

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: January 12, 2016

SUBJECT: Oilfield Cleanup Program FY 16, 1st Quarter Report

Well Plugging: The 1st quarter well plugging performance includes **85** 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 216 wells were approved for plugging during the 1st quarter. Bids have been prepared on 242 wells, contracts have been awarded for thirty-seven (37) wells and contracts remain to be awarded for 207 wells. The well plugging goal for fiscal year 2015 is 875 wells. The actual wells plugged and expenditure by district for fiscal years 2014, 2015 and 2016 and the well plugging goals and budgets 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 1st quarter Site Remediation completed and formally closed **23** cleanup activities, of which 21 were completed with the use of OGRC funds and 2 were completed with the use of grant funds. Additionally, during the 1st quarter 76 cleanup activities were authorized and at the end of the 1st quarter a total of 73 cleanup activities are authorized and remain to be completed. The actual remediation activities and expenditure by district for fiscal years 2014, 2015, and 2016 and the goals and budgets for the Site Remediation activities by district for fiscal year 2016 are shown on the attached graphs. Site Remediation's original FY16 budget approved by the Commission on November 17, 2015, is \$1,999,068.00.



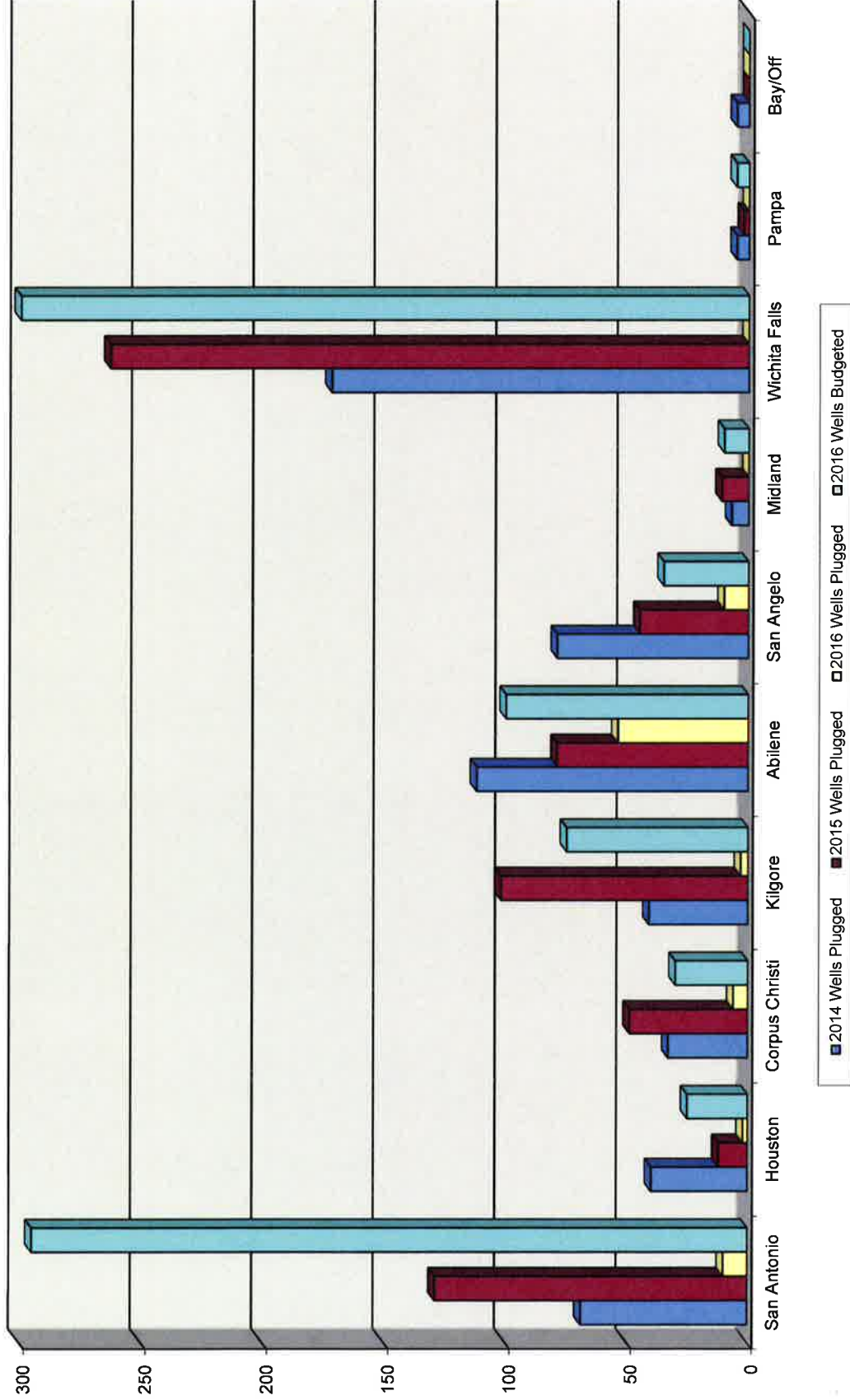
Santos Gonzales, Jr., P. E.
Assistant Director, Field Operations

