latitude and longitude coordinates. The Commission does not maintain surface ownership or mineral ownership data.

The Commission intends to fund up to 46 positions with Phase II Formula Grant funds during the project period, as detailed in the budget narrative. The Commission will scale up the use of Phase II funds during state fiscal years 2026 and 2027 as the Phase I Formula Grant winds down. Phase II funded positions will include well plugging inspectors, site remediation inspectors, district office administrative staff, and Austin-based headquarter staff for project review and oversight.

As of October 18, 2024, with Initial Grant and limited expenditures of Formula Grant funds Commissions contractors (and their subcontractors) reported 196,609 hours for 529 unique employees in Certified Payrolls for Davis-Bacon Act compliance. Davis-Bacon covered employees do not represent the total number of contractor positions funded with the Initial Grant. Further, employees are typically paid for travel time to the worksites, which is not recorded as Davis-Bacon covered time as the employee is not on the job site. Generally, supervisors do not report hours unless they work a significant portion of their time on heavy equipment which varies from contractor to contractor. The Commission is unable to provide an estimate with a replicable and reliable methodology as this is better determined by subject matter experts with additional data sources

Estimates of Costs

- *Provide the projected cost, including the basis of estimates, for:*
 - *Plugging, remediating, or reclaiming orphaned wells. Section IV.B.5.b.bb.I.;*

- *Remediating or reclaiming adjacent land. Section IV.B.5.b.bb.II.; and*
- *Decommissioning or removing associated pipelines, facilities, and infrastructure. Section IV.B.5.b.bb.III.*
- *Provide an estimate of the amount of that projected cost that will be offset by the forfeiture of financial assurance instruments, the estimated salvage of well site equipment, or other proceeds from the orphaned wells and adjacent land. Section IV.B,5.b.cc.*
- *Provide an estimate of the amount funds to be spent on administrative costs. Section IV.B,5.b.ee.*

The Commission anticipates \$102,580,000 will be allocated to contractors to plug orphaned wells, with costs based on previous plugging contractual expenses. An additional \$5,000,000 will be allocated to routine site remediation work adjacent to well plugging sites, to include remediation of lightly contaminated soil and tank batteries.

The Commission does not anticipate that it will decommission or remove pipelines, facilities, or other infrastructure and cannot estimate associated costs at this time.

The Commission is unable to estimate the projected costs that may be offset by the forfeiture of financial assurance instruments, the estimated salvage of well site equipment, or other proceeds from the orphaned wells and adjacent land as each orphaned well site offers a unique circumstance that may not be predicted in advance of plugging operations. During the Initial Grant, the Commission collected more than \$1.2 million in salvage revenue from \$23.6 million of contracted well pluggings; however, this number is an example rather than an indicator of future collections.

The Commission anticipates administrative will be limited to 9.98% of the total award or \$11,930,636 of the anticipated \$119,510,636 million award.

Timeline or Milestones to Complete Expected Results [Suggested Table Format]

Describe significant outputs and expected results or outcomes of the activities with a clear set of milestones and how they will be measured within a specified timeframe. All proposals must have measurable results that correlate to a timeline.

Milestone / Task / Activity	Start Date	Completion Date
<i>Insert specific, measurable results/outcomes such as milestones, tasks, and/or activities. For example: initiate and complete well prioritization, procurement of contractors, field work, etc.; number of acres surveyed in x area; number of wells plugged, remediated, or restored; number of acres reclaimed or remediated; draft or final report publicly disseminated;</i>	<i>Estimates start date</i>	<i>Estimated completion date</i>
Year 1: Well plugging activities of approximately 200 orphan wells.	9/1/2025	8/31/2026

Year 2: Well plugging activities of approximately 352 orphan wells. This includes plugging 2 complex orphaned wells (bay/offshore/high H2S emitting wells).	9/1/2026	8/31/2027
Year 3: Well plugging activities of approximately 459 orphan wells. This includes plugging 9 complex orphaned wells (bay/offshore/high H2S emitting wells).	9/1/2027	8/31/2028
Year 4: Well plugging activities of approximately 459 orphan wells. This includes plugging 9 complex orphaned wells (bay/offshore/high H2S emitting wells).	9/1/2028	8/31/2029
Year 5: Well plugging activities of approximately 200 orphan wells.	9/1/2029	8/31/2030
Update public website with data on wells plugged and any other relevant Phase II Formula Grant programmatic information.	9/1/2025	8/31/2030
Submit Quarterly Reports. In compliance with grant agreement documents, the Commission will submit all required documents by the agreed upon dates. Dates listed in this document assume a federal quarterly schedule.	End of October, January, April, and July for each year of the project period.	
Submit Annual Reports. In compliance with grant agreement documents, the Commission will submit all required Performance and Financial reports within 90 days after the end of the reporting period.	November 30 each year of the project period	
Submit Closeout Reports. In compliance with grant agreement documents, the Commission will submit all required closeout documents by the agreed upon date. Date listed in this document assumes 120 days after the conclusion of the project period.	9/1/2030	12/31/2030

The milestone table assumes the Commission transitions three districts from the Phase I Formula Grant to the Phase II Formula Grant in state fiscal year 2026. The Commission anticipates transitioning three additional districts in fiscal year 2027. In fiscal years 2028 and 2029 every district will plug wells using Phase II Formula Grant funds. In fiscal year 2030, the Commission will transition to remaining Formula Grant funds awarded separately, while scaling down those districts using Phase II funds to ensure use of all remaining available grant funds. By allocating funds by District, the Commission will be able to easily segregate funds from various sources during periods of funding overlap.

Performance Monitoring and Evaluation Plan

Describe how you will measure performance and assessment tools to be used and how you will evaluate the performance of sub awards, subrecipients, contractors etc.

The Commission relies on several performance metrics to assess the success of its programs and will use those same metrics to assess performance related specifically to Phase II Formula Grant funded well plugging and site remediation efforts.

On a state fiscal year annual basis, the Commission will identify:

1. Percentage of identified abandoned pollution sites investigated, assessed, or cleaned up with Phase II Formula Grant funds

2. Percentage of known orphaned wells plugged with Phase II Formula Grant funds
3. Number of identified abandoned pollution sites that are candidates for Phase II Formula Grant funds cleanup
4. Number of known orphaned wells

On a state fiscal year quarterly basis, the Commission will identify:

1. Number of abandoned pollution sites investigated, assessed, or cleaned up with Phase II Formula Grant funds
2. Number of orphaned wells plugged with Phase II Formula Grant funds
3. Total aggregate plugging depth of orphaned wells plugged with Phase II Formula Grant funds
4. Average number of days to complete abandoned Phase II Formula Grant funded site clean-up
5. Average number of days to plug an orphaned well with Phase II Formula Grant funds

The Commission evaluates its contractors based on their adherence to legislative and regulatory standards, as well as any site-specific contract-based standards. These standards are detailed for contractors in solicitation documents, generally in *Attachment 1: Statement of Services*. All work conducted for the Commission must be performed in accordance with applicable federal, state, and local statutes, laws, ordinances, regulations, and rules, including Railroad Commission Statewide Rules, codified in Texas Administrative Code, Title 3, Chapter 16, the specifications within the associated Statement of Services and any Work Order issued under the Contract, as well as all terms and conditions of the contract. Each contract includes clauses that allow for termination for cause or termination for convenience.

Qualifications

- *List key personnel and responsibilities (e.g., Principal Investigator/Program Director and Administrative Official/Authorized Representative) and describe their experience and qualifications that are appropriate to the success of the State's program.*
- *List contractors, sub-awards, and consultants, if known, and their qualifications.*

David Lindley, Mr. Lindley is the Assistant Director of Field Operations, Oil and Gas Division. Mr. Lindley began his career as a petroleum engineer with Conoco in 1991, developing his production engineering skills to include artificial lift selection and optimization, workovers, facility design, and waterflooding, while working from their Midland Division Office. He started with Southwestern Energy (SWN) in 2005 and became a production and completions engineer and eventually, team-lead. Since leaving SWN in 2011, Mr. Lindley has been active in operations management to include all aspects of the life of a well from concept to abandonment. David joined the Railroad Commission in May 2024 as Deputy Assistant Director of the North Region, and then assumed the role of Assistant Director upon Clay Woodul's retirement in June. In his role as Assistant Director, Mr. Lindley is responsible for the management of regulatory compliance and enforcement, along with management and operations of the State Managed Plugging program.

