

RAILROAD COMMISSION OF TEXAS

JIM WRIGHT, *CHAIRMAN*
WAYNE CHRISTIAN, *COMMISSIONER*
CHRISTI CRADDICK, *COMMISSIONER*

INTERNAL
OIL AND GAS DIVISION
DAVID LINDLEY
ASSISTANT DIRECTOR, FIELD OPERATIONS

MEMORANDUM

TO: Chairman Christi Craddick
Commissioner Wayne Christian
Commissioner Jim Wright

THROUGH: Wei Wang, Executive Director

Danny Sorrells, Assistant Executive Director
Director, Oil and Gas Division

FROM: David Lindley, Assistant Director
Field Operations

DATE: August 18, 2026

SUBJECT: Oil Field Cleanup Program Quarterly Status Report, Fiscal Year 2026, 3rd Quarter

Well Plugging:

The 3rd quarter performance for State-Managed Plugging includes 193 wells plugged with a total expenditure of \$ 6,128,943.19 using Oil and Gas Regulation and Cleanup (OGRC) funds. An additional 250 wells were plugged with a total expenditure of \$ 12,814,953.93 using grant funds from the U.S. Department of the Interior from the Infrastructure Investment and Jobs Act (IIJA). Lastly 115 wells were plugged at a cost of \$ 14,003,718.73 using the \$100 million in Supplemental funding appropriated by the Texas Legislature. This includes wells that have been physically plugged, invoiced by the plugging contractor, and approved for payment by Field Operations. Additionally, during the 3rd quarter Field Operations approved 412 wells for plugging. The actual wells plugged and expenditure by district for fiscal years 2025 and 2026 and the well plugging goals by district for fiscal year 2026 are shown on the attached graphs. The fiscal year 2026 budget for OGRC funds is \$22,750,000.

Site Remediation: The 3rd quarter performance for Site Remediation includes 56 cleanup activities completed with a total expenditure of \$1,294,536.91 using OGRC funds, and 50 activities completed with a total expenditure of \$1,431,248.70 using IIJA and Brownfield grant funds. Additionally, during the 3rd quarter 145 cleanup activities were authorized for cleanup with State or Federal grant funds. Through the end of the 3rd quarter, Site Remediation has completed and formally closed a total of 243 cleanup activities using OGRC funds and Federal (IIJA and Brownfield) grant funds. The actual remediation activities and expenditure by district for fiscal years 2025 and 2026 and the goals for the Site Remediation activities by district for fiscal year 2026 are shown on the attached graphs. The fiscal year 2026 budget includes \$9,000,000.00 of OGRC funds, and \$1,200,000.00 of OGRC funds for assessments. The budget for Brownfield activities includes \$103,688 of 128a grant funds and \$362,792 in IIJA grant funds.

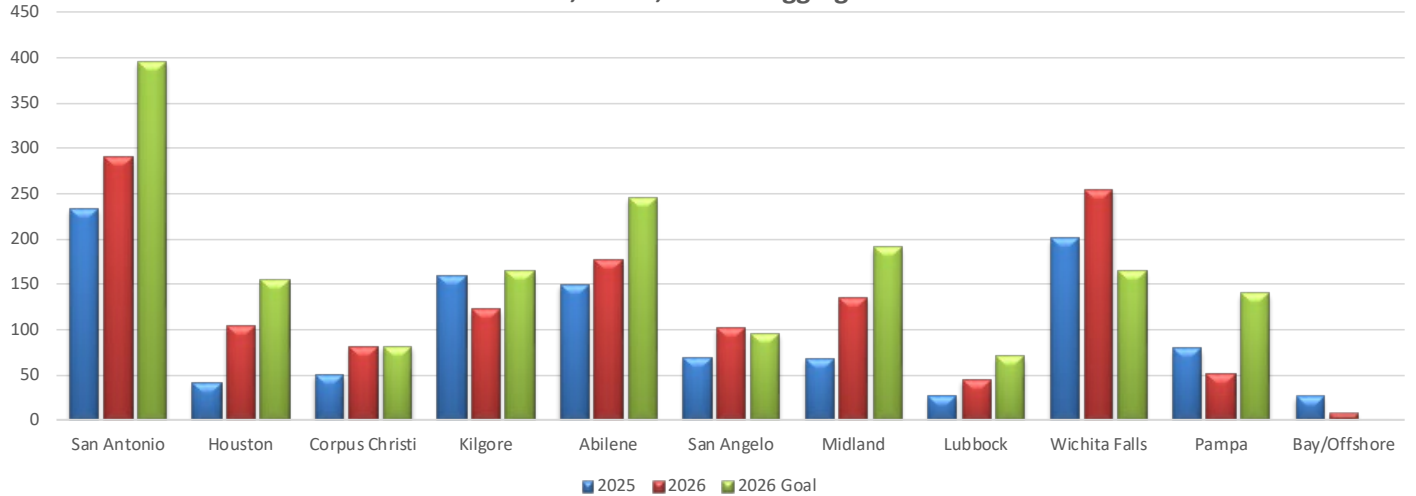
Per Texas Natural Resources Code Sec. 81.069 (b) financial information regarding the Oil and Gas Regulation and Cleanup Fund is attached.