KCW
Attachments

cc Lindil Fowler, Acting Executive Director
Lori Wrotenbery, Director, Oil & Gas Division
Peter G. Pope, P.G., Assistant Director, Site Remediation

**Field Operations/Well Plugging
Oil Field Cleanup Program
Wells Plugged**

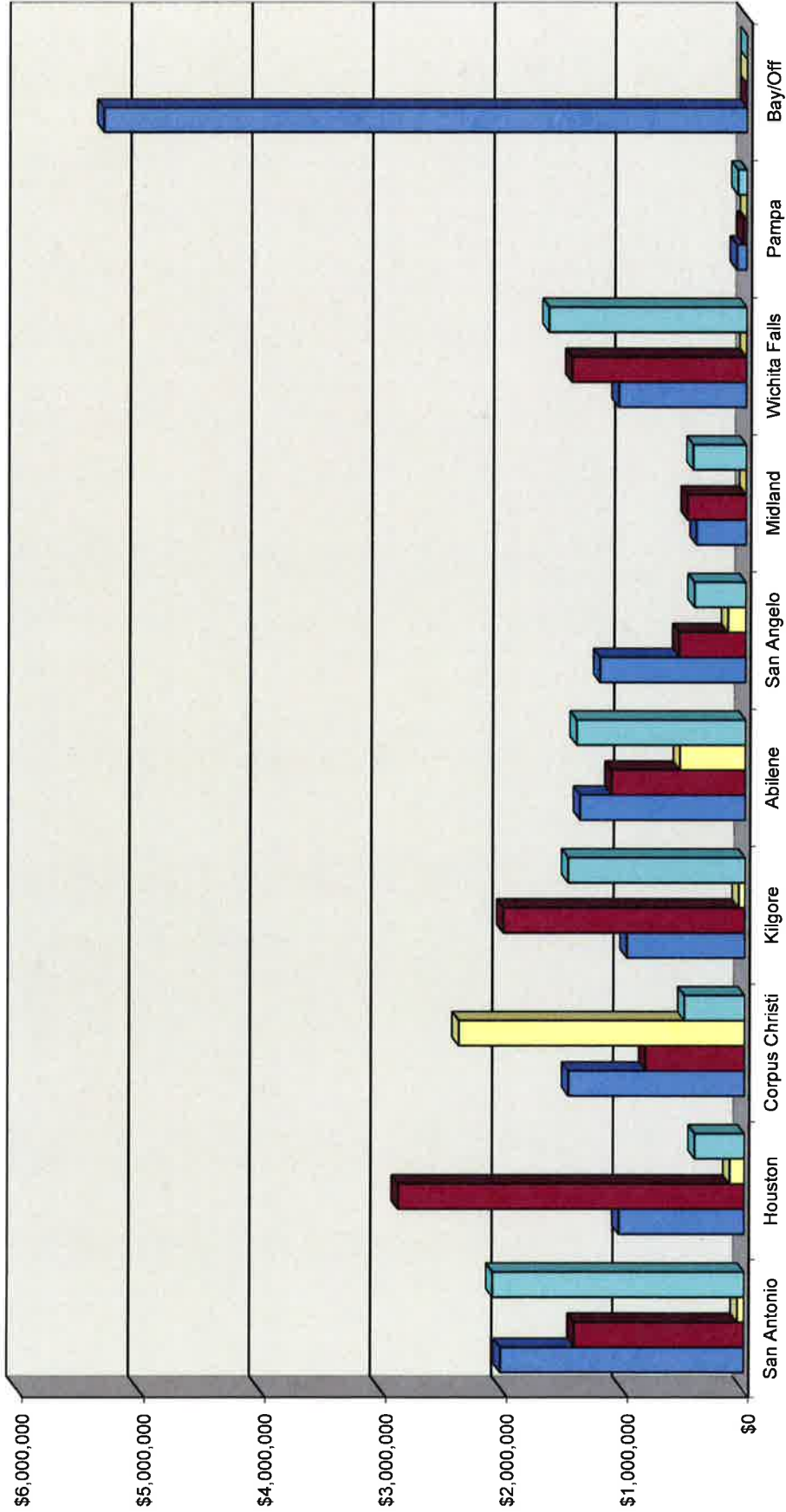
FY 14 Actual, FY 15 Actual, FY 16 Actual, FY 16 Budgeted



