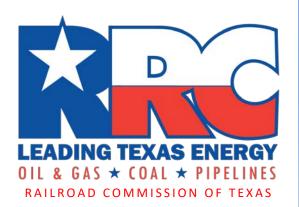
2021

OILFIELD CLEANUP PROGRAM ANNUAL REPORT



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



DANNY SORRELLS ASSISTANT EXECUTIVE DIRECTOR AND DIRECTOR, OIL AND GAS DIVISION CLAY WOODUL ASSISTANT DIRECTOR, FIELD OPERATIONS

RAILROAD COMMISSION OF TEXAS OIL AND GAS DIVISION

January 11, 2022

Dear Members of the 87th Legislature:

The Railroad Commission of Texas is pleased to present its *FY 2021 Annual Report on the Oil Field Cleanup Program* for your review. This report describes the Commission's progress toward plugging and remediating abandoned well sites across Texas. State statute requires that the Commission submit this report to the Legislature on an annual basis.

The Railroad Commission formally adopted this report in an open meeting held on January 11, 2022.

The Railroad Commission remains committed to the success of the Oil Field Cleanup Program and to the protection of the state's land and water resources through activities funded by the Oil and Gas Regulation and Cleanup Fund. This report is posted on the Commission's website; however, should you have any questions about the material presented, please contact R.J. DeSilva, Director of Communications, at (512) 673-8219. Thank you for the opportunity to share detail about the Railroad Commission's oil field clean-up activities and your continued interest in the Commission.

Sincerely,

DocuSigned by: C1C746B4F446422 Wayne Christian Chairman DocuSigned by nsti 15494B7DF4CC42 Christi Craddick Commissioner DocuSigned by: Im an

Jim Wright

Commissioner

Attest:

DocuSigned by:

Callie Farrar

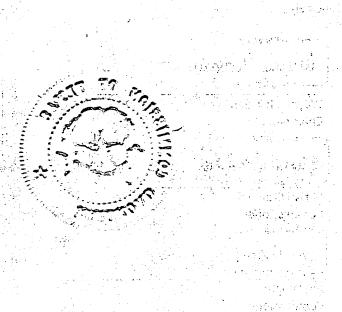
Secretary

1701 NORTH CONGRESS AVENUE * POST OFFICE BOX 12967 * AUSTIN, TEXAS 78711-2967 * PHONE: 512/463-6830* FAX: 512/463-7328 TDD 800/735-2989 * AN EQUAL OPPORTUNITY EMPLOYER* http://www.rrc.state.tx.us

de lever.

 $(1+1) \sum_{i=1}^{n-1} \frac{1}{i^2} \left[\frac{1}{i^2}$

(1) A subscription of the set of the set



。"""我们,我们就是我们的人,我们就是我们的人,我们就是我们的人,我们就是我们的人,我们不是我们的人,我们就是我们的人,我们就是我们的人,我们就是我们的人,我们 我们们我们们的人,我们也是我们就是我们的人,我们就是我们就是我们就能让我们的我们的人,我们就是我们的人,我们就能是我们的人,我们就能是我们的人,我们就不能不能能

Table of Contents

Executive Summary	. 3
Background	
Orphan Wells in Texas	.4
Figure 1: Wells monitored by the Railroad Commission	.4
Table 1: Change to orphaned well population FY 21	.5
Table 2: Well Categories	.5
Table 3: Change to orphaned well population FY 06–FY 21	.6
Figure 2: Orphaned well population August 2005–August 2021	.7
State Managed Cleanup Program	.7
Oil and Gas Regulation Cleanup Fund (OGRC)	.7
Oil Field Cleanup Activities Data	.8
1. Performance Goals for the Oil and Gas Regulation and Cleanup Fund.	.8
Table 4: Fiscal Year 2021 Performance Goals	.8
2. Number of Orphaned Wells Plugged with State-Managed Funds, by Region:	.9
Figure 3: Regional map of Railroad Commission district offices	.9
Figure 4: Wells plugged and paid by RRC district FY 2021	10
3. Number of Wells Orphaned, by District:1	11
Figure 5: Orphaned wells by district, FY 20211	11
4. Number of Inactive Wells Not Currently in Compliance with Commission Rules, by District:1	12
Figure 6: Non-compliant wells FY 20211	12
5. Status of Enforcement Proceedings for Wells in Violation of Commission Rules, by District:	13
Table 5: Enforcement proceedings by district1	13
6. Number of Surface Locations Remediated, by Region:	14
Figure 7: Remediation Activities FY 20211	14
7. Oil and Gas Regulation and Cleanup Fund Expenditures for Oil Field Cleanup Activities:	15
Table 6: FY 2021 OGRC Expenditures for Oil Field Cleanup Activities*	15
8. Orphaned Well Plugging Prioritization Methodology:1	16
Table 7: Well Plugging Priority System1	17
Table 8: Number of wells plugged by priority1	18
9. Projection of the amount of money needed for the next biennium for plugging orphaned wells, investigating, assessing, and cleaning up abandoned sites, and remediating surface locations1	18
10. Number of Sites Successfully Remediated Under the Voluntary Cleanup Program, by District:	