Peter Pope, Mr. Pope has 24 years of experience with the Railroad Commission working exclusively in the Site Remediation Section. Mr. Pope is a licensed professional geoscientist with extensive experience performing or providing oversight of environmental site investigations and cleanup activities. As the current Manager of the Site Remediation Section, Mr. Pope is responsible for management of four cleanup programs, including the State Managed Cleanup program.

Keith May, Mr. May has eleven years of experience with the Railroad Commission. During that time, he has served multiple roles in Technical Permitting and Field Operations. Since 2018, he has been directly involved in the State Managed Plugging program. As the Project Manager for State Managed Plugging, he oversees the day-to-day operations, creates reports, and implements initiatives to ensure performance measures are achieved.

Corey Crawford, Mr. Crawford is the project manager responsible for the financial aspects of the Commission's federally funded well plugging program. His responsibilities include monitoring compliance with state, federal and grant requirements. Mr. Crawford is a Certified Public Accountant with 16 years of governmental accounting experience with the State of Texas. He has extensive experience with budgeting and financial reporting across Texas state government.

Colleen Forrest, Ms. Forrest has 17 years of experience with the Railroad Commission. During that time, she has managed the Commission's grants, including projects funded from the American Recovery and Reinvestment Act, the RESTORE Act, and most recently the Infrastructure Investment and Jobs Act. As the Director of Strategic Initiatives, she also oversees the Commission's strategic planning processes and performance measurement.

Hannah Hawthorne, Ms. Hawthorne is a new Railroad Commission employee. She joined the Commission after graduating from Iowa State University with a Bachelor of Environmental Science degree in 2023. Ms. Hawthorne coordinates the Commission's well plugging project selection analysis.

Leveraging of Resources (optional, if applicable)

If the State has any plans to leverage funds or resources with other federal and/or non-federal sources of funds or resources to carry out the proposed activities, please describe those plans.

While the Railroad Commission has a state appropriation for well plugging and site remediation concurrent with the Phase II Formula Grant project period, the two funding sources have separate requirements and will not be comingled or leveraged in a manner that would impose federal requirements on state funds or the implementation of ongoing state-funded programs.

For information concerning the Paperwork Reduction Act, please see OMB Control Number: 1093-0012.

Application for Federal Assistance SF-424

* 1. Type of Submission: <input type="checkbox"/> Preapplication <input checked="" type="checkbox"/> Application <input type="checkbox"/> Changed/Corrected Application	* 2. Type of Application: <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision	* If Revision, select appropriate letter(s): <input type="text"/> * Other (Specify): <input type="text"/>
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* 3. Date Received: <input type="text"/>	4. Applicant Identifier: <input type="text"/>
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5a. Federal Entity Identifier: <input type="text"/>	5b. Federal Award Identifier: <input type="text"/>
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State Use Only:

6. Date Received by State: <input type="text"/>	7. State Application Identifier: <input type="text"/>
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8. APPLICANT INFORMATION:

* a. Legal Name: <input type="text" value="Texas Railroad Commission"/>		
* b. Employer/Taxpayer Identification Number (EIN/TIN): <input type="text" value="746000134"/>	* c. UEI: <input type="text" value="LU9UFH3W1HB1"/>	

d. Address:

* Street1:	<input type="text" value="1701 N CONGRESS"/>
Street2:	<input type="text"/>
* City:	<input type="text" value="AUSTIN"/>
County/Parish:	<input type="text"/>
* State:	<input type="text" value="TX: Texas"/>
Province:	<input type="text"/>
* Country:	<input type="text" value="USA: UNITED STATES"/>
* Zip / Postal Code:	<input type="text" value="78701-1402"/>

e. Organizational Unit:

Department Name: <input type="text" value="Oil and Gas Division"/>	Division Name: <input type="text" value="Field Operations"/>
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f. Name and contact information of person to be contacted on matters involving this application:

Prefix: <input type="text" value="Ms."/>	* First Name: <input type="text" value="Colleen"/>
Middle Name: <input type="text"/>	
* Last Name: <input type="text" value="Forrest"/>	
Suffix: <input type="text"/>	

Title:

Organizational Affiliation:

* Telephone Number: <input type="text" value="512-463-2645"/>	Fax Number: <input type="text"/>
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* Email:

Application for Federal Assistance SF-424

*** 9. Type of Applicant 1: Select Applicant Type:**

A: State Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

* Other (specify):

*** 10. Name of Federal Agency:**

Department of the Interior

11. Catalog of Federal Domestic Assistance Number:

15.018

CFDA Title:

Energy Community Revitalization Program

*** 12. Funding Opportunity Number:**

D-AQD-FA-25-003

* Title:

FY25 DOI State Orphaned Wells Formula Grant Program - Phase 2

13. Competition Identification Number:

D-AQD-FA-25-003-113149

Title:

FY25 DOI State Orphaned Wells Formula Grant Program - Phase 2

14. Areas Affected by Project (Cities, Counties, States, etc.):

Add Attachment

Delete Attachment

View Attachment

*** 15. Descriptive Title of Applicant's Project:**

Railroad Commission of Texas Phase II Formula Grant

Attach supporting documents as specified in agency instructions.

Add Attachments

Delete Attachments

View Attachments

Application for Federal Assistance SF-424

16. Congressional Districts Of:
 * a. Applicant * b. Program/Project

Attach an additional list of Program/Project Congressional Districts if needed.

17. Proposed Project:
 * a. Start Date: * b. End Date:

18. Estimated Funding (\$):

* a. Federal	<input type="text" value="119,510,636.00"/>
* b. Applicant	<input type="text"/>
* c. State	<input type="text"/>
* d. Local	<input type="text"/>
* e. Other	<input type="text"/>
* f. Program Income	<input type="text"/>
* g. TOTAL	<input type="text" value="119,510,636.00"/>

*** 19. Is Application Subject to Review By State Under Executive Order 12372 Process?**
 a. This application was made available to the State under the Executive Order 12372 Process for review on .
 b. Program is subject to E.O. 12372 but has not been selected by the State for review.
 c. Program is not covered by E.O. 12372.

*** 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)**
 Yes No
 If "Yes", provide explanation and attach

21. *By signing this application, I certify (1) to the statements contained in the list of certifications and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 18, Section 1001)**
 ** I AGREE
 ** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

Authorized Representative:

Prefix: * First Name:
 Middle Name:
 * Last Name:
 Suffix:
 * Title:
 * Telephone Number: Fax Number:
 * Email:

* Signature of Authorized Representative: * Date Signed:
 5D99A45E434042D...

BUDGET INFORMATION - Non-Construction Programs

OMB Number: 4040-0006
Expiration Date: 02/28/2025

SECTION A - BUDGET SUMMARY

Grant Program Function or Activity (a)	Catalog of Federal Domestic Assistance Number (b)	Estimated Unobligated Funds		New or Revised Budget		
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1. DOI - 15.018	15.018	\$ <input type="text"/>	\$ <input type="text"/>	\$ 119,510,636.00	\$ <input type="text"/>	\$ 119,510,636.00
2.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
3.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
4.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
5. Totals		\$ <input type="text"/>	\$ <input type="text"/>	\$ 119,510,636.00	\$ <input type="text"/>	\$ 119,510,636.00

SECTION B - BUDGET CATEGORIES

6. Object Class Categories	GRANT PROGRAM, FUNCTION OR ACTIVITY				Total (5)
	(1)	(2)	(3)	(4)	
	DOI - 15.018				
a. Personnel	\$ 8,906,789.00	\$	\$	\$	\$ 8,906,789.00
b. Fringe Benefits	2,555,147.00				2,555,147.00
c. Travel	53,612.00				53,612.00
d. Equipment	0.00				0.00
e. Supplies	226,328.00				226,328.00
f. Contractual	107,768,760.00				107,768,760.00
g. Construction	0.00				0.00
h. Other	0.00				0.00
i. Total Direct Charges (sum of 6a-6h)	119,510,636.00				\$ 119,510,636.00
j. Indirect Charges	0.00				\$ 0.00
k. TOTALS (sum of 6i and 6j)	\$ 119,510,636.00	\$	\$	\$	\$ 119,510,636.00
7. Program Income	\$	\$	\$	\$	\$

