

RAILROAD COMMISSION OF TEXAS

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

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

MEMORANDUM

TO: Chairman David Porter
Commissioner Christi Craddick
Commissioner Ryan Sitton

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

DATE: March 29, 2016

SUBJECT: Oilfield Cleanup Program FY 16, 2nd Quarter Report

Well Plugging: The 2nd quarter well plugging performance includes **43** wells plugged using Oil and Gas Regulation and Cleanup (OGRC) funds. This includes wells for which the state-funded plug files have been formally closed in Austin. An additional **174** wells were approved for plugging during the 2nd quarter.

Fiscal year-to-date totals include 128 wells plugged, 390 wells approved for plugging, and 1,195 wells remaining to be plugged. Bids have been prepared on 316 wells, of which 198 have been awarded and 118 remain to be awarded. The well plugging goal for fiscal year 2016 is 875 wells. The actual wells plugged and expenditure by district for fiscal years 2014, 2015 and 2016 and the well plugging goals by district for fiscal year 2016 are shown on the attached graphs. The fiscal year 2016 budget, approved by the Commission on November 17, 2015, is \$8,443,872.

Site Remediation: During the 2nd quarter Site Remediation completed and formally closed **46** cleanup activities, of which 42 were completed with the use of OGRC funds and 4 were completed with the use of grant funds. Additionally, during the 2nd quarter **52** cleanup activities were authorized and at the end of the 2nd quarter a total of 79 cleanup activities are authorized and remain to be completed. Site Remediation has completed and formally closed a total of 69 cleanup activities during the fiscal year, of which 63 were completed with the use of OGRC funds and 6 were completed with grant funds. The actual remediation activities and expenditure by district for fiscal years 2014, 2015, and 2016 and the goals for the Site Remediation activities by district for fiscal year 2016 are shown on the attached graphs. Site Remediation's FY16 budget approved by the Commission on November 17, 2015, is \$1,999,068.00.