Executive Summary

The Railroad Commission (RRC) is deeply committed to protecting the environment and natural resources of this state. One of the most important ways the RRC achieves this is through the restoration of land used in energy production to a safe, productive condition. Although most oil and gas wells that are no longer productive are plugged by responsible operators, the RRC administers Texas' Oil Field Cleanup Program to plug abandoned wells. First established in 1984, RRC's Oil Field Cleanup Program has plugged over 42,000 abandoned wells across Texas.

Section 81.069, Natural Resources Code, requires that the Railroad Commission submit to the Legislature and make available to the public this report reviewing the extent to which Oil and Gas Regulation Cleanup Fund (OGRC) dollars have enabled the Commission to better protect the environment through oil field cleanup activities. The OGRC funds the plugging and remediation activities of the Oil Field Cleanup Program. The Commission is proud to report that OGRC funds were used to better protect the environment in areas across Texas in FY 2021. Key highlights within the Commission's FY 2021 report are as follows:

- RRC plugged 1,453 abandoned wells in FY 2021, exceeding the agency's annual performance measure by 53 wells.
- In FY 2021 RRC exceeded each of its performance goals relating to well plugging and site remediation. The agency achieved 104 percent of its target performance for well plugging, 120 percent of its target for abandoned site investigation and clean up, and 109 percent of its target for surface locations to be remediated.
- As of August 2021, there were 7,016 abandoned, orphaned wells in Texas. While this represents a decline in the total orphaned well population over the past decade, with unprecedented volatility experienced by the energy industry in 2021, the abandoned well population increased by 808 wells during fiscal year 2021.
- RRC's well plugging expenditures totaled \$36.2 million for fiscal year 2021.
- The number of inactive wells not in compliance with RRC rules has decreased over the past 18 years. In fiscal year 2003, there were 24,202 non-compliant wells. By August 2021 that number was reduced to 19,114 wells, while the total number of wells in the state increased by 79,803.
- During fiscal year 2021, RRC identified 2,281 abandoned oilfield sites as candidates for state-managed remediation. RRC conducted 275 cleanup activities on those sites, including 15 emergency activities.

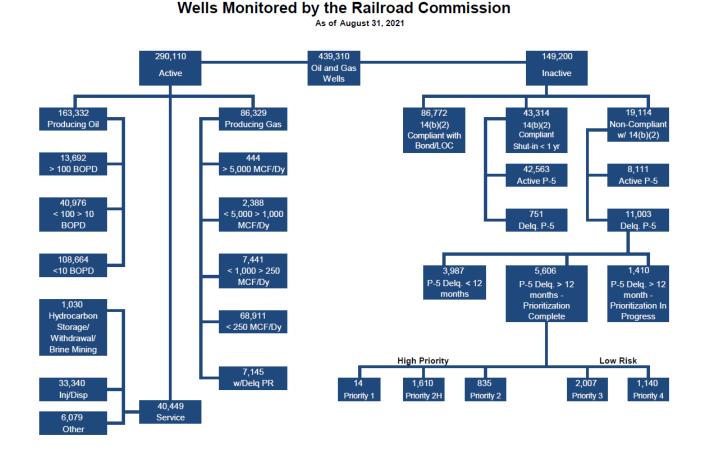
Despite the challenges presented by the COVID-19 pandemic, RRC continued well plugging and site remediation activities throughout 2021. Most abandoned wells and clean-up sites are located in remote areas of the state. Agency plugging and remediation crews were able to safely access these sites without endangering themselves or the local communities. In addition, agency crews were required to adhere to best health and safety practices when working at these sites. RRC's work to plug abandoned wells and clean up polluted sites during the pandemic was essential for the protection of public health, safety, and the environment.