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SECTION C - NON-FEDERAL RESOURCES

(a) Grant Program		(b) Applicant	(c) State	(d) Other Sources	(e)TOTALS
8.	DOI - 15.018	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>
9.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
10.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
11.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
12. TOTAL (sum of lines 8-11)		\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>

SECTION D - FORECASTED CASH NEEDS

	Total for 1st Year	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
13. Federal	\$ <input type="text" value="12,062,765.00"/>	\$ <input type="text" value="3,015,691.00"/>	\$ <input type="text" value="3,015,691.00"/>	\$ <input type="text" value="3,015,691.00"/>	\$ <input type="text" value="3,015,692.00"/>
14. Non-Federal	\$ <input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
15. TOTAL (sum of lines 13 and 14)	\$ <input type="text" value="12,062,765.00"/>	\$ <input type="text" value="3,015,691.00"/>	\$ <input type="text" value="3,015,691.00"/>	\$ <input type="text" value="3,015,691.00"/>	\$ <input type="text" value="3,015,692.00"/>

SECTION E - BUDGET ESTIMATES OF FEDERAL FUNDS NEEDED FOR BALANCE OF THE PROJECT

(a) Grant Program	FUTURE FUNDING PERIODS (YEARS)			
	(b)First	(c) Second	(d) Third	(e) Fourth
16. DOI - 15.018	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>
17.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
18.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
19.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
20. TOTAL (sum of lines 16 - 19)	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>

SECTION F - OTHER BUDGET INFORMATION

21. Direct Charges: <input type="text" value="\$119,510,636"/>	22. Indirect Charges: <input type="text" value="\$0"/>
23. Remarks: <input type="text"/>	

Instructions and Summary

Announcement Number: D-AQD-FA-25-003

Recipient: TX RRC

Date of Submission: 7/24/2025

Form submitted by: Corey Crawford

SUMMARY OF BUDGET CATEGORY COSTS PROPOSED									
Section A - Budget Summary									
		Federal	Administrative			Total Costs	Administrative %	Proposed Budget Period Dates	
Fiscal Year 2026	\$	12,062,765	\$	1,062,765		\$	12,062,765	8.81%	9/1/2025 - 8/31/2026
Fiscal Year 2027	\$	22,766,052	\$	2,266,052		\$	22,766,052	9.95%	9/1/2026 - 8/31/2027
Fiscal Year 2028	\$	36,336,706	\$	3,796,706		\$	36,336,706	10.45%	9/1/2027 - 8/31/2028
Fiscal Year 2029	\$	36,282,466	\$	3,742,466		\$	36,282,466	10.31%	9/1/2028 - 8/31/2029
Fiscal Year 2030	\$	12,062,647	\$	1,062,647		\$	12,062,647	8.81%	9/1/2029 - 8/31/2030
Total	\$	119,510,636	\$	11,930,636		\$	119,510,636	9.98%	
Section B - Budget Categories									
CATEGORY	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030	Total Costs	% of Project	Comments (as needed)	
a. Personnel	\$ 787,285	\$ 1,696,875	\$ 2,817,672	\$ 2,817,672	\$ 787,285	\$ 8,906,789	7.45%		
b. Fringe Benefits	\$ 226,410	\$ 489,411	\$ 806,458	\$ 806,458	\$ 226,410	\$ 2,555,147	2.14%		
c. Travel	\$ 4,400	\$ 12,004	\$ 16,404	\$ 16,404	\$ 4,400	\$ 53,612	0.04%		
d. Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%		
e. Supplies	\$ 17,434	\$ 34,190	\$ 105,814	\$ 51,574	\$ 17,316	\$ 226,328	0.19%		
f. Contractual									
Sub-recipient	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%		
Vendor	\$ 11,027,236	\$ 20,533,572	\$ 32,590,358	\$ 32,590,358	\$ 11,027,236	\$ 107,768,760	90.18%		
Consultant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%		
Total Contractual	\$ 11,027,236	\$ 20,533,572	\$ 32,590,358	\$ 32,590,358	\$ 11,027,236	\$ 107,768,760	90.18%		
g. Construction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%		
h. Other Direct Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%		
Total Direct Costs	\$ 12,062,765	\$ 22,766,052	\$ 36,336,706	\$ 36,282,466	\$ 12,062,647	\$ 119,510,636	100.00%		
i. Indirect Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%		
Total Costs	\$ 12,062,765	\$ 22,766,052	\$ 36,336,706	\$ 36,282,466	\$ 12,062,647	\$ 119,510,636	100.00%		

Additional Explanation: For budgeting purposes, RRC estimates the beginning of state fiscal year 2026 (September 1, 2025) as the grant start date. Phase 2 will overlap with Formula Grant Phase 1. RRC will start three districts plugging with Phase 2 funding in FY 2026. An additional three Districts will transition in FY 2027 as RRC closes out the formula grant Phase 1 funding. Starting in FY 2028, all ten districts will be utilizing federal funds from Phase 2. In FY 2030, RRC anticipates finishing the Phase 2 grant and transitioning to Formula Grant Phase 3 funding.

Detailed Budget Justification

a. Personnel

INSTRUCTIONS - Personnel. Provide the name of the person in each position (if known) and provide both the annual (for multiyear awards) and total: salary/amount each position is paid; the percent of time the position contributes to this award; and the number of months the employee is paid. State if any positions are vacant at the time, and if so, the anticipated hire date. Also, provide a justification and description of each position (including vacant positions). Relate each position specifically to program objectives. Personnel cannot exceed 100% of their time on all active projects. The recipient should ensure the cost-of-living increase, if applicable, is built into the budget and justified.

- List project costs solely for employees of the entity completing this form. All personnel costs for subrecipients and vendors must be included under f. Contractual.
- All personnel should be identified by position title and not employee name. Enter the amount of time (e.g., hours or % of time) and the base pay rate and the total direct personnel compensation will automatically calculate. Rate basis (e.g., actual salary, labor distribution report, state civil service rates, etc.) must also be identified.
- If loaded labor rates are utilized, a description of the costs the loaded rate is comprised of must be included in the Additional Explanation section below. DOI must review all components of the loaded labor rate for reasonableness and unallowable costs (e.g. fee or profit).
- If a position and hours are attributed to multiple employees (e.g. Technician working 2000 hours a year) the number of employees for that position title must be identified. Estimating tool: 2080 hours per calendar year.
- Each budget period is rounded to the nearest dollar.

Work Plan Activity or Task	Position Title	Fiscal Year 2026			Fiscal Year 2027			Fiscal Year 2028			Fiscal Year 2029			Fiscal Year 2030			Project Total Hours	Project Total Dollars	Rate Basis
		Time (Hrs)	Pay Rate (\$/Hr)	Total Fiscal Year 2026	Time (Hrs)	Pay Rate (\$/Hr)	Total Fiscal Year 2027	Time (Hrs)	Pay Rate (\$/Hr)	Total Fiscal Year 2028	Time (Hrs)	Pay Rate (\$/Hr)	Total Fiscal Year 2029	Time (Hrs)	Pay Rate (\$/Hr)	Total Fiscal Year 2030			
Well Plugging	Engineering Specialist II (33)	18,720	\$29.40	\$550,368	41,600	\$29.40	\$1,223,040	68,640	\$29.40	\$2,018,016	68,640	\$29.40	\$2,018,016	18,720	\$29.40	\$550,368	216,320	\$6,359,808	Actual Salaries
Site Cleanup	Engineering Specialist II (3)	2,080	\$29.40	\$61,152	4,160	\$29.40	\$122,304	6,240	\$29.40	\$183,456	6,240	\$29.40	\$183,456	2,080	\$29.40	\$61,152	20,800	\$611,520	Actual Salaries
Well Plugging	Administrative Assistant III (6)	4,160	\$20.88	\$86,861	8,320	\$20.88	\$173,722	12,480	\$20.88	\$260,582	12,480	\$20.88	\$260,582	4,160	\$20.88	\$86,861	41,600	\$868,608	Actual Salaries
Well Plugging	Project Manager V (1)	520	\$71.10	\$36,972	1,040	\$71.10	\$73,944	2,080	\$71.10	\$147,888	2,080	\$71.10	\$147,888	520	\$71.10	\$36,972	6,240	\$443,664	Actual Salaries
Well Plugging	Program Specialist IV (1)	520	\$41.07	\$21,356	1,040	\$41.07	\$42,713	2,080	\$41.07	\$85,426	2,080	\$41.07	\$85,426	520	\$41.07	\$21,356	6,240	\$256,277	Actual Salaries
Well Plugging	Engineering Specialist II (2)	1,040	\$29.40	\$30,576	2,080	\$29.40	\$61,152	4,160	\$29.40	\$122,304	4,160	\$29.40	\$122,304	1,040	\$29.40	\$30,576	12,480	\$366,912	Actual Salaries
Total Personnel Costs		27,040		\$787,285	58,240		\$1,696,875	95,680		\$2,817,672	95,680		\$2,817,672	27,040		\$787,285	303,680	\$8,906,789	