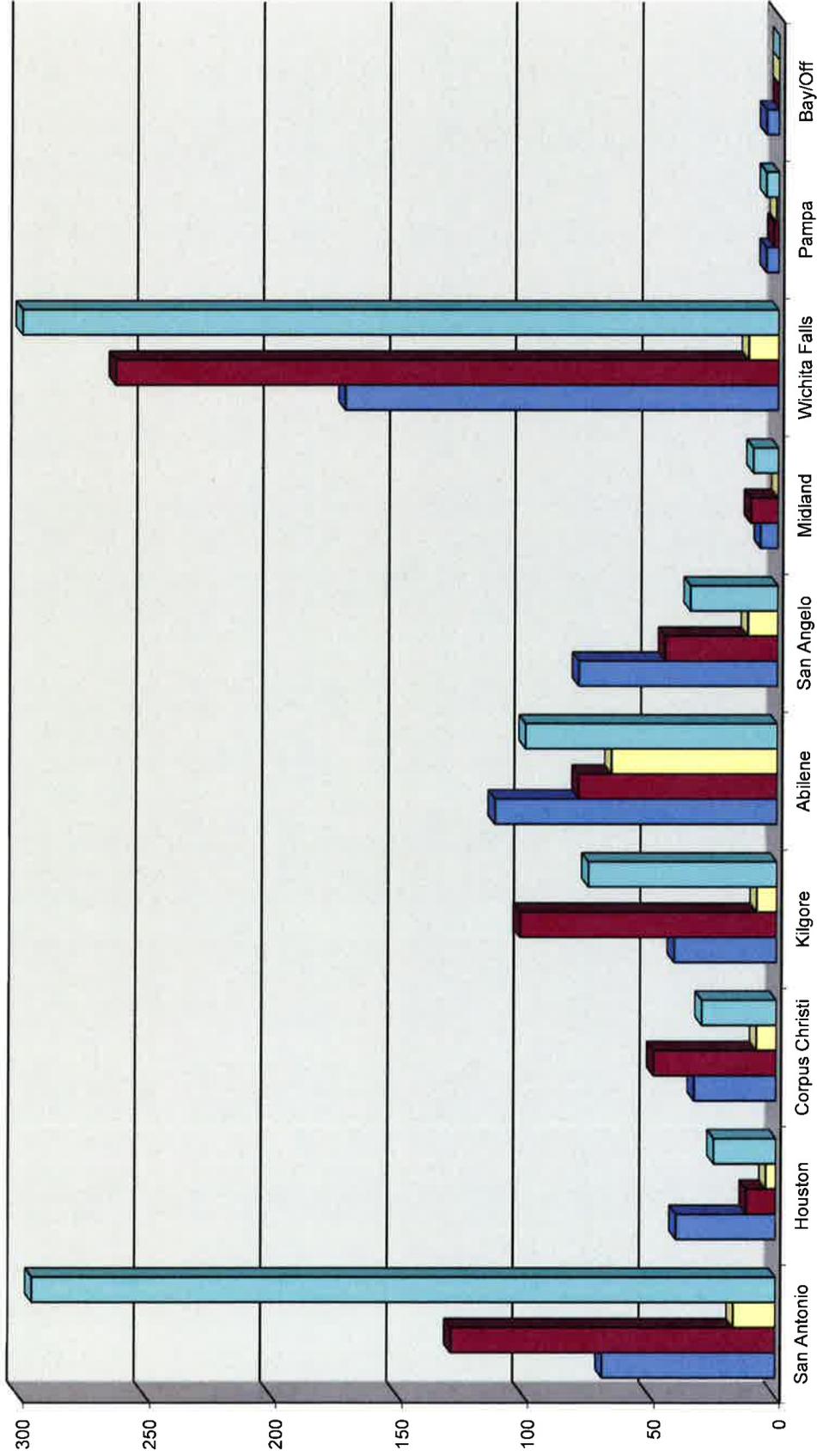

Santos Gonzales, Jr., P. E.
Assistant Director, Field Operations

KCW
Attachments

cc Kimberly Corley, Executive Director
Lori Wrottenbery, Director, Oil & Gas Division
Peter G. Pope, P.G., Manager, Site Remediation