Background

Orphan Wells in Texas

As of August 2021, the Commission tracked 439,310 active and inactive oil and gas wells across Texas. Of this total, 149,200 wells are inactive, while the other 290,110 are active. Figure 1 illustrates the categories of active and inactive wells monitored by the Railroad Commission.

Figure 1: Wells monitored by the Railroad Commission



Inactive, shut-in oil and gas wells account for 33 percent of the total well population. The majority of these inactive wells are compliant with Commission rules. Operators of record plug most of the compliant inactive wells and some of the non-compliant inactive wells as required by the Commission. Of the 149,200 inactive wells, 7,016 are defined by the Commission as orphaned wells. An orphaned well is any oil or gas well that is inactive and not backed by an operator's financial assurance represented by a P-5 with the Commission.

These 7,016 orphaned wells eventually require plugging by the Commission with OGRC funds and/or other state and federal funds. These wells are plugged through the Commission's State Managed Plugging Program.

The number of orphaned wells is a dynamic number that changes daily, as wells move into and out of compliance with Commission rules. The Commission attempts to capture this dynamic number with a monthly count of the orphaned well population. Table 1 depicts these changes throughout fiscal year 2021. Table 2 defines each of the categories listed in Table

1. The Commission began the fiscal year with 6,208 orphaned wells, as shown in Table 1. While Commission plugging operations, operator changes, P-5 renewals, and other factors decreased the aggregate orphan well population throughout the year, other factors, principally operators with delinquent P-5s, contributed more wells to the state's orphaned well counts. The Commission ended FY 21 with 7,016 orphaned wells. This represents an increase of 808 wells during fiscal year 2021.

Month of activity	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Summary
(from previous month)	6,208	6,263	6,427	6,212	6,514	6,448	6,799	6,702	7,063	7,242	7,268	7,197	6,208
Plugged	(77)	(111)	(96)	(43)	(46)	(177)	(153)	(57)	(136)	(74)	(151)	(158)	(1,279)
Returned to Active Status	(1)	(1)	0	(32)	0	0	0	0	0	(1)	(2)	(3)	(40)
Operator Change	(15)	(37)	(11)	(7)	(14)	(3)	(2)	(15)	(47)	(77)	(28)	(98)	(354)
P-5 Renewal	0	0	(183)	(2)	(89)	0	(1)	(23)	(1)	(11)	(11)	(26)	(347)
Other Reasons	0	0	0	0	0	0	0	0	0	0	0	0	0
Originally Delq P5 > 12 months	(3)	0	0	0	0	0	0	0	0	0	0	0	(3)
Originally Delq P5 < 12 Months	126	255	55	325	63	212	55	387	333	182	111	97	2,201
Wells Added to Population	25	58	20	61	20	319	4	69	30	7	10	7	630
Ending Population	6,263	6,427	6,212	6,514	6,448	6,799	6,702	7,063	7,242	7,268	7,197	7,016	7,016