General Texas State Salary Guidance: The Texas State Auditor's Office regulates the job classifications and descriptions. See the SAO's website for job descriptions - <https://hr.sao.texas.gov/CompensationSystem/JobDescriptions>. The State Salary Schedule is set by the Texas Legislature in Article IX (Pages IX-1 to IX-22) of the Texas General Appropriations Act (GAA) for state fiscal years 2026 and 2027 - https://www.lbb.texas.gov/Documents/Appropriations_Bills/89/Conference_Bills/Conf_CCR_GAB_89R.pdf

Note: The salaries in the grant application are either current salaries or anticipated salaries for new employees in fiscal year 2026. Positions scale up as RRC districts transition from the Phase 1 Formula Grant to Phase 2 Formula Grant.

Field Staff:
 Engineering Specialist II (33 positions - Well Plugging Inspectors) Inspectors will spend 100 percent of their time inspecting, preparing, witnessing, and documenting well plugging activities in the field. The average annual salary for these positions is anticipated to be \$61,152 in fiscal year 2026. (Positions by year: 9 in FY 2026, 20 in FY 2027, 33 in FY 2028, 33 in FY 2029, 9 in FY 2030)

Engineering Specialist II (3 positions- Site Remediation Inspectors) Inspectors will spend 100 percent of their time inspecting, preparing, witnessing, and documenting site cleanup activities in the field. The average annual salary for these positions is anticipated to be \$61,152 in fiscal year 2026. (Positions by year: 1 in FY 2026, 2 in FY 2027, 3 in FY 2028, 3 in FY 2029, 1 in FY 2030)

Administrative Assistant III (6 positions across district office) will spend 100 percent of their time supporting well plugging and site cleanup activities by assisting the coordination of administrative work. The administrative work includes communicating with the landowners and contractors on the scheduling of the work performed at the well site, review and verify accuracy of contractor invoices, handle the sale of salvage equipment for the district, and assist with the preparation of plugging documentation. The average annual salary for these positions is anticipated to be \$43,430 in fiscal year 2026. (Positions by year: 2 in FY 2026, 4 in FY 2027, 6 in FY 2028, 6 in FY 2029, 2 in FY 2030)

Austin Headquarters Staff:
 Project Manager V (1 position) will ensure grant funded activities comply with IJJA grant reporting requirements, as well as all relevant federal statutes and regulations such as Davis Bacon Act and 2 CFR 200. This position will manage the grant budget, submit formal budget amendments, draw requests, and quarterly reports. This position's annual salary is \$147,888. (Anticipated time by year: ¼ in FY 2026, ½ in FY 2027, 1 in FY 2028, 1 in FY 2029, ¼ in FY 2030)

Program Specialist IV (1 positions) This position will review district projects prior to internal approval and ensure available funding and regulatory requirements are met. Example of regulatory requirementL Well plugging projects in rivers and off-shore may require U.S. Army Corp of Engineering permits. The annual salary for this position is anticipated to be \$85,425 in fiscal year 2026.(Anticipated time by year: ¼ in FY 2026, ½ in FY 2027, 1 in FY 2028, 1 in FY 2029, ¼ in FY 2030)

Engineering Specialist II (2 positions) will review district plugging procedures, completion reports, contractor invoices, and other relevant documentation to ensure compliance with state and federal rules and statutes The average annual salary for these positions is anticipated to be \$61,152 in fiscal year 2026. (Anticipated time by year: ¼ in FY 2026, ½ in FY 2027, 1 in FY 2028, 1 in FY 2029, ¼ in FY 2030)

Detailed Budget Justification

b. Fringe Benefits

INSTRUCTIONS - Fringe Benefits. Fringe benefits can be expressed as an hourly rate or percentage of personnel costs. If your fringe rate is established within a Negotiated Indirect Cost Rate Agreement (NICRA), provide a copy of the agreement with the application. Fringe benefits typically include, but are not limited to, the costs of leave (vacation, family related, sick or military), employee insurance, pensions, and unemployment benefit plans. Fringe costs may also include other benefits such as training, health, and wellness, or other reasonable benefits that aren't required by law but are required by an established policy of the Non-Federal entity or an agreement between the entity and its employees and not otherwise unallowable.

1. Fill out the table below by position title. If all employees receive the same fringe benefits, you can show "Total Personnel" in the Labor Type column instead of listing out all position titles.
2. The fringe costs and how they are applied should not be averaged to get one fringe cost percentage. Complex calculations should be described/provided in the Additional Explanation section below.
3. The fringe benefit costs or rates should be applied to all eligible positions, regardless of whether those funds will be supported by Federal or count toward Administrative costs.
4. Fringe benefits are usually applicable to direct salaries and wages. Provide the fringe benefit rate used and/or a clear description of how the computation of fringe benefits was done. The budget justification should be reflected in the budget description. Elements that comprise fringe benefits should be indicated. The fringe rate should be proportional among the federal and non-federal share categories. If fringe benefits are not computed by using a percent of salaries, provide a breakdown of how the computation is done. The applicant should not combine the fringe benefit costs with direct salaries and wages in the personnel category.
5. Each budget period is rounded to the nearest dollar.

Labor Type	Fiscal Year 2026			Fiscal Year 2027			Fiscal Year 2028			Fiscal Year 2029			Fiscal Year 2030			Total Project
	Personnel Costs	Rate	Total	Personnel Costs	Rate	Total	Personnel Costs	Rate	Total	Personnel Costs	Rate	Total	Personnel Costs	Rate	Total	
Engineering Specialist II (33)	\$ 550,368	29.92%	\$ 164,671	\$ 1,223,040	29.92%	\$365,934	\$ 2,018,016	29.92%	\$ 603,791	\$ 2,018,016	29.92%	\$ 603,791	\$ 550,368	29.92%	\$ 164,671	\$ 1,902,858
Engineering Specialist II (3)	\$ 61,152	29.92%	\$ 18,297	\$ 122,304	29.92%	\$36,594	\$ 183,456	29.92%	\$ 54,891	\$ 183,456	29.92%	\$ 54,891	\$ 61,152	29.92%	\$ 18,297	\$ 182,970
Administrative Assistant III (6)	\$ 86,861	29.92%	\$ 25,989	\$ 173,722	29.92%	\$51,978	\$ 260,582	29.92%	\$ 77,967	\$ 260,582	29.92%	\$ 77,967	\$ 86,861	29.92%	\$ 25,989	\$ 259,890
Project Manager V (1)	\$ 36,972	29.92%	\$ 11,063	\$ 73,944	29.92%	\$22,125	\$ 147,888	29.92%	\$ 44,249	\$ 147,888	29.92%	\$ 44,249	\$ 36,972	29.92%	\$ 11,063	\$ 132,749
Program Specialist IV (1)	\$ 21,356	29.92%	\$ 6,390	\$ 42,713	29.92%	\$12,780	\$ 85,426	29.92%	\$ 25,560	\$ 85,426	29.92%	\$ 25,560	\$ 21,356	29.92%	\$ 6,390	\$ 76,680
			\$ -	\$ 61,152		\$0	\$ 122,304		\$ -	\$ 122,304		\$ -	\$ 30,576		\$ -	\$ -
Total:	\$ 756,709		\$ 226,410	\$ 1,696,875		\$489,411	\$ 2,817,672		\$ 806,458	\$ 2,817,672		\$ 806,458	\$ 787,285		\$ 226,410	\$ 2,555,147

A federally approved fringe benefit rate agreement, or a proposed rate supported and agreed upon by the cognizant agency for estimating purposes is required at the time of award negotiation if reimbursement for fringe benefits is requested. Please check (X) one of the options below and provide the requested information if not previously submitted.