	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	10	2	6	3	54	10	0	0	0	0	85
2016 Wells Budgeted	295	25	30	75	100	35	10	300	5	0	875

**Field Operations/Well Plugging
Oil Field Cleanup Program
Expenditures**

FY 14 Actual, FY 15 Actual, FY 16 Actual, FY 16 Budgeted

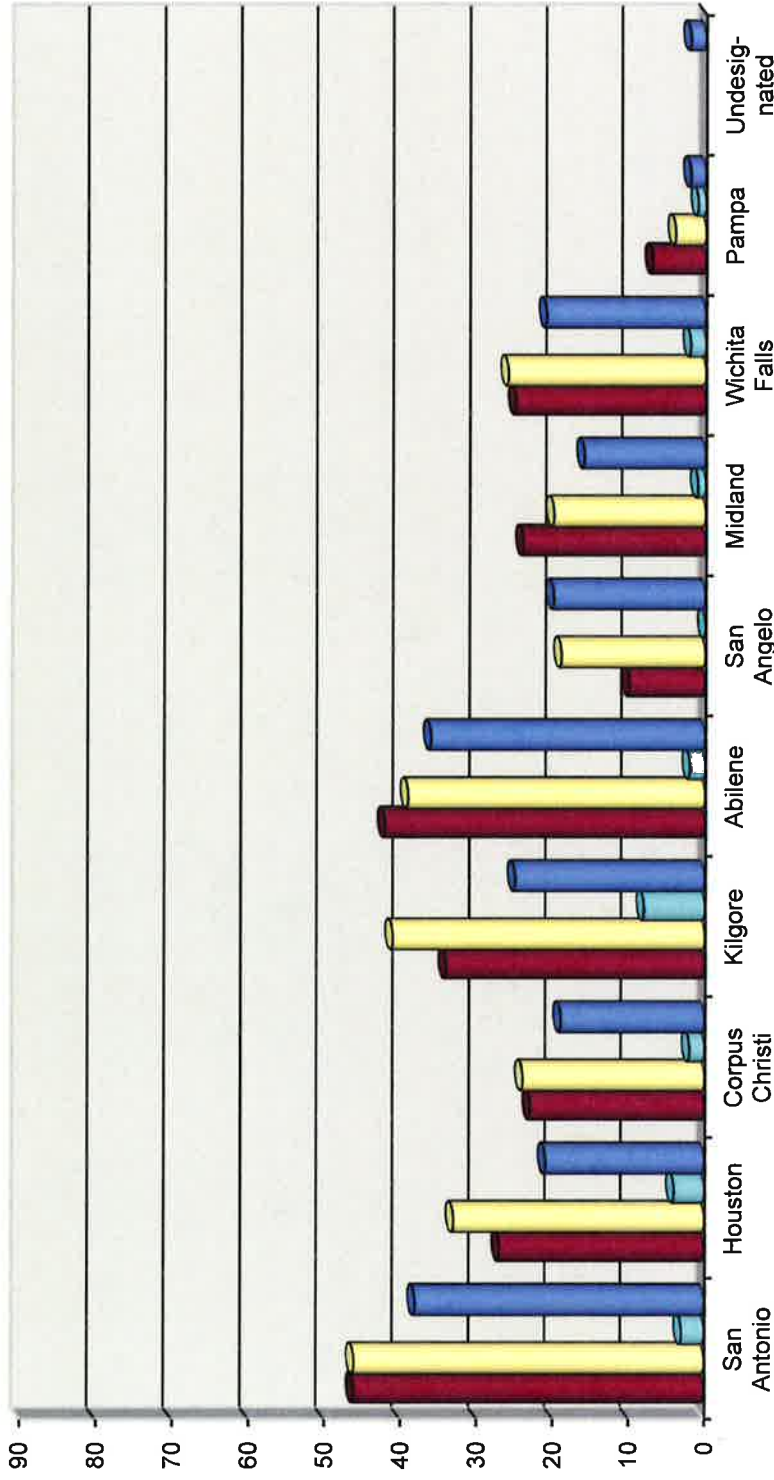


■ 2014 Actual ■ 2015 Actual □ 2016 Actual □ 2016 Budgeted*

	San Antonio	Houston	Corpus Christi	Kilgore	Abilene	San Angelo	Midland	Wichita Falls	Pampa	Bay/Off	Statewide
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	\$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 Actual	\$56,780	\$122,628	\$2,368,331	\$53,182	\$545,788	\$148,690	\$0	\$0	\$0	\$0	\$3,295,399
2016 Budgeted*	\$2,086,118	\$412,500	\$501,704	\$1,466,250	\$1,400,000	\$427,000	\$441,000	\$1,635,000	\$74,300	\$0	\$8,443,872

* Approved by the Commission on November 17, 2015. Does not reflect subsequent adjustments.