Table 1: Change to orphaned well population FY 21

Table 2: Well Categories

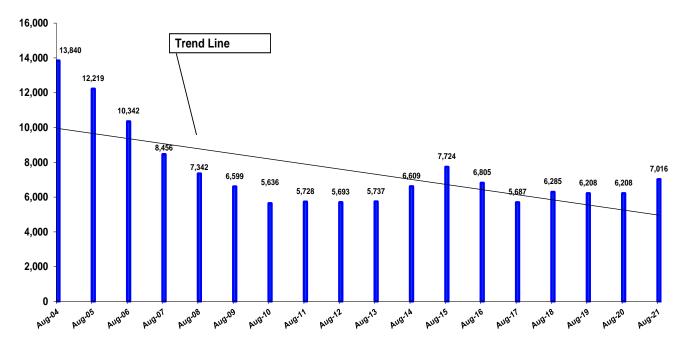
Plugged	Plugged and abandoned
Returned to Active Status	Active producing or service well
Operator Change	P-4 Operator Change was filed and approved. An operator change will not be approved unless the new operator has sufficient bond amount on file to cover the new wells and has an active P-5.
P-5 Renewal	The operator of record renews their P-5.
Other Reasons	Supporting documentation filed to correct shut-in date, well activity, etc.
Originally a Delq P5 > 12 Months	The P-5 for the operator of these wells had originally been shown delinquent for more than 12 months but data now reflects the delinquent date is less than 12 months. (The last P-5 filed date was revised and is now delinquent less than 12 months.)
Originally Delq P5 < 12 Months	The P-5 for the operator of these wells had originally been shown delinquent for less than 12 months but data now reflects the delinquent date is greater than 12 months
Wells Added to Population	Wells not considered orphaned at the end of the previous month but are considered orphaned at the close of this month.

Table 3 highlights the changes in the state's orphaned well population from September 1, 2005 through August 31, 2021 (FY 2006 to FY 2021). Since fiscal year 2006, 27,795 orphaned wells were removed from the inventory, while 22,592 new orphaned wells were added to the inventory. One of the Commission's regulatory goals is to eliminate the threat of pollution posed by orphaned unplugged wells and to minimize the number of orphaned wells requiring plugging with OGRC funds, or other state and federal funds. Figure 2 illustrates the Commission's progress towards reducing the number of abandoned wells in Texas since 2005. Between 2005 and the end of FY 2021 in August, the total number of orphaned wells declined from 12,219 to 7,016.

Fiscal year	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Total
Beginning Population (from previous FY)	12,219	10,342	8,456	7,342	6,599	5,636	5,728	5,693	5,737	6,609	7,724	6,805	5,687	6,285	6,208	6,208	12,21
Plugged	(1,755)	(1,487)	(1,085)	(1,278)	(1,139	(317)	(878)	(197)	(200)	(287)	(1,957)	(2,417)	(1,254)	(1,698)	(1,361	(1,279)	(18,589)
Returned to Active Status	(28)	(9)	(13)	(6)	(5)	(3)	(1)	(7)	(3)	(93)	(12)	(9)	(8)	(5)	(4)	(40)	(246)
Operator Change	(758)	(477)	(360)	(359)	(214)	(114	(183)	(230)	(169)	(229)	(188)	(310)	(273)	(1,118) (326)	(354)	(5,662)
P-5 Renewal	(143)	(128)	(33)	(42)	(84)	(56)	(395)	(59)	(8)	(43)	(162)	(101)	(77)	(43)	(185)	(347)	(1,906)
Other Reasons	(8)	(3)	(6)	(2)	(6)	(13)	0	(1)	0	(73)	(1)	(5)	0	(1)	(1)	0	(120)
Originally Delq P5 > 12 months	(1)	0	0	0	0	(1)	(14)	0	(1)	0	(1,213	(5)	0	(1)	(33)	(3)	(1,272)
Originally Delq P5 < 12 months	682	112	318	902	443	501	1,030	494	1,177	1,715	5 2,472	1,601	1,987	2,614	1,640	2,201	19,889
Wells Added to Population	134	106	65	42	42	95	406	44	76	125	142	128	223	175	270	630	2,703
Ending Population	10,342	8,456	7,342	6,599	5,636	5,728	5,693	5,737	6,609	7,724	6,805	5,687	6,285	6,208	6,208	7,016	7,016

Table 3: Change to orphaned well population FY 06-FY 21





State Managed Cleanup Program

In addition to plugging orphaned wells, the Commission administers a state-managed cleanup program. This program is also funded with OGRC dollars. The program is responsible for the assessment and cleanup of oil field wastes and pollution at abandoned oil and gas sites. The majority of cleanups typically involve removing waste from surface equipment (tank batteries, separator, etc.) and remediating affected soils at abandoned well sites. Cleanup activities often follow well plugging activities. Funds are also used to cleanup abandoned pits, reclamation facilities and other types of sites such as abandoned natural gas processing plants, leaking pipelines, unidentified/illegal dumping of waste, and emergency cleanups.