A fringe benefit rate has been negotiated with, or approved by, a federal government agency. A copy of the latest rate agreement is/was included with the project application.*

There is not a current federally approved rate agreement negotiated and available.*

*Unless the organization has submitted an indirect rate proposal which encompasses the fringe pool of costs, please provide the organization's benefit package and/or a list of the components/elements that comprise the fringe pool and the cost or percentage of each component/element allocated to the labor costs.

The budgeted fringe rate of 29.92% is composed of five components.

- Federal Payroll Taxes (FICA) - Employer portion is 7.65 percent comprised 6.2 percent for Social Security and 1.45 percent for Medicare.
- State Retirement - State contribution to the State of Texas Employees Retirement System (ERS) is 9.50 percent established by Texas Government Code Section 815.403.
- Health Insurance - State paid health insurance premium estimated rate is set by the Texas Legislative Budget Board at 11.27 percent for 2026-27. The actual health insurance premium cost is a fixed amount that depends on the type of health insurance coverage the employee elects.
- Payroll Health Insurance Contribution - Texas Senate Bill 1, Regular Session, 89th Legislature, Article IX, Section 17.03 requires each state agency to contribute an amount equal to 1 percent of the total base wages and salaries for each benefits-eligible employee to the Employees Retirement System's Group Benefits Program.
- Payroll Retirement Contribution - Texas Government Code Section 815.4035 requires each state agency to contribute an amount equal to 0.5 percent of the total base wages and salaries for each eligible employee to the Employees Retirement System's Retirement Program.

Note: The 29.92% fringe benefits rate is the estimate for budgeting purposes, RRC will charge the actual fringe benefits expenditures to the grant.

Detailed Budget Justification

c. Travel

INSTRUCTIONS - Travel

1. Domestic Travel: Examples of Purpose of Travel are subrecipient site visits, meetings, site inspections, and project meetings, etc. Examples of Basis for Estimating Costs are past trips, travel quotes, GSA rates, etc.
2. All listed travel must be necessary for the performance of the stated activities and projected outcomes of the work plan and proposal.
3. Federal travel regulations are contained within the applicable cost principles for all entity types. Travel costs should remain consistent with travel costs incurred by an organization during normal business operations as a result of the organizations written travel policy. In the absence of a written travel policy, organizations must follow the regulations prescribed by the General Services Administration: https://www.gsa.gov/travel/plan-book/per-diem-rates?gclid=CjwKCAjwzo2mBhAUeIwAf7wjknwOl425nCGcXzAcSi65L0Kzq8zxH-aaviQy2HCPmO7_bjPxImGopUBoCepwQAvD_BwE
4. Provide a narrative justification describing the travel staff will perform. List origin and destination, number of trips planned, who will be making the trip, number of miles if driving a personal vehicle, the purpose of travel and how it relates to the scope of work and approximate dates. If mileage is to be paid, provide the number of miles and the cost per mile. If travel is by air, show the cost of airfare and the proposed airline (if known). If per diem/lodging is to be paid, indicate number of days and the amount for each day's per diem and the number of nights and the amount for each night's lodging. Include any ground transportation when applicable.
5. Each budget period is rounded to the nearest dollar.

Dates	Purpose of Travel	Depart From	Destination	No of Miles if Driving (Roundtrip)	No. of Days	No. of Travelers	Mileage if POV	Lodging per Traveler	Flight per Traveler	Vehicle per Traveler	Per Diem Per Traveler	Cost per Trip	Basis for Estimating Costs
Domestic Travel		Fiscal Year 2026											
TBD	Federal Compliance Site Visits - Locations to be determined based on need	Statewide	Statewide	800	10	2		\$1,100		\$420	\$680	\$4,400	GSA Rates Meals & Lodging, State Contract for car rental
												\$0	
												\$0	
												\$0	
	Fiscal Year 2026 Total											\$4,400	
Domestic Travel		Fiscal Year 2027											
TBD	Federal Compliance Site Visits - Locations to be determined based on need	Statewide	Statewide	1,600	20	2		\$2,200		\$840	\$1,360	\$8,800	GSA Rates Meals & Lodging, State Contract for car rental
TBD	Bay/Offshore Well Plugging - Inspector Travel - Travel for inspectors to reach port for departure on lift boats (likely travel to Galveston or Corpus Christi)	Statewide	TBD - Galveston/ Corpus Christi	400	9	2		\$990			\$612	\$3,204	GSA Rates Meals & Lodging
	Fiscal Year 2027 Total											\$12,004	
Domestic Travel		Fiscal Year 2028											
TBD	Federal Compliance Site Visits - Locations to be determined based on need	Statewide	Statewide	2,000	30	2		\$3,300		\$1,260	\$2,040	\$13,200	GSA Rates Meals & Lodging, State Contract for car rental
TBD	Bay/Offshore Well Plugging - Inspector Travel - Travel for inspectors to reach port for departure on lift boats (likely travel to Galveston or Corpus Christi)	Statewide	TBD - Galveston/ Corpus Christi	400	9	2		\$990			\$612	\$3,204	GSA Rates Meals & Lodging
	Fiscal Year 2028 Total											\$16,404	
Domestic Travel		Fiscal Year 2029											
TBD	Federal Compliance Site Visits - Locations to be determined based on need	Statewide	Statewide	2,000	30	2		\$3,300		\$1,260	\$2,040	\$13,200	GSA Rates Meals & Lodging, State Contract for car rental
TBD	Bay/Offshore Well Plugging - Inspector Travel - Travel for inspectors to reach port for departure on lift boats (likely travel to Galveston or Corpus Christi)	Statewide	TBD - Galveston/ Corpus Christi	400	9	2		\$990			\$612	\$3,204	GSA Rates Meals & Lodging
	Fiscal Year 2029 Total											\$16,404	
Domestic Travel		Fiscal Year 2030											
TBD	Federal Compliance Site Visits - Locations to be determined based on need	Statewide	Statewide	800	10	2		\$1,100		\$420	\$680	\$4,400	GSA Rates Meals & Lodging, State Contract for car rental
												\$0	
	Fiscal Year 2030 Total											\$4,400	
	PROJECT TOTAL											\$53,612	

Exact travel details will be determined based on location of the wells and other relevant factors. General Texas GSA rates were used rather than city specific rates.

Davis-Bacon Act Compliance - RRC Austin Headquarter Staff will travel to active federal well plugging sites to verify plugging contractor is complying with Davis-Bacon Act. Staff will meet with contractors to review systems, policies, and procedures that help ensure accurate reporting as well as site visits to ensure required Davis-Bacon Act signage and wage determinations are posted. For budgeting purposes GSA rates are used. Under Texas state law, RRC can only reimburse for the actual travel costs capped by the GSA rates for employee travel. For budging purposes, the Texas statewide rental car contract rate of \$42/day is used. The actual cost may be less if agency pool vehicle is available for the travel.

Bay/Offshore Travel - Travel is anticipated for well plugging inspectors to travel to coast to embark/disembark on lift boats used for offshore work.

