

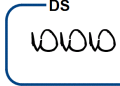

RAILROAD COMMISSION OF TEXAS

CHRISTI CRADDICK, *CHAIRMAN*
WAYNE CHRISTIAN, *COMMISSIONER*
JIM WRIGHT, *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: January 29, 2025

SUBJECT: Oil Field Cleanup Program Quarterly Status Report, Fiscal Year 2025, 1st Quarter

Well Plugging:

The 1st quarter performance for State-Managed Plugging includes 278 wells plugged with a total expenditure of \$7,029,177 using Oil and Gas Regulation and Cleanup (OGRC) funds. An additional 157 wells were plugged with a total expenditure of \$5,534,908 using grant funds from several federal agencies. The largest grant is the from the U.S. Department of the Interior from the Infrastructure Investment and Jobs Act (IIJA). This includes wells that have been physically plugged, invoiced by the plugging contractor, and approved for payment by Field Operations. Additionally, during the 1st quarter Field Operations approved 183 wells for plugging. A total of 578 wells were physically plugged through the end of the 1st quarter, of which, 485 have been invoiced and paid. The actual wells plugged and expenditure by district for fiscal years 2024 and 2025 and the well plugging goals by district for fiscal year 2025 are shown on the attached graphs. The fiscal year 2025 budget is \$22,750,000 in OGRC funds.

Site Remediation: The 1st quarter performance for Site Remediation includes 42 cleanup activities completed with a total expenditure of \$1,463,815 using OGRC funds, and 1 activity completed with a total expenditure of \$51,032 using IIJA Grant Funds. Additionally, during the 1st quarter 122 cleanup activities were authorized for cleanup with State funds. Through the end of the 1st quarter, Site Remediation has completed and formally closed a total of 43 cleanup activities using OGRC funds and IIJA grant funds. The actual remediation activities and expenditure by district for fiscal years 2024, and 2025 and the goals for Site Remediation activities by district for fiscal year 2025 are shown on the attached graphs. The fiscal year 2025 budget includes \$12,000,000.00 of OGRC funds, and \$1,500,000.00 of OGRC funds for assessments. The budget for Brownfield activities includes \$74,204 of 128a grant funds and \$51,032 in IIJA grant funds.

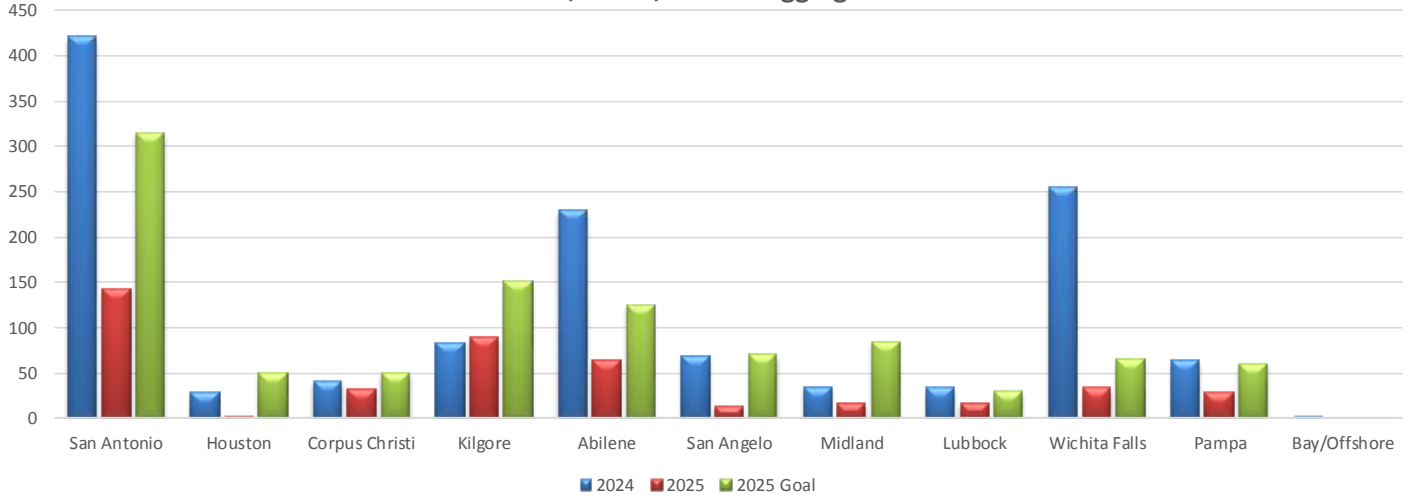
Per Texas Natural Resources Code Sec. 81.069 (b) financial information regarding the Oil and Gas Regulation and Cleanup Fund is attached.