Sites may enter the program as orphaned wells are identified, through a referral from the Operator Cleanup Program or State Funded Plugging Program, or as complaints from members of the public. When a new site enters the program, District Office Cleanup Coordinators perform a Site Assessment, detailing what pollution threats exist at each site. After the assessment phase, the SMCU team along with its contractors develop a work plan and a work order is issued to the contractor to complete the work under the oversight of the District Office Cleanup Coordinator (DOCC). The program also utilizes contracts with professional engineering firms to provide engineering design services and complex environmental investigations.

Oil and Gas Regulation Cleanup Fund (OGRC)

OGRC Fund revenue is derived primarily from regulatory and permitting fees paid by the oil and gas industry. The Fund also includes revenue from certain enforcement penalties, reimbursements, and proceeds from the sale of equipment and hydrocarbons salvaged from well plugging and site remediation operations. Additionally, the Commission seeks other funding sources from state and federal agencies to supplement the activities of the Oil Field Cleanup Program. Although the OGRC Fund finances most of the Oil Field Cleanup Program activities, several site remediations documented in this report were funded with federal monies under Subtitle C of Brownfields Revitalization Act and Section 319 of the Clean Water Act Non-Point Source grant.

Oil Field Cleanup Activities Data

The following information on the Oil Field Cleanup Program is reported annually as required by §81.069, Natural Resources Code.

1. Performance Goals for the Oil and Gas Regulation and Cleanup Fund.

Through the legislative appropriations request process, the Commission established performance goals for fiscal year 2021 as detailed in Table 4. In FY 2021 the Commission exceeded each performance goal relating to well plugging and site remediation.

Table 4	Fiscal	Year 2021	Performance	Goals
10010 11	110001	1001 2023	1 01 101 1101 100	00010

Measure	Performance Target	Actual Performance	Percent of Target Achieved
Number of orphaned wells to be plugged with state-managed funds	1,400	1,453	104%
Number of abandoned sites investigated, assessed, or cleaned up with state funds	230	275	120%
Number of surface locations to be remediated	2,100	2,281	109%

2. Number of Orphaned Wells Plugged with State-Managed Funds, by District:

In fiscal year 2021, the Commission plugged and closed files on 1,453 wells with OGRC, General Revenue, and Economic Stabilization funds. The total number of wells plugged represents those wells that were physically plugged, invoiced by the plugging contractor, and approved for payment through August 31, 2021. A total of 1,485 wells were physically plugged during fiscal year 2021 with 1,453 invoiced and paid during fiscal year 2021.

The Commission plugged wells in every agency district in FY 2021. Figure 3 identifies the boundaries of all agency districts. Figure 4 details the numbers of wells plugged by district during fiscal year 2021.

Figure 3: Regional map of Railroad Commission district offices

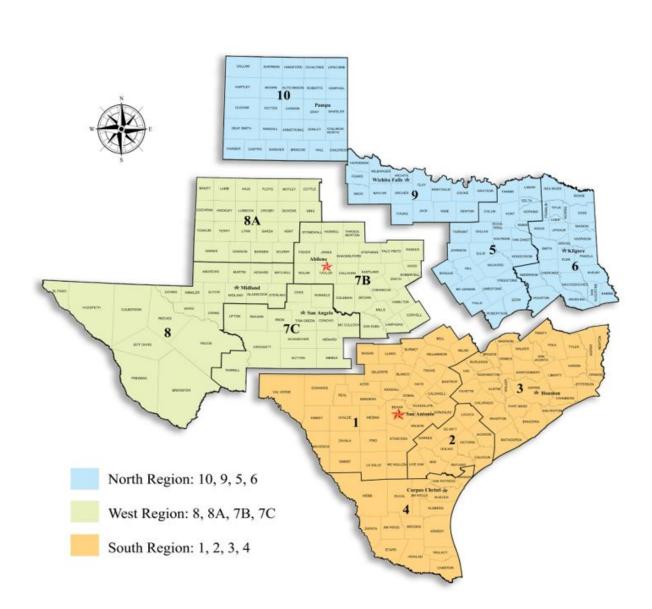
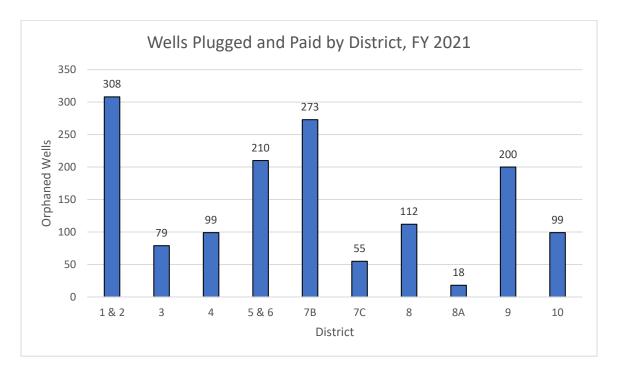


