

RAILROAD COMMISSION OF TEXAS

CHRISTI CRADDICK, *CHAIRMAN*
DAVID PORTER, *COMMISSIONER*
RYAN SITTON, *COMMISSIONER*

INTERNAL
OIL AND GAS DIVISION
SANTOS GONZALES JR., P.E.,
ASSISTANT DIRECTOR, FIELD OPERATIONS

MEMORANDUM

TO: Chairman Christi Craddick
Commissioner David Porter
Commissioner Ryan Sitton

FROM: Santos Gonzales, Jr., P. E.
Assistant Director, Field Operations

DATE: January 27, 2015

SUBJECT: Well Plugging and Site Remediation Fiscal Year 2015, 1st Quarter Report

Well Plugging: The 1st quarter well plugging performance includes 69 wells plugged with Oil and Gas Regulation and Cleanup (OGRC) funds. This includes wells for which the state-funded plug files have been formally closed in Austin. The number of wells physically plugged during the 1st quarter based on the daily field reports is 126 with a total expenditure of \$1,950,082. Additionally, during the 1st quarter 242 wells were approved for plugging and at the end of the 1st quarter, 1,126 wells were approved and remain to be plugged. Bids have been prepared on 520 wells, of which 126 have been plugged, contracts have been awarded for 292 wells, and bids remain to be opened on 102 wells. The well plugging goal for fiscal year 2015 is 730 wells. The actual wells plugged and expenditure by district for fiscal years 2013, 2014 and 2015 and the well plugging goals and budgets by district for fiscal year 2015 are shown on the attached graphs. The fiscal year 2015 budget is \$14,443,872.

Site Remediation: During the 1st quarter Site Remediation completed and formally closed 18 cleanup activities, of which 14 were completed with the use of OGRC funds and 4 were completed with the use of grant funds. Additionally, during the 1st quarter 67 cleanup activities were authorized and at the end of the 1st quarter a total of 72 cleanup activities are authorized and remain to be completed. The actual remediation activities and expenditure by district for fiscal years 2013, 2014, and 2015 and the goals and budgets for the Site Remediation activities by district for fiscal year 2015 are shown on the attached graphs. Site Remediation's original FY15 budget approved by the Commission on October 22, 2013, was \$3,075,268.

Santos Gonzales, Jr.

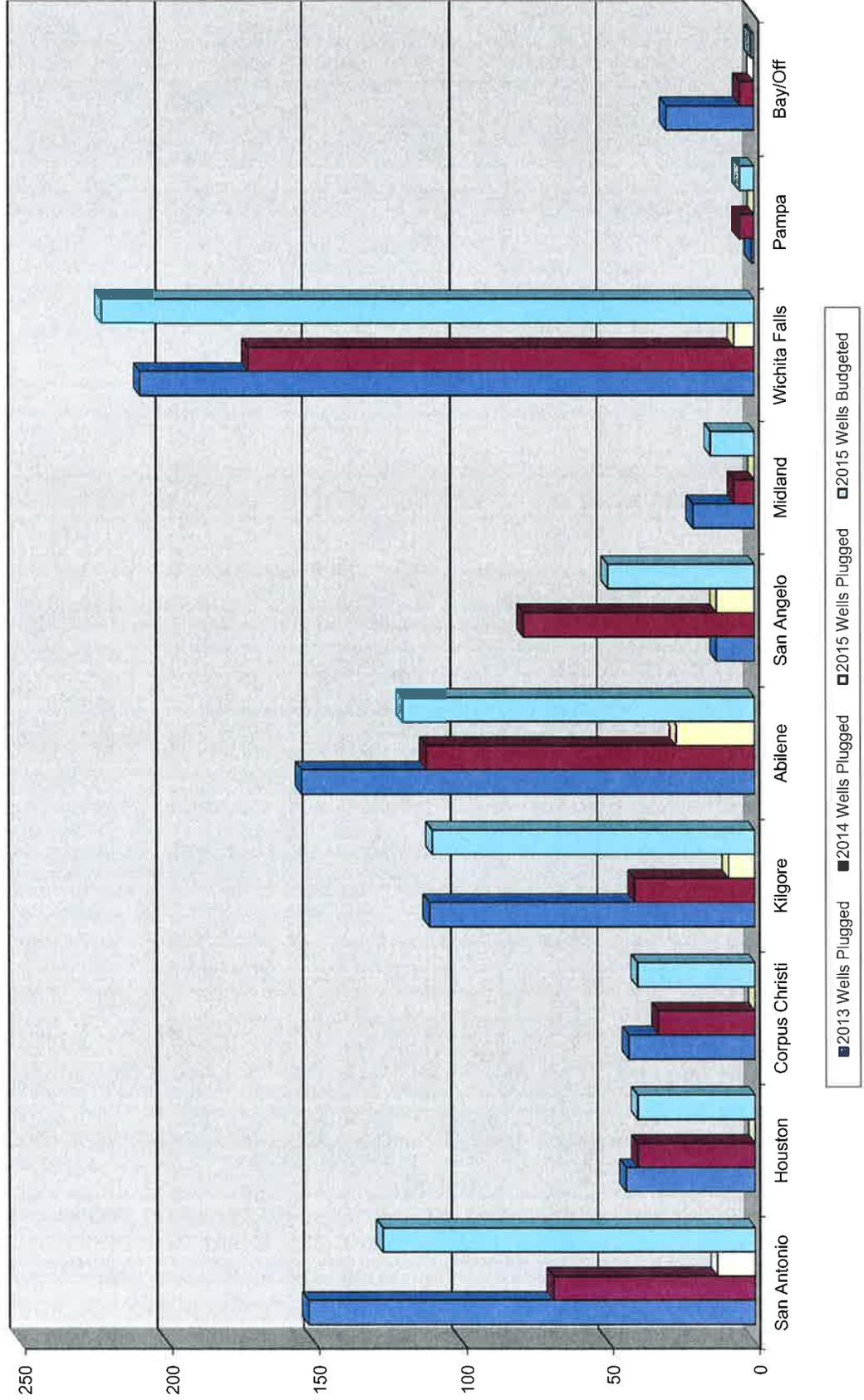
Santos Gonzales, Jr., P. E.
Assistant Director, Field Operations