Field Operations/Well Plugging Oil Field Cleanup Program Wells Plugged

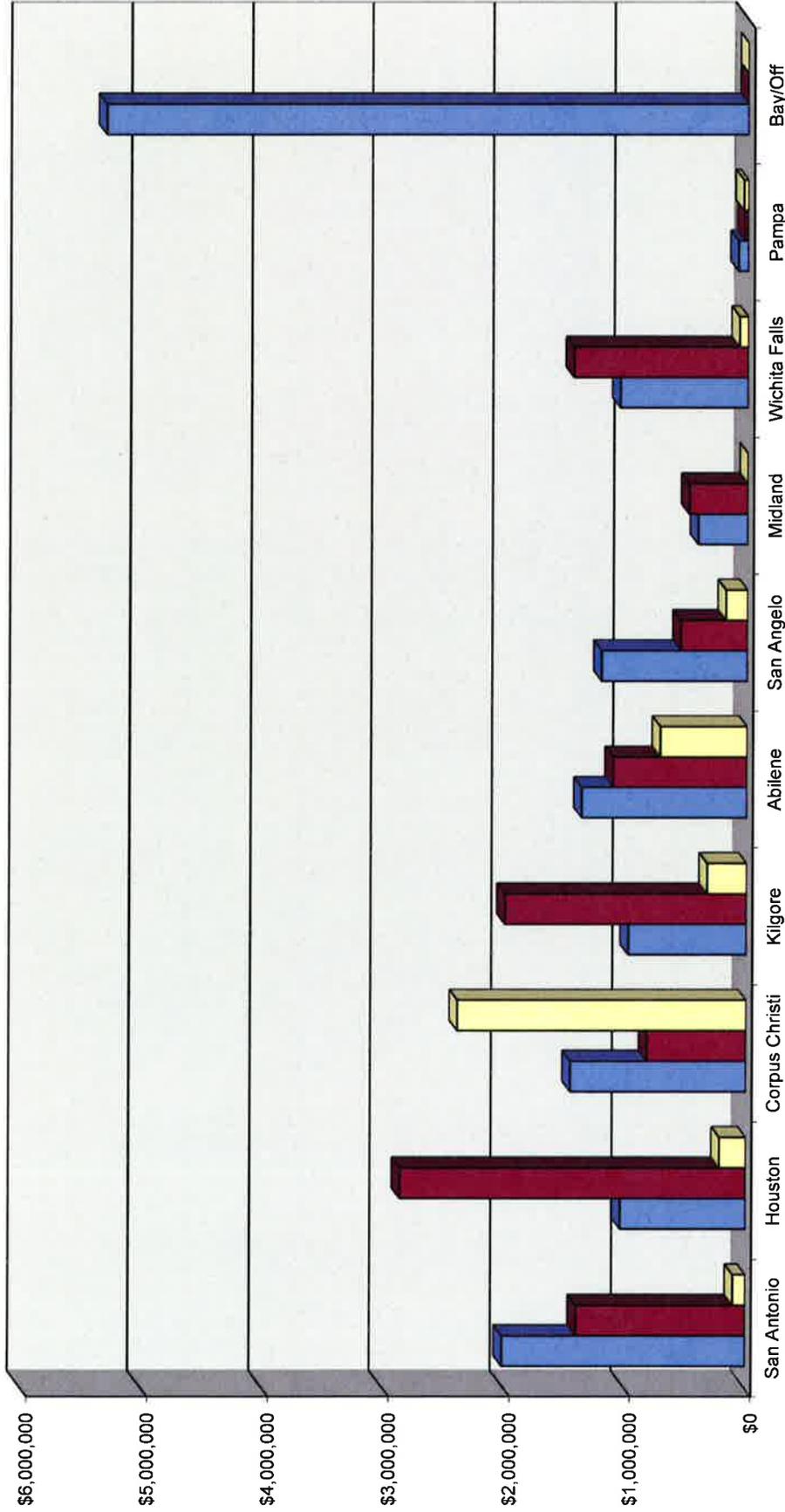
FY 14 Actual, FY 15 Actual, FY 16 Actual, FY 16 Well Plugging Goal



■ 2014 Wells Plugged
 ■ 2015 Wells Plugged
 ■ 2016 Wells Plugged
 ■ 2016 Well Plugging Goal

	San Antonio	Houston	Corpus Christi	Kilgore	Abilene	San Angelo	Midland	Wichita Falls	Pampa	Bay/Off	Statewide
2014 Wells Plugged	69	40	33	41	112	79	7	172	5	5	563
2015 Wells Plugged	129	12	49	102	79	45	11	263	2	0	692
2016 Wells Plugged	17	4	8	8	66	12	0	12	1	0	128
2016 Well Plugging Goal	295	25	30	75	100	35	10	300	5	0	875