Figure 4: Wells plugged and paid by RRC district FY 2021



3. Number of Wells Orphaned, by District:

As of August 2021, the Commission's count of abandoned, orphaned wells equaled 7,016. Figure 5 illustrates the number of orphaned wells by agency district at the end of August 2021.

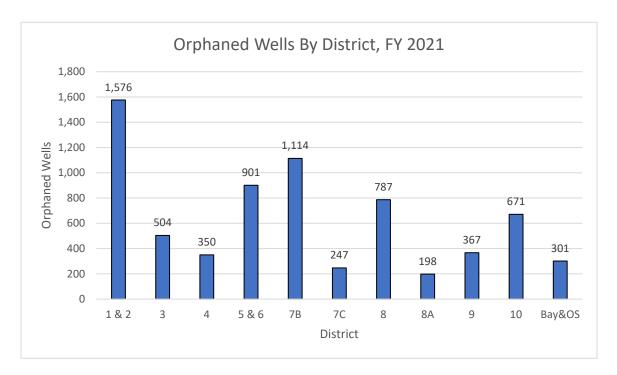


Figure 5: Orphaned wells by district, FY 2021

In addition to the 7,016 orphaned wells, there are also an unknown number of old, unidentified wells in Texas that were not recorded with the Commission. These include antiquated wells that were dug in the decades following Spindletop. As these wells are located, the Commission initiates plugging operations in accordance with the well plugging priority system, which is based on the threat the well poses to the environment and public safety. In fiscal year 2021, 83 previously unidentified abandoned wells were plugged with OGRC and Economic Stabilization funds. These unidentified wells accounted for 5.7 percent of all wells plugged by the Commission for that fiscal year.

4. Number of Inactive Wells Not Currently in Compliance with Commission Rules, by District:

The number of known inactive wells not in compliance with Commission rules as of August 2021 totals 19,114. The number represents wells that remain shut-in beyond the initial 12-month shut-in period authorized by Commission 16 Texas Administrative Code §3.14(b)(2) [Statewide Rule 14(b)(2)] and do not have a plugging extension, regardless of whether the operator's Organization Report is active or delinquent. Figure 6 shows the number of non-compliant wells by district at the end of August 2021.

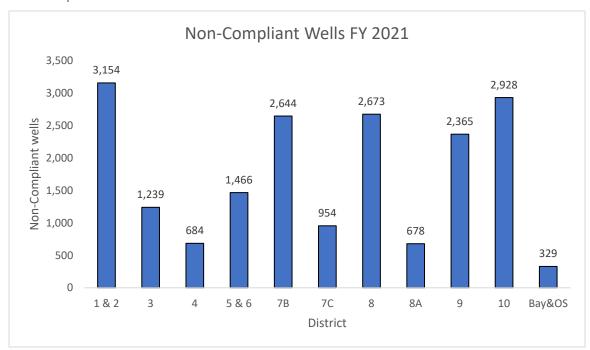


Figure 6: Non-compliant wells FY 2021

5. Status of Enforcement Proceedings for Wells in Violation of Commission Rules, by District:

In fiscal year 2021, the Commission referred a total of 408 non-compliant wells to the Office of the Attorney General (OAG) for collection. Table 5 depicts the number of wells, by district, in violation of the Commission's plugging rule that have been referred to the Office of General Counsel—Legal Enforcement Section for enforcement and/or the OAG for collection. The wells referenced here are in various stages of enforcement/collection.