KCW
Attachments:

cc Milton Rister, Executive Director
Lori Wrotenberry, Director, Oil & Gas Division
Peter G. Pope, P.G., Assistant Director, Site Remediation

Field Operations/Well Plugging Oil Field Cleanup Program Wells Plugged

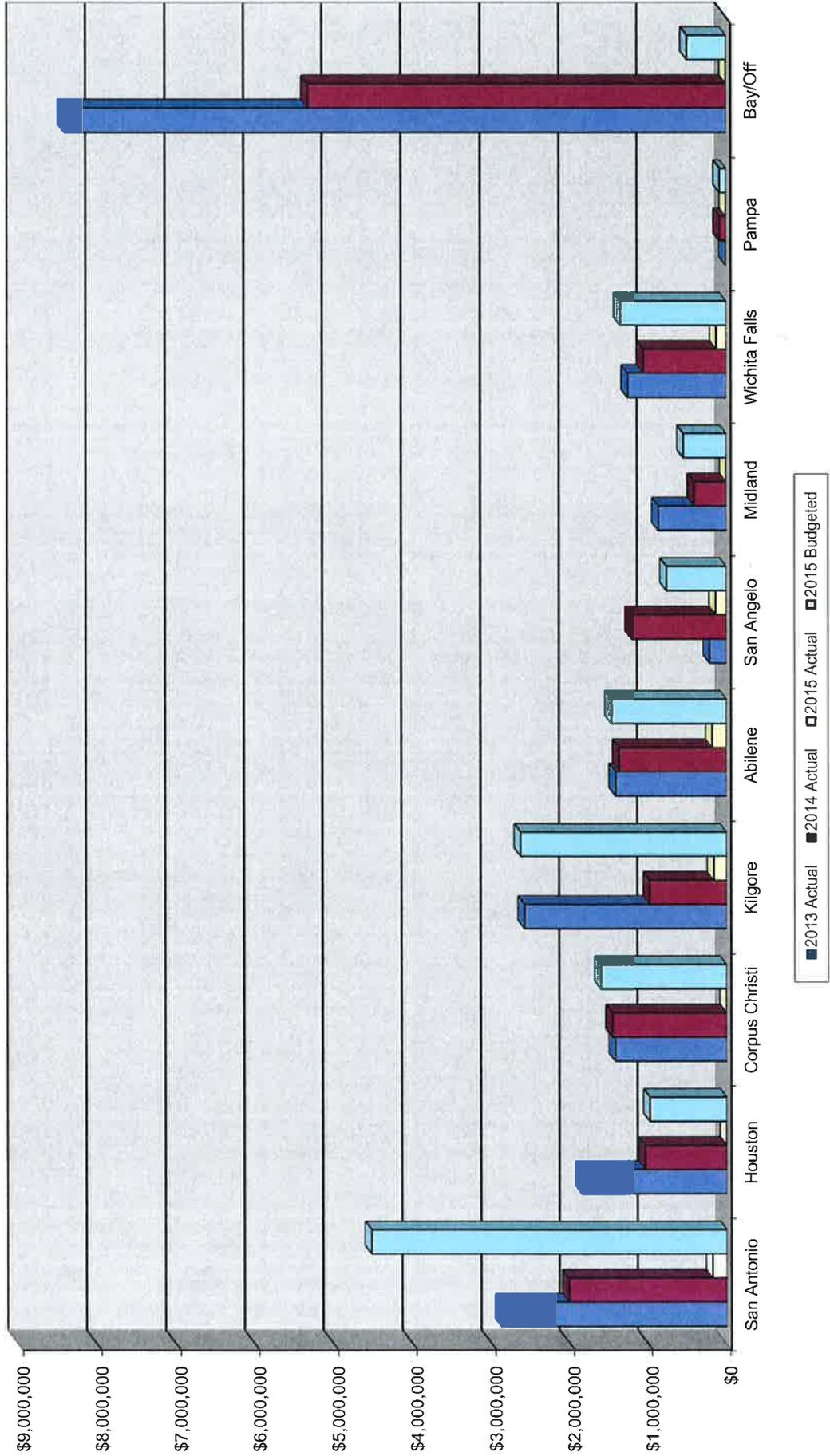
FY 13 Actual, FY 14 Actual, FY 15 Actual, FY 15 Budgeted