WKM

Attachments:

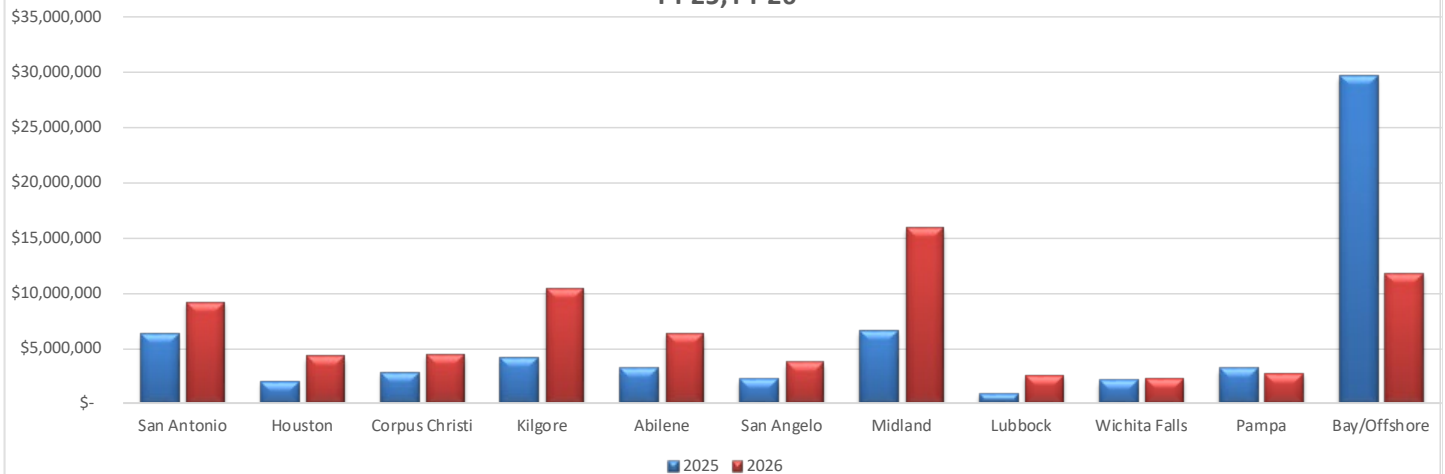
cc Wei Wang, Executive Director
Danny Sorrells, Director, Oil & Gas Division
Peter G. Pope, P.G., Manager, Site Remediation

**Oil Field Cleanup Program
State Managed Plugging
3rd Quarter FY 2026
Wells Plugged
FY 25 , FY 26 , FY 26 Plugging Goal**



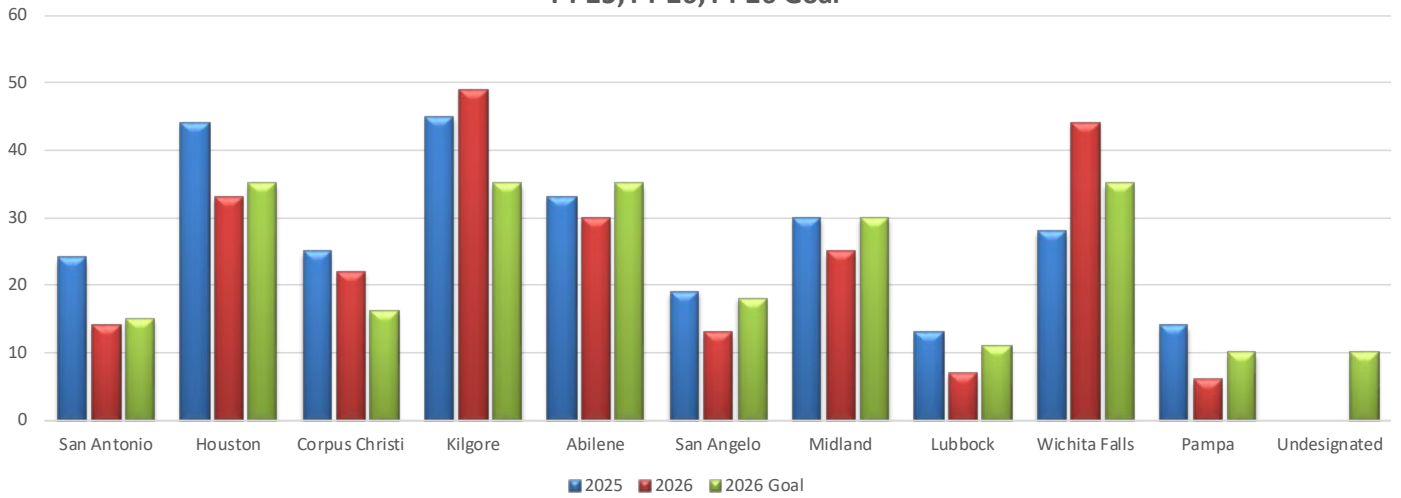
	San Antonio	Houston	Corpus Christi	Kilgore	Abilene	San Angelo	Midland	Lubbock	Wichita Falls	Pampa	Bay/Offshore	Total
2025	233	41	50	159	149	69	67	27	201	79	26	1,101
2026	290	104	81	122	177	102	135	45	254	51	7	1,368
2026 Goal	395	155	81	164	245	95	190	70	165	140	0	1,700