WKM

Attachments:

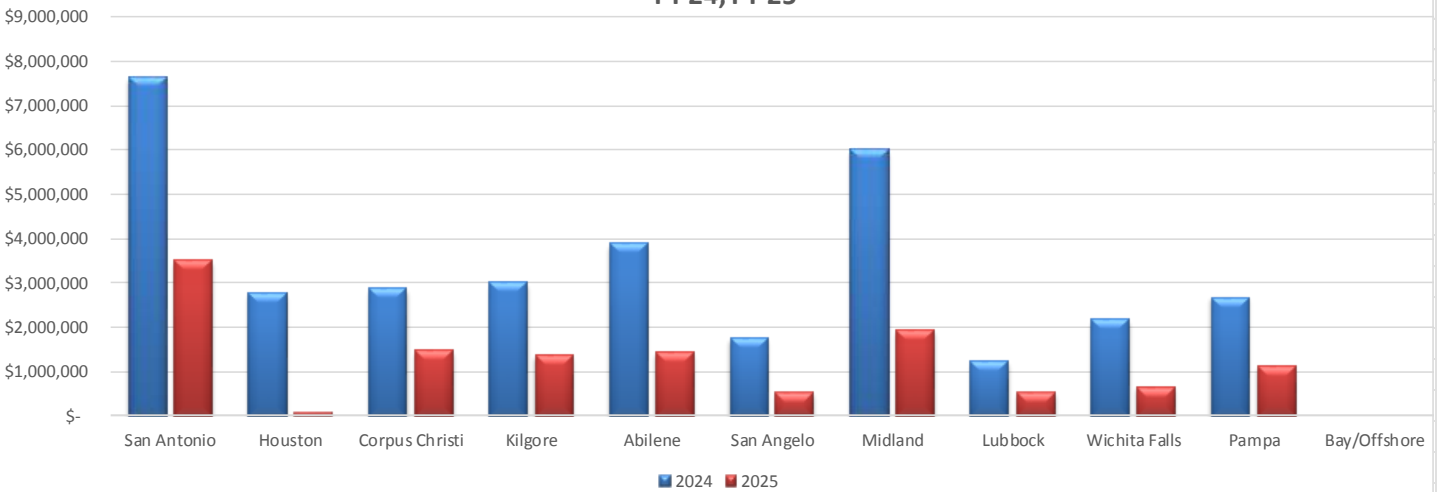
cc Wei Wang, Executive Director
Danny Sorrells, Director, Oil & Gas Division
Peter G. Pope, P.G., Manager, Site Remediation

**Oil Field Cleanup Program
State Managed Plugging
1st Quarter FY 2025
Wells Plugged
FY 24 , FY 25 , FY 25 Plugging Goal**



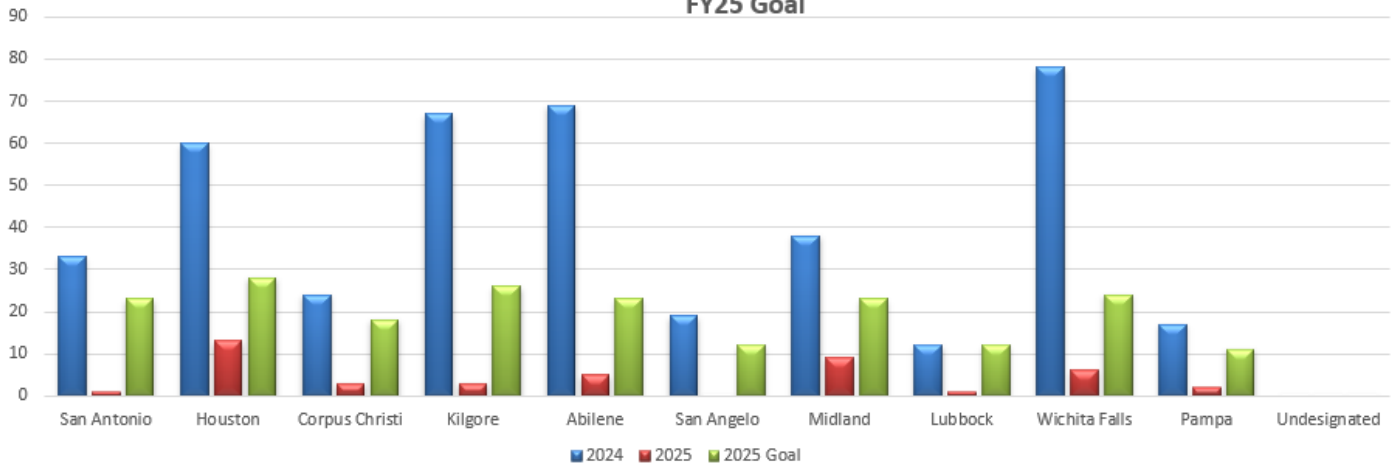
	San Antonio	Houston	Corpus Christi	Kilgore	Abilene	San Angelo	Midland	Lubbock	Wichita Falls	Pampa	Bay/Offshore	Total
2024	421	28	40	83	229	68	34	33	255	63	2	1,256
2025	142	1	32	89	63	13	17	17	33	28	0	435
2025 Goal	315	50	50	150	125	70	85	30	65	60	0	1,000