	San Antonio	Houston	Corpus Christi	Kilgore	Abilene	San Angelo	Midland	Wichita Falls	Pampa	Bay/Off	Statewide
2013 Wells Plugged	152	44	43	111	154	13	21	209	1	30	778
2014 Wells Plugged	69	40	33	41	112	79	7	172	5	5	563
2015 Wells Plugged	13	0	0	9	27	13	0	7	0	0	69
2015 Wells Budgeted	127	40	40	110	120	50	15	222	5	1	730

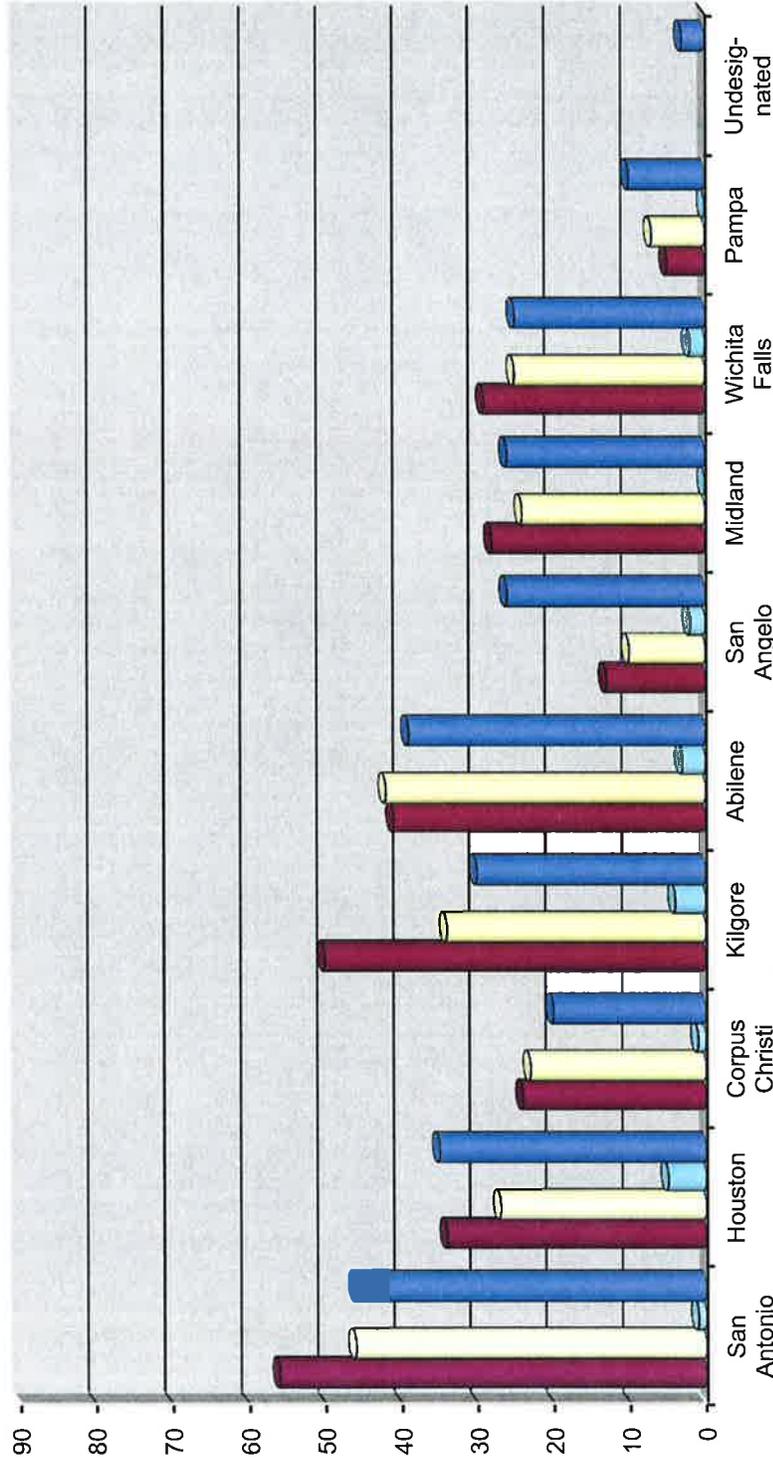
Field Operations/Well Plugging Oil Field Cleanup Program Expenditures