Detailed Budget Justification

d. Equipment

INSTRUCTIONS - Equipment

1. Equipment is generally defined as an item with an acquisition cost greater than \$5,000 and a useful life expectancy of more than one year. Equipment is defined as tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost that equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial statement purposes, or \$5,000. [https://www.ecfr.gov/current/title-2/part-200/section-200.1#p-200.1\(Equipment\)](https://www.ecfr.gov/current/title-2/part-200/section-200.1#p-200.1(Equipment)).
2. List all equipment below, providing a basis of cost (e.g. vendor quotes, catalog prices, prior invoices, etc.). Briefly justify items as they apply to the Workplan activities and Proposed Outcomes. If it is existing equipment, provide logical support for the estimated value shown.
3. During award negotiations, provide a vendor quote for all equipment items over \$50,000 in price. If the vendor quote is not an exact price match, provide an explanation in the additional explanation section below. If a vendor quote is not practical, such as for a piece of equipment that is purpose-built, first of its kind, or otherwise not available off the shelf, provide a detailed engineering estimate for how the cost estimate was derived.
4. Provide justification for the use of each item and relate them to specific program objectives.
5. Provide a lease versus purchase analysis. This must accompany every equipment request over \$5,000 even if a lease vs purchase analysis cannot be completed, a statement is required to that effect.
6. Each budget period is rounded to the nearest dollar.

Workplan Activity	Equipment Item	Qty	Unit Cost	Total Cost	Basis of Cost	Justification of need
Fiscal Year 2026						
				\$0		
				\$0		
	Fiscal Year 2026 Total			\$0		
Fiscal Year 2027						
				\$0		
				\$0		
	Fiscal Year 2027 Total			\$0		
Fiscal Year 2028						
				\$0		
				\$0		
	Fiscal Year 2028 Total			\$0		
Fiscal Year 2029						
				\$0		
				\$0		
	Fiscal Year 2029 Total			\$0		
Fiscal Year 2030						
				\$0		
				\$0		
				\$0		
	Fiscal Year 2030 Total			\$0		
	PROJECT TOTAL			\$0		

Additional Explanation (as needed):

No equipment is anticipated to be purchased during phase 2.

Detailed Budget Justification

e. Supplies

INSTRUCTIONS - Supplies

- Supplies are generally defined as an item with an acquisition cost of \$5,000 or less and a useful life expectancy of less than one year. Supplies are generally consumed during the project performance. Supplies means all tangible personal property other than those described in the definition of equipment in this section. A computing device is a supply if the acquisition cost is less than the lesser of the capitalization level established by the non-Federal entity for financial statement purposes or \$5,000, regardless of the length of its useful life. See also the definitions of computing devices and equipment in this section (2 CFR 200.1).
- List all proposed supplies below, providing a basis of costs (e.g. vendor quotes, catalog prices, prior invoices, etc.). Briefly justify the need for the stated activities, workplan and outcomes in your application. Note that Supply items must be direct costs to the project at this budget category, and not duplicative of supply costs included in the indirect pool that is the basis of the indirect rate applied for this project.
- Multiple supply items valued at \$5,000 or less used to assemble an equipment item with a value greater than \$5,000 with a useful life of more than one year should be included on the equipment tab. If supply items and costs are ambiguous in nature, contact your Financial Assistance Officer for proper categorization.
- Add rows as needed. If rows are added, formulas/calculations may need to be adjusted by the preparer.
- Each budget period is rounded to the nearest dollar.

Workplan Activity	General Category of Supplies	Qty	Unit Cost	Total Cost	Basis of Cost	Justification of need
Fiscal Year 2026						
All Activities	Adobe Acrobat License	1	\$66.00	\$66	State Contract	Software necessary for reporting
Well Plugging	Vehicle gas and routine maintenance	57,600	\$0.28	\$16,112	Historical Cost	Gas & vehicle maintenance (oil changes, brake pads, etc.) for well plugging inspectors to travel to well sites and monitoring contractor plugging activities (Est. \$0.28/mile for 12 vehicles @ 400 miles monthly for 12 months)
All Activities	Safety Equipment (H ₂ S Monitors/Boots/Snake Gaiters)	4	\$314.00	\$1,256	Prior Invoice	Standard RRC Equipment for detection of hazardous gas, protection from snakes and other natural hazards, and quick identification by landowners (Replacements due to natural wear and tear usage)
Fiscal Year 2026 Total				\$17,434		
Fiscal Year 2027						
All Activities	Adobe Acrobat License	1	\$66.00	\$66	State Contract	Software necessary for reporting
Well Plugging	Vehicle gas and routine maintenance	115,200	\$0.28	\$32,240	Historical Cost	Gas & vehicle maintenance (oil changes, brake pads, etc.) for well plugging inspectors to travel to well sites and monitoring contractor plugging activities (Est. \$0.28/mile for 24 vehicles @ 400 miles monthly for 12 months)
All Activities	Safety Equipment (H ₂ S Monitors/Boots/Snake Gaiters)	6	\$314.00	\$1,884	Prior Invoice	Standard RRC Equipment for detection of hazardous gas, protection from snakes and other natural hazards, and quick identification by landowners (Replacements due to natural wear and tear usage)
Fiscal Year 2027 Total				\$34,190		
Fiscal Year 2028						
All Activities	Computers	40	\$1,356.00	\$54,240	State Contract	Computers for IJA funded employees. PCs are refreshed on four-year cycle. This should replace computers purchased with Phase 1 funds in FY 2024.
All Activities	Adobe Acrobat License	1	\$66.00	\$66	State Contract	Software necessary for reporting
Well Plugging	Vehicle gas and routine maintenance	172,800	\$0.28	\$48,368	Historical Cost	Gas & vehicle maintenance (oil changes, brake pads, etc.) for well plugging inspectors to travel to well sites and monitoring contractor plugging activities (Est. \$0.28/mile for 36 vehicles @ 400 miles monthly for 12 months)
All Activities	Safety Equipment (H ₂ S Monitors/Boots/Snake Gaiters)	10	\$314.00	\$3,140	Prior Invoice	Standard RRC Equipment for detection of hazardous gas, protection from snakes and other natural hazards, and quick identification by landowners (Replacements due to natural wear and tear usage)
Fiscal Year 2028 Total				\$105,814		
Fiscal Year 2029						
All Activities	Adobe Acrobat License	1	\$66.00	\$66	State Contract	Software necessary for reporting
Well Plugging	Vehicle gas and routine maintenance	172,800	\$0.28	\$48,368	Historical Cost	Gas & vehicle maintenance (oil changes, brake pads, etc.) for well plugging inspectors to travel to well sites and monitoring contractor plugging activities (Est. \$0.28/mile for 36 vehicles @ 400 miles monthly for 12 months)
All Activities	Safety Equipment (H ₂ S Monitors/Boots/Snake Gaiters)	10	\$314.00	\$3,140	Prior Invoice	Standard RRC Equipment for detection of hazardous gas, protection from snakes and other natural hazards, and quick identification by landowners (Replacements due to natural wear and tear usage)
Fiscal Year 2029 Total				\$51,574		
Fiscal Year 2030						
All Activities	Adobe Acrobat License	1	\$66.00	\$66	State Contract	Software necessary for reporting
Well Plugging	Vehicle gas and routine maintenance	57,600	\$0.28	\$15,994	Historical Cost	Gas & vehicle maintenance (oil changes, brake pads, etc.) for well plugging inspectors to travel to well sites and monitoring contractor plugging activities (Est. \$0.28/mile for 12 vehicles @ 400 miles monthly for 12 months)
All Activities	Safety Equipment (H ₂ S Monitors/Boots/Snake Gaiters)	4	\$314.00	\$1,256	Prior Invoice	Standard RRC Equipment for detection of hazardous gas, protection from snakes and other natural hazards, and quick identification by landowners (Replacements due to natural wear and tear usage)
Fiscal Year 2030 Total				\$17,316		
PROJECT TOTAL				\$226,328		

Additional Explanation:

Vehicle Gas and Maintenance - Inspector will travel to well site to inspect site for planning purposes and to monitor daily plugging activities by plugging contractors. Cost is estimated for one inspector traveling 400 miles a month to various well site locations from the RRC District Offices. For budgeting purposes RRC uses the historical agency fleet cost has averaged \$0.28/mile for the fuel and maintenance costs. The trucks are equipped with a unique fuel cards so RRC will charge the grant the actual cost of gas and any necessary maintenance for the grant activities. The actual cost will depend on distance of well sites from the district office and price of gas and if maintenance needed. The typical maintenance charges are normal routine maintenance such as oil changes, brake pads, and/or tires.