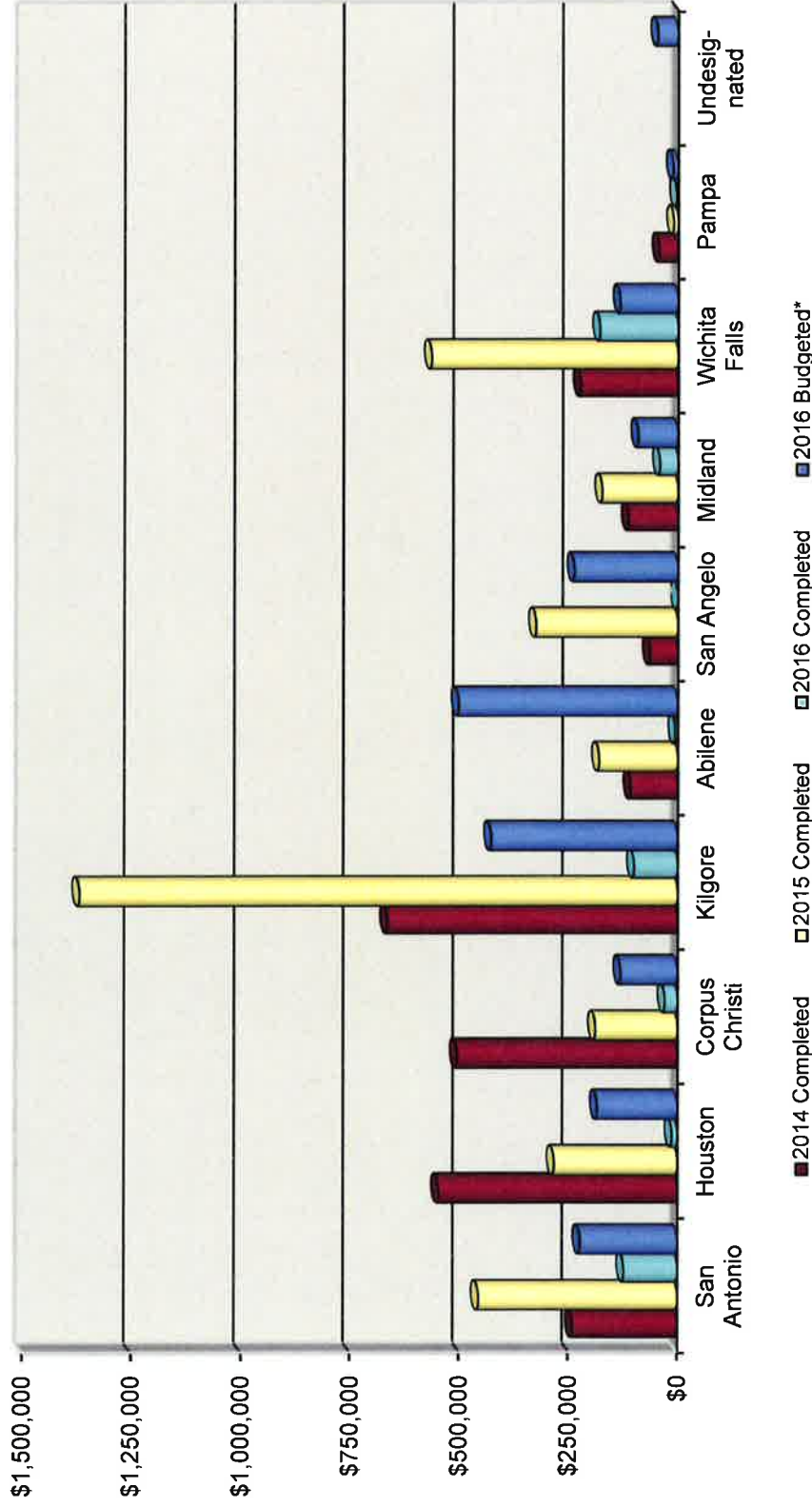
**Site Remediation
Oil Field Cleanup Program
Activities Completed/Budgeted
FY 14 Completed, FY 15 Completed, FY 16 Budgeted**



	San Antonio		Houston		Corpus Christi		Kilgore		Abilene		San Angelo		Midland		Wichita Falls		Pampa		Undesignated		Statewide	
2014 Activities Completed	46	27	23	34	42	10	24	25	7	238												
2015 Activities Completed	46	33	24	41	39	19	20	26	4	252												
2016 Activities Completed	3	4	2	8	2	0	1	2	1	23												
2016 Activities Budgeted	38	21	19	25	36	20	16	21	2	200												

**Site Remediation
Oil Field Cleanup Program
Expenditures**

FY 14 Completed, FY 15 Completed, FY 16 Completed, FY 16 Budgeted



	San Antonio	Houston	Corpus Christi	Kilgore	Abilene	San Angelo	Midland	Wichita Falls	Pampa	Undesignated	Statewide
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	\$457,220	\$285,238	\$190,926	\$1,368,424	\$182,873	\$327,408	\$176,456	\$565,678	\$10,105		\$3,564,328
2016 Completed	\$123,846	\$12,853	\$29,744	\$100,457	\$5,738	\$0	\$42,393	\$181,715	\$3,290		\$500,037
2016 Budgeted*	\$225,540	\$186,622	\$131,934	\$428,547	\$503,063	\$239,339	\$92,032	\$133,919	\$11,072	\$47,000	\$1,999,068

*Approved by the Commission on November 17, 2015. Does not reflect subsequent adjustments.