**Oil Field Cleanup Program
State Managed Plugging
1st Quarter FY 2025
Plugging Expenditures
FY 24, FY 25**



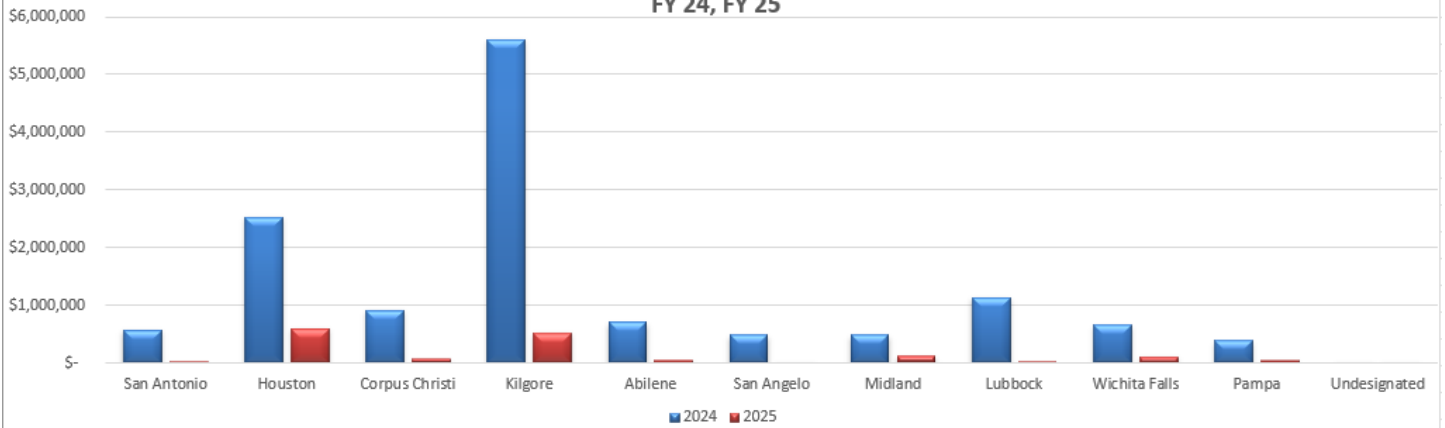
	San Antonio	Houston	Corpus Christi	Kilgore	Abilene	San Angelo	Midland	Lubbock	Wichita Falls	Pampa	Bay/Offshore	Total
2024	\$ 7,647,083	\$2,768,737	\$ 2,860,577	\$3,005,709	\$3,884,771	\$1,753,651	\$6,012,309	\$1,232,435	\$ 2,164,109	\$2,671,552	\$ -	\$34,000,934
2025	\$ 3,489,284	\$ 80,443	\$ 1,464,017	\$1,361,455	\$1,431,326	\$ 521,281	\$1,925,357	\$ 528,765	\$ 641,222	\$1,120,934	\$ -	\$12,564,085

**Oil Field Cleanup Program
Site Remediation
1st Quarter FY 2025
Activities Completed FY 24 & FY 25
FY25 Goal**



	San Antonio	Houston	Corpus Christi	Kilgore	Abilene	San Angelo	Midland	Lubbock	Wichita Falls	Pampa	Undesignated	Total
2024	33	60	24	67	69	19	38	12	78	17	0	417
2025	1	13	3	3	5	0	9	1	6	2	0	43
2025 Goal	23	28	18	26	23	12	23	12	24	11	0	200