**Oil Field Cleanup Program
State Managed Plugging
3rd Quarter FY 2026
Plugging Expenditures
FY 25, FY 26**



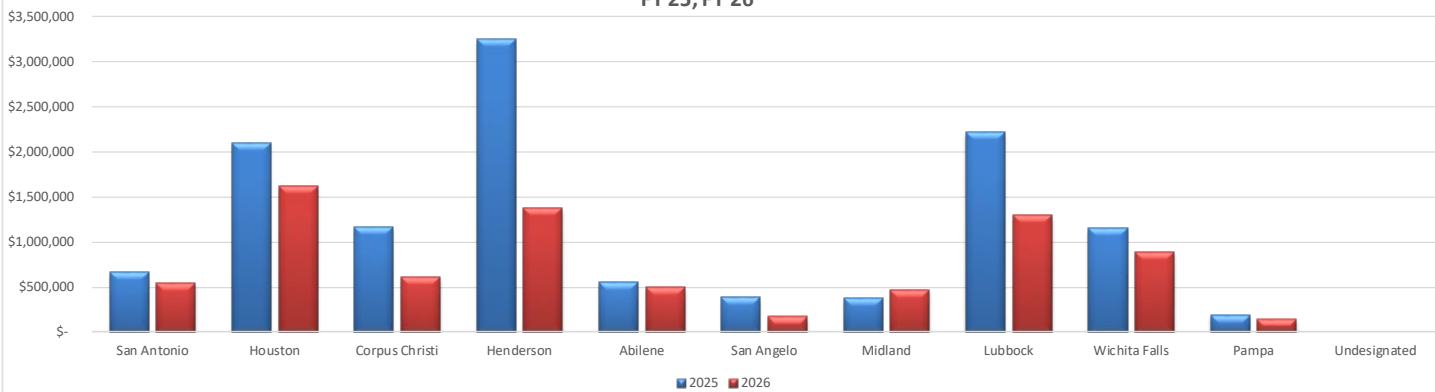
	San Antonio	Houston	Corpus Christi	Kilgore	Abilene	San Angelo	Midland	Lubbock	Wichita Falls	Pampa	Bay/Offshore	Total
2025	\$ 6,290,184	\$ 1,980,697	\$ 2,807,633	\$ 4,175,099	\$ 3,117,908	\$ 2,193,524	\$ 6,516,370	\$ 883,021	\$ 2,064,824	\$ 3,113,077	\$ 29,689,693	\$ 62,832,028
2026	\$ 9,177,892	\$ 4,198,807	\$ 4,455,904	\$ 10,374,736	\$ 6,337,380	\$ 3,646,975	\$ 15,924,681	\$ 2,542,398	\$ 2,267,905	\$ 2,642,296	\$ 11,769,512	\$ 73,338,487

**Oil Field Cleanup Program
Site Remediation
3rd Quarter FY 2026
Activities Completed
FY 25, FY 26, FY 26 Goal**



	San Antonio	Houston	Corpus Christi	Kilgore	Abilene	San Angelo	Midland	Lubbock	Wichita Falls	Pampa	Undesignated	Total
2025	24	44	25	45	33	19	30	13	28	14	0	275
2026	14	33	22	49	30	13	25	7	44	6	0	243
2026 Goal	15	35	16	35	35	18	30	11	35	10	10	250