ENFORCEMENT PROCEEDINGS	1/2	3	4	5/6	7B	7C	8/8A	9	10	Total
STATUS										
1. Awaiting RRC review	1	4	0	14	14	4	16	25	0	78
2. Awaiting Hearing	11	42	10	5	56	12	56	47	32	271
3. Awaiting Final Order	26	25	2	3	79	8	15	39	0	197
4. Wells Referred to AG	9	26	1	4	140	32	<i>98</i>	85	13	408
Total Wells Still in Violation	47	97	13	26	289	56	185	196	45	954
TIME PERIOD										
5. In Enforcement < 2yrs	35	69	9	19	126	24	87	111	11	491
6. In Enforcement > 2yrs & < 5yrs	3	2	2	3	23	0	0	0	21	54
7. In Enforcement > 5yrs	0	0	1	0	0	0	0	0	0	1
Total Wells Still in Enforcement	38	71	12	22	149	24	87	111	32	546

Table 5: Enforcement proceedings by district

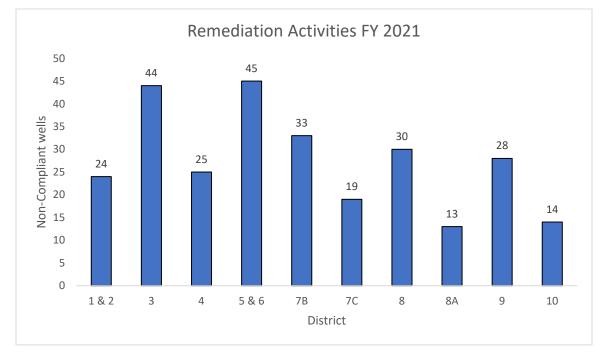
6. Number of Surface Locations Remediated, by District:

During fiscal year 2021, the Commission conducted 275 cleanup activities through the State Managed Cleanup Program. This includes all remediation activities invoiced by contractors that were approved and processed by the Commission before August 31, 2021. State-managed remediation activities included the following:

- 238 routine remediation operations,
- 15 emergency operations, and
- 22 site assessment investigations.

Figure 7 depicts these 275 activities by district for fiscal year 2021.

Figure 7: Remediation Activities FY 2021



7. Oil and Gas Regulation and Cleanup Fund Expenditures for Oil Field Cleanup Activities:

The Commission spent \$56,871,659.54 from the Oil and Gas Regulation and Cleanup Fund (OGRC) on oilfield cleanup activities in FY 2021. These included expenditures for abandoned well plugging through the State Managed Plugging Program, and for site remediation activities through the State Managed Cleanup Program. In addition to these expenditures, \$565,103.23 of OGRC funds were encumbered for cleanup activities in FY 2021. Table 6 provides a line item description for OGRC expenditures and encumbrances for FY 2021.

Table 6: FY 2021 OGRC Expenditures for Oil Field Cleanup Activities*

Category	Expenditures	Encumbrances	Total
Salaries and Wages	\$5,509,000.44	\$-	\$5,509,000.44
Payroll-Related Benefits	1,752,866.04	-	1,752,866.04
Professional Fees	639,282.44	55,751.48	695,033.92
Training	2,502.30	-	2,502.30
Travel	1,284.13	-	1,284.13
Motor Vehicle	180,130.56	-	180,130.56
Other Operating Costs	389,543.99		389,543.99
Well Plugging / Site Remediation Contracts	48,397,049.64	509,351.75	48,906,401.39
GRAND TOTAL – OGRC FUND	\$56,871,659.54	\$565,103.23	\$57,436,762.77

*All FY 2021 OGRC expenditures for Well Plugging and Site Remediation strategy excludes indirect costs.

- Includes expenditures for Site Remediation, architectural and other contracted services.

- Financial Information current as of January 3, 2022.

8. Orphaned Well Plugging Prioritization Methodology:

The Commission uses a priority methodology to rank wells for plugging to ensure that those wells posing the greatest threat to public safety and the environment are plugged first. The priority system includes four factors relating to the threat a wellbore poses to public safety and the environment:

- 1. Well Completion;
- 2. Wellbore Conditions;
- 3. Well Location with respect to sensitive areas; and
- 4. Unique Environmental, Safety, or Economic Concern.