FY 13 Actual, FY 14 Actual, FY 15 Actual, FY 15 Budgeted



	San Antonio	Houston	Corpus Christi	Kilgore	Abilene	San Angelo	Midland	Wichita Falls	Pampa	Bay/Off	Statewide
2013 Actual	\$2,879,899	\$1,851,136	\$1,420,742	\$2,581,148	\$1,413,887	\$212,620	\$868,291	\$1,258,601	\$7,542	\$8,399,145	\$20,893,010
2014 Actual	\$2,020,123	\$1,042,783	\$1,459,993	\$983,165	\$1,370,321	\$1,208,706	\$411,321	\$1,062,047	\$82,977	\$5,317,809	\$14,959,244
2015 Actual	\$183,313	\$0	\$0	\$164,161	\$184,354	\$136,310	\$0	\$129,295	\$0	\$0	\$797,432
2015 Budgeted	\$4,523,125	\$981,036	\$1,600,000	\$2,629,000	\$1,464,000	\$762,500	\$547,500	\$1,354,200	\$82,511	\$500,000	\$14,443,872

**Site Remediation
Oil Field Cleanup Program
Activities Completed/Projected
FY 13 Completed, FY 14 Completed, FY 15 Budgeted**

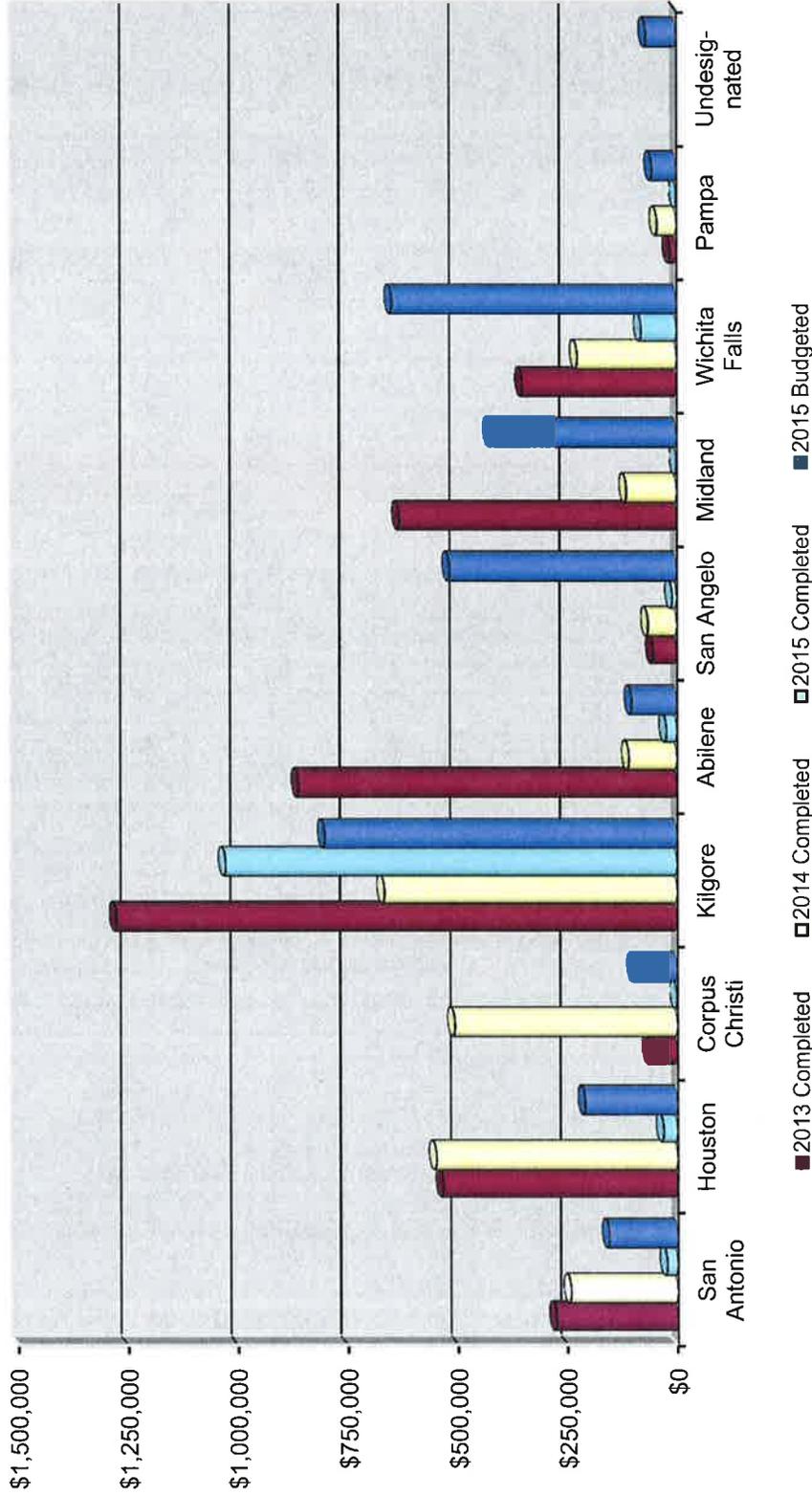


■ 2013 Activities Completed □ 2014 Activities Completed ■ 2015 Activities Budgeted