Software Licenses - Adobe Acrobat. Software is used for producing reports for DOI grant reports.

Safety Equipment - RRC provides safety equipment to all field staff for standard workplaces hazardous in oil and gas fields - High H₂S monitors for toxic gas, work boots and snake gaiters for wildlife, RRC shirts for identification by landowners. The items wear out with use and are replaced as needed.

Laptop Computers - Computing equipment is necessary for field work to communicate with contractors and other RRC personnel, document plugging activities, and other job duties. RRC replaces PCs on a four-year replacement cycle. These laptops would replace equipment put into use during FY 2024 for Phase 1 Formula Grant.

Detailed Budget Justification

f. Contractual

INSTRUCTIONS - Contractual/Subrecipient

- The entity completing this form must provide all costs related to sub-recipients, and vendors in the applicable boxes below. Please refer to the different regulations/requirements between contracts and subawards: <https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-D/subject-group-ECFR031321e29ac5bbd/section-200.331>
- A subrecipient is a legal entity to which a subaward is made, who has performance measured against whether the objectives of the Federal program are met, is responsible for programmatic decision-making, must adhere to applicable Federal program compliance requirements, and uses the Federal funds to carry out a program of the organization. All characteristics may not be present and judgment must be used to determine subrecipient vs. vendor status.
- Vendors (including contractors):** List all vendors and contractors supplying commercial supplies or services used to support the project. For each Vendor cost with total project costs of \$250,000 or more, a Vendor quote must be provided. A vendor is a legal entity contracted to provide goods and services within normal business operations, provides similar goods or services to many different purchasers, operates in a competitive environment, provides goods or services that are ancillary to the operation of the Federal program, and is not subject to compliance requirements of the Federal program. All characteristics may not be present and judgment must be used to determine subrecipient vs. vendor status.
- Provide separate budgets for each contract, regardless of the dollar value, and indicate the basis for the cost estimates in the narrative. Describe products or services to be obtained and indicate the applicability or necessity of each to the project.
- Provide separate budgets for each sub-award, regardless of the dollar value, and indicate the basis for the cost estimates in the narrative. Indicate the applicability or necessity of each sub-award to the project. A sub-award is an award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a Federal award, including a portion of the scope of work or objectives. Provide the name of the subrecipient, method of selection, period of performance, scope of work, and criteria for measuring accountability for each sub-award. In addition, provide both the annual (for multiyear awards) and total for subawards and other items. *Do not incorporate indirect costs incurred by subawards under the indirect costs line item for the applicant/grantee on the SF-424A or budget narrative.*

a. Name of Contractor or Vendor: Include the name of the qualified contractor, affiliation, and contact.
 b. Method of Selection.
 c. Period of Performance: Include the dates/length for the performance period. If it involves a number of tasks, include the performance period for each task.
 d. Scope of Work: List and describe the specific tasks to be performed.
 e. Criteria for Measuring Accountability: Include an itemized line-item breakdown as well as total contract/award amount. If applicable, include any indirect costs paid under the contract/award and the indirect cost rate used.

Workplan Activity	Sub-Recipient Name/Organization	Purpose and Basis of Cost	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030	Project Total
RRC does not intend to utilize sub-recipients for this grant.								
								\$ -
								\$ -
		Sub-total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Workplan Activity	Vendor / Contractor Name/Organization	Purpose and Basis of Cost	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030	Project Total
Plugging Wells	Multiple Vendors - To Be Determined	Plug orphaned oil and gas wells, cost is based on projected cost of \$50,000 per well for high-priority in-land wells. RRC anticipates plugging 1,650 high priority orphaned wells (200 in FY 2026, 350 in FY 2027, 450 in FY 2028, 450 in FY 2029, 200 in FY 2030). An additional \$20 million is budgeted to plug approximately 20 complex well pluggings (bay/offshore/high H2S wells).	\$ 10,000,000	\$ 19,500,000	\$ 31,540,000	\$ 31,540,000	\$ 10,000,000	\$ 102,580,000
Site Cleanup	Multiple Vendors - To Be Determined	Remediation oil and gas wells sites, cost is based on historical cost of routine cleanups. For budgeting purposes, we estimate 50 routine cleanups per year at an average cost of \$20,000. These routine cleanups would be remediating tank batteries and light soil remediation. State funds will be used at any well sites that require more substantial remediation.	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 5,000,000
All Activities	Cell Phone Service (State Contract - AT&T or Verizon)	Cell Phones for field staff communication with district office, plugging contractors, and landowners. Cost based on current statewide Texas Dept of Information Resources contract - \$44/month.	\$ 6,336	\$ 12,672	\$ 19,008	\$ 19,008	\$ 6,336	\$ 63,360
All Activities	Davis-Bacon Act Compliance Software (State Contract - vendor eComply Solutions)	Software for collection and review of Davis-Bacon Certified Payrolls (Software as a Service). Cost based on current statewide Texas Dept of Information Resources contract.	\$ 20,900	\$ 20,900	\$ 31,350	\$ 31,350	\$ 20,900	\$ 125,400
		Sub-total	\$ 11,027,236	\$ 20,533,572	\$ 32,590,358	\$ 32,590,358	\$ 11,027,236	\$ 107,768,760

Workplan Activity	Name/Organization	Purpose and Basis of Cost	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030	Project Total
								\$0
		Sub-total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

	Total Contractual	\$ 11,027,236	\$ 20,533,572	\$ 32,590,358	\$ 32,590,358	\$ 11,027,236	\$ 107,768,760
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Additional Explanation (as needed) as to procurement policies and methods used:

RRC will not use subrecipients for this grant.

RRC procures goods and services following the Texas Government Code and Texas Comptroller rules established in the Texas Administrative Code. A copy of the RRC Procurement and Contract Management Guide is available at <https://www.rrc.texas.gov/media/cs4lxu3w/rrc-contract-management-guide.pdf> . A copy of the Texas Comptroller Procurement and Contract Management Guide is available at <https://comptroller.texas.gov/purchasing/docs/96-1809-3.0.pdf>.

In Fiscal Year 2024, competitive solicitation 455-24-1003 was issued for well plugging services for Phase 1 of the IJJA State Well Plugging Grant. RRC vetted the respondents based on criteria that focused on qualifications and best value to the state. RRC executed contracts with 22 contractors from this solicitation. These are multiple year contracts that will be utilized in 2026. Contracts with existing cleanup contractors have been amended with the federal requirements.

RRC will use Texas Department of Information Resources Statewide Contracts for cell phones and compliance software.

Detailed Budget Justification

g. Construction

INSTRUCTIONS: Construction

1. Construction, for the purpose of budgeting, is defined as all types of work done on a particular building, including erecting, altering, or remodeling. Construction activities approved under this award would be for temporary purposes, such as paving a road to access a project site or building temporary scaffolding to safely remove facilities and structures associated with orphaned wells. Construction conducted by the award recipient is entered on this page. **Any construction work that is performed by a vendor or subrecipient should be entered under f. Contractual.**
2. List all proposed construction below, providing a basis of cost such as engineering estimates, prior construction, etc., and briefly justify its need as it applies to the Statement of Project Objectives.
3. Each budget period is rounded to the nearest dollar.

Overall description of construction activities:

Workplan Activity	General Description	Cost	Basis of Cost	Justification of need
Fiscal Year 2026				
	Fiscal Year 2026 Total	\$0		
Fiscal Year 2027				
	Fiscal Year 2027 Total	\$0		
Fiscal Year 2028				
	Fiscal Year 2028 Total	\$0		
Fiscal Year 2029				
	Fiscal Year 2029 Total	\$0		
Fiscal Year 2030				
	Fiscal Year 2030 Total	\$0		
	PROJECT TOTAL	\$0		

Additional Explanation (as needed):

At this time, no construction will be necessary for this grant.