**Oil Field Cleanup Program
Site Remediation
3rd Quarter FY 2026
Cleanup Expenditures
FY 25, FY 26**



	San Antonio	Houston	Corpus Christi	Henderson	Abilene	San Angelo	Midland	Lubbock	Wichita Falls	Pampa	Undesignated	Total
2025	\$ 657,135	\$ 2,095,726	\$ 1,157,150	\$ 3,242,072	\$ 541,426	\$ 381,179	\$ 374,102	\$ 2,213,650	\$ 1,138,967	\$ 187,149	\$ -	\$ 11,988,556
2026	\$ 539,050	\$ 1,615,410	\$ 607,778	\$ 1,373,932	\$ 490,507	\$ 164,047	\$ 468,800	\$ 1,287,922	\$ 886,693	\$ 140,902	\$ -	\$ 7,575,040

Railroad Commission of Texas
Oil and Gas Regulation and Cleanup Dedicated Account
FY 2026 3rd Quarter Report

Revenues:		Comptroller BRE (Jan. 2025)	Current Qtr. Collections	Year-To-Date Collections	BRE Collected
3310	Oil and Gas Regulation and Cleanup Fee Surcharge	\$ 22,930,000	\$ 5,703,649	\$ 15,462,130	67.4%
3313	Oil and Gas Well Drilling Permit	6,500,000	1,541,920	4,062,730	62.5%
3314	Oil and Gas Violations	14,000,000	5,349,361	13,023,018	93.0%
3338	Organization Report Fees	3,470,000	896,325	2,547,099	73.4%
3339	Railroad Commission Voluntary Cleanup Application Fees	17,000	10,300	17,720	104.2%
3369	Reimbursement of Well Plugging Costs	1,200,000	487,856	1,163,219	96.9%
3373	Injection Well Regulation	36,000	3,700	12,000	33.3%
3381	Oil Field Cleanup Regulatory Fee on Oil	11,034,000	2,612,389	8,262,481	74.9%
3382	Railroad Commission Rule Exceptions	1,400,000	378,000	1,022,250	73.0%
3383	Oil Field Cleanup Regulatory Fee on Gas	8,700,000	2,177,379	6,525,713	75.0%
3384	Oil and Gas Compliance Certification Reissue Fee	1,200,000	362,280	1,122,970	93.6%
3393	Abandoned Well Site Equipment Disposal	1,600,000	1,000,355	2,227,000	139.2%
3553	Pipeline Safety Inspection Fees	11,000,000	9,527,126	10,903,557	99.1%
3592	Waste Disposal Facilities, Generators, Transporters	190,000	57,260	135,440	71.3%
3727	Fees for Administrative Services	1,323,000	415,475	1,061,625	80.2%
Subtotal - OGRC		\$ 84,600,000	\$ 30,523,375	\$ 67,548,951	79.8%
3700	Federal Receipts-Matched, Other Programs	-	7,903,207	8,464,720	
3701	Federal Receipts-Earned Credit	-	15,796	90,027	
Subtotal - Federal Funds		\$ -	\$ 7,919,004	\$ 8,554,747	
3765	Interagency Sales of Supplies/Equipment/Services	-	3,000,000	3,000,000	
3802	Reimbursements - Third Party	-	-	(76,764)	
Subtotal - Other Revenue		\$ -	\$ 3,000,000	\$ 2,923,236	
Total Revenues		\$ 84,600,000	\$ 41,442,379	\$ 79,026,934	93.4%

		Budget				Total	Available Budget Remaining
Expenditures:		Original	Adjustment	Expenditures	Encumbrances	Exp & Enc	
13022	Pipeline Safety	\$ 12,157,456	\$ 11,764,588	\$ 7,839,663	\$ 50,018	\$ 7,889,681	32.9%
13024	Energy Resource Development	7,345,504	1,351,560	588,922	414,924	1,003,846	25.7%
13025	Oil & Gas Monitoring and Inspections	1,903,864	1,904,794	1,203,149	190,016	1,393,165	26.9%
13027	Oil & Gas Well Plugging and Remediation	49,224,979	62,870,919	28,811,571	17,704,795	46,516,365	26.0%
13031	Public Information	1,250,709	354,471	190,979	98,852	289,831	18.2%
13036	Pipeline Damage Prevention	340,017	669,043	439,658	7,664	447,322	33.1%
Total Expenditures		\$ 72,222,530	\$ 78,915,375	\$ 39,073,941	\$ 18,466,269	\$ 57,540,210	27.1%

Unobligated Oil and Gas Regulation and Cleanup Fund Balance - May 31, 2026

\$	98,306,624
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