	San Antonio	Houston	Corpus Christi	Kilgore	Abilene	San Angelo	Midland	Wichita Falls	Pampa	Undesignated	Statewide
2013 Activities Completed	56	34	24	50	41	13	28	29	5		280
2014 Activities Completed	46	27	23	34	42	10	24	25	7		238
2015 Activities Completed	1	5	1	4	3	2	0	2	0		18
2015 Activities Budgeted	46	35	20	30	39	26	26	25	10	3	260

Site Remediation Oil Field Cleanup Program Expenditures

FY 13 Completed, FY 14 Completed, FY 15 Completed, FY 15 Budgeted



	San Antonio	Houston	Corpus Christi	Kilgore	Abilene	San Angelo	Midland	Wichita Falls	Pampa	Undesignated	Statewide
2013 Completed	\$275,383	\$533,297	\$62,907	\$1,274,980	\$859,229	\$53,923	\$630,285	\$350,989	\$15,103		\$4,056,095
2014 Completed	\$242,529	\$548,538	\$506,358	\$665,944	\$109,099	\$64,861	\$114,173	\$225,745	\$43,799		\$2,521,047
2015 Completed	\$24,334	\$31,951	\$964	\$1,026,507	\$24,279	\$10,563	\$0	\$80,388	\$0		\$1,198,986
2015 Budgeted	\$155,386	\$209,528	\$97,813	\$800,152	\$102,746	\$516,684	\$421,881	\$646,850	\$55,728	\$68,500	\$3,006,768