**Oil Field Cleanup Program
Site Remediation
1st Quarter FY 2025
Cleanup Expenditures
FY 24, FY 25**



	San Antonio	Houston	Corpus Christi	Kilgore	Abilene	San Angelo	Midland	Lubbock	Wichita Falls	Pampa	Undesignated	Total
2024	\$ 568,788	\$ 2,527,233	\$ 906,097	\$ 5,610,017	\$ 707,835	\$ 483,578	\$ 486,912	\$ 1,136,277	\$ 649,167	\$ 390,621	\$ -	\$ 13,466,525
2025	\$ 3,320	\$ 597,942	\$ 63,338	\$ 517,486	\$ 45,011	\$ -	\$ 117,318	\$ 23,075	\$ 109,334	\$ 38,025	\$ -	\$ 1,514,847

**Railroad Commission of Texas
Oil and Gas Regulation and Cleanup Dedicated Account
FY 2025 1st Quarter Report**

Revenues:		Comptroller BRE (Jan. 2023)	Current Qtr Collections	Year-To-Date Collections	BRE Collected
3310	Oil and Gas Regulation and Cleanup Fee Surcharge	\$ 22,931,000	\$ 4,937,201	\$ 4,937,201	21.5%
3313	Oil and Gas Well Drilling Permit	6,882,000	1,324,260	1,324,260	19.2%
3314	Oil and Gas Violations	11,500,000	6,035,626	6,035,626	52.5%
3338	Organization Report Fees	3,468,000	776,444	776,444	22.4%
3339	Railroad Commission Voluntary Cleanup Application Fees	17,000	3,880	3,880	22.8%
3369	Reimbursement fo Well Plugging Costs	1,200,000	1,018,669	1,018,669	84.9%
3373	Injection Well Regulation	51,000	6,200	6,200	12.2%
3381	Oil Field Cleanup Regulatory Fee on Oil	10,328,000	2,733,201	2,733,201	26.5%
3382	Railroad Commission Rule Exceptions	1,612,000	309,830	309,830	19.2%
3383	Oil Field Cleanup Regulatory Fee on Gas	8,289,000	2,102,009	2,102,009	25.4%
3384	Oil and Gas Compliance Certification Reissue Fee	1,294,000	357,108	357,108	27.6%
3393	Abandoned Well Site Equipment Disposal	2,213,000	561,478	561,478	25.4%
3553	Pipeline Safety Inspection Fees	11,101,000	31,858	31,858	0.3%
3592	Waste Disposal Facilities, Generators, Transporters	185,000	31,850	31,850	17.2%
3727	Fees for Administrative Services	1,779,000	322,675	322,675	18.1%
Subtotal - OGRC		\$ 82,850,000	\$ 20,552,289	\$ 20,552,289	24.8%
3700	Federal Receipts-Matched, Other Programs	-	-	-	
3701	Federal Receipts-Earned Credit	-	124,895	124,895	
Subtotal - Federal Funds		\$ -	\$ 124,895	\$ 124,895	
3765	Other Revenue	-	10,000,000	10,000,000	
Total Revenues		\$ 82,850,000	\$ 30,677,184	\$ 30,677,184	37.0%

Expenditures:	Budget		Expenditures	Encumbrances	Total Exp & Enc	Available Budget Remaining	
	Original	Adjustment					
13022	Pipeline Safety	\$ 1,197,538	\$ 1,358,327	\$ 241,520	\$ 97,135	\$ 338,656	75.1%
13024	Energy Resource Development	6,949,247	6,988,077	1,615,260	48,313	1,663,573	76.2%
13025	Oil & Gas Monitoring and Inspections	2,098,209	2,309,307	403,044	669,139	1,072,183	53.6%
13027	Oil & Gas Well Plugging and Remediation	48,385,894	58,511,302	16,567,139	30,537,042	47,104,181	19.5%
13031	Public Information	1,251,421	1,267,945	305,316	0	305,316	75.9%
13036	Pipeline Damage Prevention	40,862	233,105	11,628	86	11,715	95.0%
Total Expenditures		\$ 59,923,171	\$ 70,668,062	\$ 19,143,907	\$ 31,351,716	\$ 50,495,623	28.5%

Unobligated Oil and Gas Regulation and Cleanup Fund Balance - November 30, 2024

\$ 44,895,602