Table 7 lists the factors used in this prioritization system. The sum of all factors provides a total weight, which determines a well's plugging priority. Wells receive a priority of 1, 2H, 2, 3, or 4, where 1 is the highest priority. The priority system assigns leaking wells the highest priority (an automatic priority 1) and assigns an automatic priority 2 if the well fails a fluid level test.

Table 7: Well Plugging Priority System

	FACTOR	Weight
1	Well Completion	
Α	Unknown (no well records	15
В	No surface casing or set above base of deepest usable quality water	10
С	Additional casing string not adequately cemented to isolate usable quality water	5
D	Injection or Disposal Well	10
Ε.	Well penetrates salt/corrosive water bearing formation or abnormally pressured formation	5
F.	Well in H2S Field	5
G	Age: Well drilled ≥ 25 years ago	5
	Total: (40 points max)	
1		
2	Wellbore Conditions	
Α	Well is pressured up at the surface (tubing or prod casing)	10
В	Bradenhead pressure exists *	5
	Auto 2H if UQW not protected and fluid at BH is not UQW	
С	Measured fluid level	
D	Fluid level at or above the base of deepest usable quality water.	50
Ε.	Fluid level less than 250' below base of deepest usable quality water (NA if 2D applies)	15
F.	MIT Failure	5
G	H-15 (MIT) never performed or test > 5 years old (NA if F applies)	3
Н	Inadequate wellhead control/integrity	5
	Total: (75 points max)	
3	Well location with respect to sensitive areas:	
Α	H2S well with Public area ROE** Automatic Priority 2H	
В	In Marine Environment	10
С	Within 100' or river, lake, creek, or domestic use fresh water well (NA if B applies)	5
D	Between 100' and 1/4 mile of river, lake, creek, or domestic use fresh water well (NA if C applies)	3
Ε.	Located within agricultural area.	2
F .	Well located in known sensitive wildlife area.	3
G	Well located within city or town site limits.	10
	Total (20 points max)	
4	Unique environmental, Safety, or Economic Concern	
Α	Adjacent to active water flood or disposal well at or above completion interval.	5
В	Logistics (poor roads, encroaching public, etc.)	5
С	Well contains junk.	5
D	P-5 Delinquent > 5 years	5
Ε.	Other (attach explanation)	1-20
	Total: (20 points max)	

Total Weight

Priority 1 = Leaking Well [based upon definition]	
Priority 2H = Higher Risk well [based on definition and/or total weight of 75+]	
Priority 2 = Total Weight of 50-75	
Priority 3 = Total Weight of 25-49	
Priority 4 = Total Weight < 25	
*DU execute is sustained	

*BH pressure is sustained.

**2H if public areas could be impacted based on16 Texas Administrative Code §3.36 [Statewide Rule 36] definition. Undetected/continuous leak possible. Table 8 shows the number of wells plugged with OGRC funds by priority during fiscal year 2021 and between fiscal years 1992 and 2021. In September 2001, the Commission implemented the High Risk Well Testing Program, established by SB 310 (77th Legislature, 2001) and began concentrating its well plugging efforts on priority 1 and 2 wells. This continued through fiscal year 2021.

	Fiscal Year 2021	Fiscal Years 1992 – 2021
Priority 1	39	3,579
Priority 2H	530	6,558
Priority 2	435	12,073
Priority 3	446	9,218
Priority 4	3	4,061
Priority 5*	0	1,651
Total	1,453	37,140

Table 8: Number of wells plugged by priority

*No longer used (Priority 5 category eliminated in fiscal year 2001)

9. Projection of the amount of money needed for the next biennium for plugging orphaned wells, investigating, assessing, and cleaning up abandoned sites, and remediating surface locations.

Senate Bill 1, the General Appropriations Act, provided \$55.95M for fiscal year 2022 and \$56.15M for fiscal year 2023 to plug 1,000 wells per year and remediate 200 sites per year.

10. Number of Sites Successfully Remediated Under the Voluntary Cleanup Program, by District:

During fiscal year 2021, the Commission issued Certificates of Completion for seven (7) sites in the Voluntary Cleanup Program. The number of sites completed by Commission district are as follows:

- District 3: 6
- District 9: 1