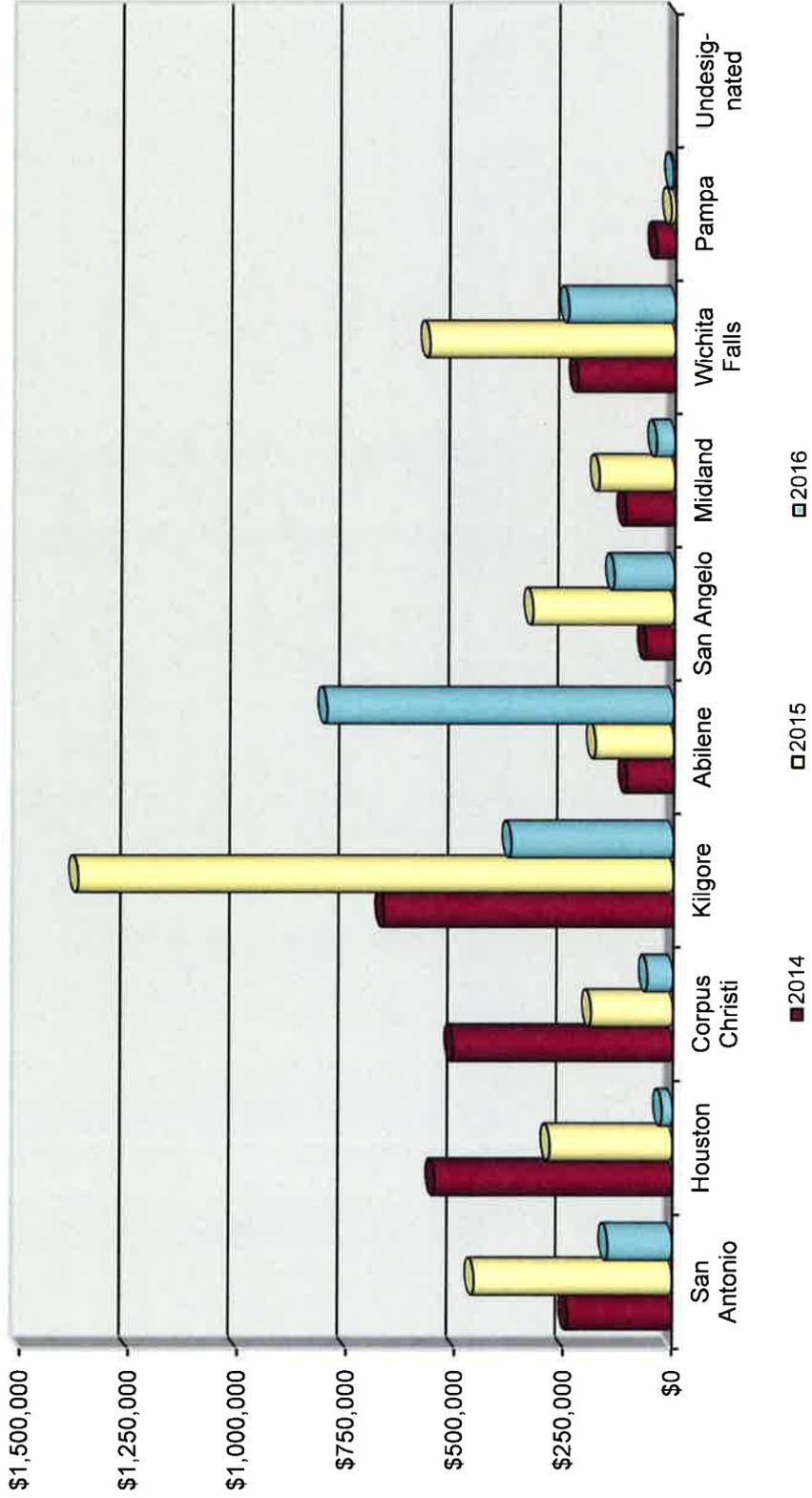
**Field Operations/Well Plugging
Oil Field Cleanup Program
Expenditures
FY 14, FY 15, FY 16**



■ 2014 ■ 2015 ■ 2016

	San Antonio	Houston	Corpus Christi	Kilgore	Abilene	San Angelo	Midland	Wichita Falls	Pampa	Bay/Off	Statewide
2014	\$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	\$1,408,785	\$2,866,873	\$826,712	\$2,002,672	\$1,112,365	\$553,421	\$485,677	\$1,444,956	\$29,713	\$0	\$10,731,174
2016	\$107,189	\$221,173	\$2,392,491	\$329,259	\$721,898	\$180,190	\$0	\$73,385	\$39,419	\$0	\$4,065,004

**Site Remediation
Oil Field Cleanup Program
Expenditures
FY 14, FY 15, FY 16**



	San Antonio	Houston	Corpus Christi	Kilgore	Abilene	San Angelo	Midland	Wichita Falls	Pampa	Undesignated	Statewide
2014	\$242,529	\$548,538	\$506,358	\$665,944	\$109,099	\$64,861	\$114,173	\$225,745	\$43,799		\$2,521,047
2015	\$457,220	\$285,238	\$190,926	\$1,368,424	\$182,873	\$327,408	\$176,456	\$565,678	\$10,105		\$3,564,328
2016	\$150,671	\$24,321	\$59,302	\$374,894	\$797,944	\$140,259	\$42,393	\$247,420	\$5,584		\$1,842,789