Detailed Budget Justification

h. Other Direct Costs

INSTRUCTIONS - Other Costs

1. Other direct costs are direct cost items required for the project which do not fit clearly into other categories. These direct costs must not be included in the indirect costs (for which the indirect rate is being applied for this project). Examples are: tuition, printing costs, etc. which can be directly charged to the project and are not duplicated in indirect costs (overhead costs).
2. Basis of cost are items such as vendor quotes, prior purchases of similar or like items, published price list, etc.
3. All costs associated with training activities should be placed in the "other" category except costs for consultant and/or contractual. Costs may include tuition remission. List all expenses anticipated for the training activity in the format above. Include rental space for training (if required), training materials, speaker fees, and any other applicable expenses related to the training. Allowable conference costs paid by the non-Federal entity as a sponsor or host of the conference may include rental of facilities, speakers' fees, local transportation, and other items incidental to such conferences unless further restricted by the terms and conditions of the Federal award.
4. All figures rounded to the nearest dollar.

Workplan Activity	General Description and Workplan Task	Cost	Basis of Cost	Justification of need
Fiscal Year 2026				
	Fiscal Year 2026 Total	\$0		
Fiscal Year 2027				
	Fiscal Year 2027 Total	\$0		
Fiscal Year 2028				
	Fiscal Year 2028 Total	\$0		
Fiscal Year 2029				
	Fiscal Year 2029 Total	\$0		
Fiscal Year 2030				
	Fiscal Year 2030 Total	\$0		
	PROJECT TOTAL	\$0		

Justify each cost listed above with detailed explanation:

At this time, no anticipated other costs will be necessary for this grant.

Detailed Budget Justification

i. Indirect Costs

INSTRUCTIONS - Indirect Costs. Please keep in mind that all indirect costs are administrative. Please count the indirect costs calculated toward the administrative costs. Keep in mind that administrative costs includes all indirect costs and may also include direct costs.

1. Fill out the table below to indicate how your indirect costs are calculated. Use the box below to provide additional explanation regarding your indirect rate calculation.
2. The rates and how they are applied should not be averaged to get one indirect cost percentage. Complex calculations or rates that do not correspond to the below categories should be described/provided in the Additional Explanation section below. If questions exist, consult with IBC/AQD before filling out this section.
3. The indirect rate should be applied to both the Federal Share and Recipient Cost Share, if applicable, and Administrative Costs as applicable. Please review the NICRA, Base, Time Period, etc. to be sure that the NICRA is applied to correct cost categories.
4. De Minimis Rate cannot be used by governmental or tribal entities that receive more than \$35 million in federal funding per year. All States are not eligible to use the De Minimis Rate. See 2 CFR 200.414(e) Appendix VII, States, Local Government, and Indian Tribe Indirect Cost Proposals.
5. Each budget period is rounded to the nearest dollar.

	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030	Total	Explanation of BASE
Provide ONLY Applicable Rates:							
NICRA: Fixed Provisional, Carry-Forward)	0.00%	0.00%	0.00%	0.00%	0.00%		
DeMinimis (10% MTDC)	0.00%	0.00%	0.00%	0.00%	0.00%		
Cost Allocation Plan (CAP)							
OTHER Indirect Rate	0.00%	0.00%	0.00%	0.00%	0.00%		
Indirect Costs (As Applicable):							
NICRA: Fixed Provisional, Carry-Forward)						\$0	
De Minimis						\$0	
Cost Allocation Plan (CAP)						\$0	
OTHER Indirect Costs						\$0	
Total indirect costs requested:	\$0	\$0	\$0	\$0	\$0	\$0	

A federally approved indirect rate agreement, or rate proposed (supported and agreed upon by AQD for estimating purposes) is required if reimbursement of indirect costs is requested. Please check (X) one of the options below and provide the requested information if it has not already been provided as requested, or has changed.

An indirect rate has been approved or negotiated with a federal government agency. A copy of the latest rate agreement is included with this application, and will be provided electronically to the Financial Assistance Officer for this project.

There is not a current, federally approved rate agreement negotiated and available*.

*When this option is checked, the entity preparing this form shall submit a copy of its cost allocation plan or indirect cost rate proposal submitted to the cognizant agency being proposed for use in performance of the proposed project. Additionally, any non-Federal entity that has never received a negotiated indirect cost rate or has an expired rate, except for those non-Federal entities described in Appendix VII to Part 200—States and Local Government and Indian Tribe Indirect Cost Proposals, paragraph D.1.b, may elect to charge a de minimis rate of 10% of modified total direct costs (MTDC) which may be used indefinitely. As described in §200.403 Factors affecting allowability of costs, costs must be consistently charged as either indirect or direct costs, but may not be double charged or inconsistently charged as both. If chosen, this methodology once elected must be used consistently for all Federal awards until such time as a non-Federal entity chooses to negotiate for a rate, which the non-Federal entity may apply to do at any time.

You must provide an explanation (below or in a separate attachment) and show how your indirect cost rate was applied to this budget in order to come up with the indirect cost rate.

Additional Explanation (as needed):

RRC does not intent to charge indirect costs to the grant to stay within the 10% threshold for administrative costs. The Commission has an Indirect Cost Rate of 56.56% approved by DOI IBC in August 2024 for the RRC fiscal year 2025. A copy of this agreement can be provided if needed.

Detailed Budget Justification

j. Administrative Costs

INSTRUCTIONS: Administrative Costs. This section is to detail the administrative costs charged for this award. Don't forget that any indirect costs charged in the Indirect Tab count toward the Administrative Cost.

1. A detailed presentation of the administrative costs is provided in the table below. All items in the chart below must be identified within the applicable cost category tabs a. through i. in addition to the detailed presentation provided in the table below. Identify the source organization & amount of each cost item that is administrative. Federal Cost Categories are: Personnel, Fringe, Equipment, Supplies, Contractual, Construction, Indirect, and Other.
2. Definition of Administrative Costs: as identified in Sec. 40601(c)(2)(B)(i) and 40601 (c)(4)(B)(ii)(V) are limited to not more than 10 percent of the funds received, are those costs that cannot be directly attributed to activities listed under Sec. 40601(c)(2)(a), but instead to general grants management or program administration. Administrative costs can be expended for personnel or non-personnel costs, and can be direct or indirect, but should represent the costs to the State for managing the overall grant-funded work rather than preparation for and execution of individual projects.
3. Administrative costs may be direct and indirect costs, general grant management or program administration that is not project/program specific, human resources, facilities, accounting, legal, and other administrative tasks related to operating the Orphan Well Abandonment Program, Personnel, and Non-Personnel costs.
4. Each budget period is rounded to the nearest dollar.

Cost Category	Type (Direct or Indirect)	Cost item	Unit of Cost	Administrative Cost	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030	Total Admin Cost
Personnel	Direct		See Tab a.	All personnel costs are treated as administrative to simplify the calculation.	\$ 787,285	\$ 1,696,875	\$ 2,817,672	\$ 2,817,672	\$ 787,285	\$8,906,789
Fringe	Direct		See Tab b.	All fringe costs are treated as administrative to simplify the calculation.	\$ 226,410	\$ 489,411	\$ 806,458	\$ 806,458	\$ 226,410	\$2,555,147
Travel	Direct		See Tab c.	All travel costs are treated as administrative to simplify the calculation	\$ 4,400	\$ 12,004	\$ 16,404	\$ 16,404	\$ 4,400	\$53,612
Equipment	N/A		See Tab d.		\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Supplies	Direct		See Tab e.	All supplies costs are treated as administrative to simplify the calculation.	\$ 17,434	\$ 34,190	\$ 105,814	\$ 51,574	\$ 17,316	\$226,328
Contractual	Direct		See Tab f.	State Contracts for cell phones and Davis-Bacon Act SAAS are administrative.	\$ 27,236	\$ 33,572	\$ 50,358	\$ 50,358	\$ 27,236	\$188,760
Construction	N/A		See Tab g		\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Other	N/A		See Tab h.		\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Indirect	N/A		See Tab i.		\$ -	\$ -	\$ -	\$ -	\$ -	\$0
Totals					\$ 1,062,765	\$ 2,266,052	\$ 3,796,706	\$ 3,742,466	\$ 1,062,647	\$11,930,636

Total Award:

\$119,510,636

Administrative Cost % of Award:

10.0%

Additional Explanation (as needed):