

# RAILROAD COMMISSION OF TEXAS

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

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

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## MEMORANDUM

September 9, 2024

**MEMORANDUM TO:** Chairman Christi Craddick  
Commissioner Wayne Christian  
Commissioner Jim Wright

**FROM:** David Lindley  
Assistant Director, Oil and Gas Division  
Field Operations

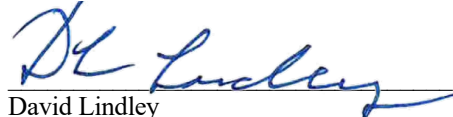
**SUBJECT:** Field Operations Section  
Monthly Report of State Managed Well Plugging Activities  
August 2024, FY 2024

Attached is the monthly report titled "State Managed Well Plugging Activities" for the Field Operations Section of the Oil and Gas Division. This report contains the following:

1. Monthly and cumulative performance measure summaries of the state managed well plugging activities of this Section.
2. Summary graphs of wells plugged, cost of wells plugged, number of salvage operations, and salvage proceeds.

The information contained in this report includes only those wells that have been physically plugged, invoiced by the plugging contractor, and approved for payment by Field Operations. Plugging operations are tracked daily to monitor the progress in meeting the FY 2024 goal of plugging 1,800 wells. As of August 31, 2024, a total of 1,490 wells have been physically plugged, though not all of them have yet been invoiced and approved for payment.

KCW  
Attachments

  
David Lindley  
Assistant Director, Oil and Gas Division  
Field Operations

cc: (via email)  
Wei Wang, Executive Director  
Danny Sorrells, Director, Oil & Gas Division  
Megan Neal, Director, Office of General Counsel-Enforcement  
Paul Delaney, Internal Auditor  
R.J. DeSilva, Director Communications  
Jarred Shaffer, Office of the Governor  
District Directors

RAILROAD COMMISSION OF TEXAS  
Oil and Gas Division  
Field Operations Section  
Monthly State Managed Plugging Activities  
August 2024

Outcome Measure: Percentage of Known Orphaned Wells Plugged with the Use of State Funds (State Managed Plugging/Orphaned Wells).

August	0.40 %
Fiscal Year-to-date	15.0 %
Performance Measure Goal	20.0 %

Output Measure: Number of Orphaned Wells Plugged with the Use of State Funds.

August	33
Fiscal Year-to-date	1,256
Performance Measure Goal	2,000

Output Measure: Total Aggregate Plugging Depth of Wells Plugged with the Use of State Funds.

August	61,083
Fiscal Year-to-date	2,401,496
Performance Measure Goal	4,000,000

Efficiency Measure: Average Number of Days to complete a State Managed Well Plugging. From Contract Award Date

August	36.5
Fiscal Year-to-date	26.7
Performance Measure Goal	50

Explanatory Measure: Number of Orphaned Wells Approved for Plugging with the Use of State Funds.

August	23
Fiscal Year-to-date	1,894
Performance Measure Goal	2,000

Explanatory Measure: Number of Known Orphaned Wells in Non-compliance with the Commission's Plugging Rule.

August	8,347
Performance Measure Goal	7,500

Explanatory Measure: Number of Wells Plugged, by Operators, Without the Use of State Funds.

August	738
Fiscal Year-to-date	7,676
Performance Measure Goal	6,000

Explanatory measure: Percentage of Active Well Operators Who Have More Than 25% of Their Wells Inactive.

August	48.2 %
Performance Measure Goal	48.0 %

Explanatory measure: Numbered shut-in/inactive wells.

August	155,368
Performance Measure Goal	146,000

**RAILROAD COMMISSION OF TEXAS**  
**Oil Field Cleanup**

**Monthly State-Funded Plugging, Pollution Abatement and Salvage Activities**  
**Commissioners Report**  
**08/01/2024 to 08/31/2024**

**State-Funded Plugging Activities**

Number of wells approved for plugging this month	23
Estimated cost of approvals	\$ 1,516,500.00
Number of wells approved for this fiscal year	1894
Number of approved wells remaining to plug	3148
Estimated cost to plug remaining approvals	\$ 146,428,181.64
Number of pluggings completed this month	33
Total cost to plug wells completed this month	\$ 549,562.25
Number of pluggings completed this fiscal year	1256
Cost of pluggings completed this fiscal year	\$ 34,000,933.94

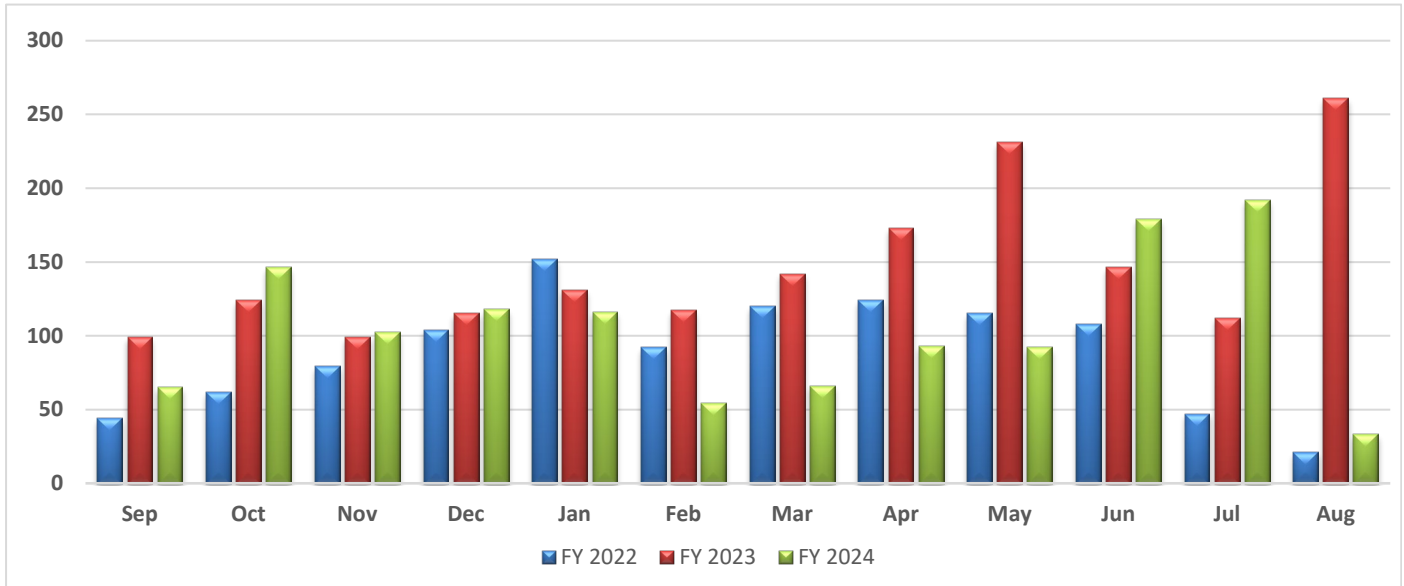
**Pollution Abatement Activities**

Number of pollution abatements approved this month	6
Estimated cost of approvals	\$ 71,000.00
Number of pollution abatements approved for this fiscal year	70
Number of pollution abatements remaining	87
Estimated cost to pollution abatements remaining	\$ 984,560.00
Number of pollution abatements completed this month	1
Total cost of pollution abatements completed this month	\$ 4,600.94
Number of pollution abatements completed this fiscal year	49
Cost of pollution abatements completed this fiscal year	\$ 1,810,691.62

**Salvage Activities**

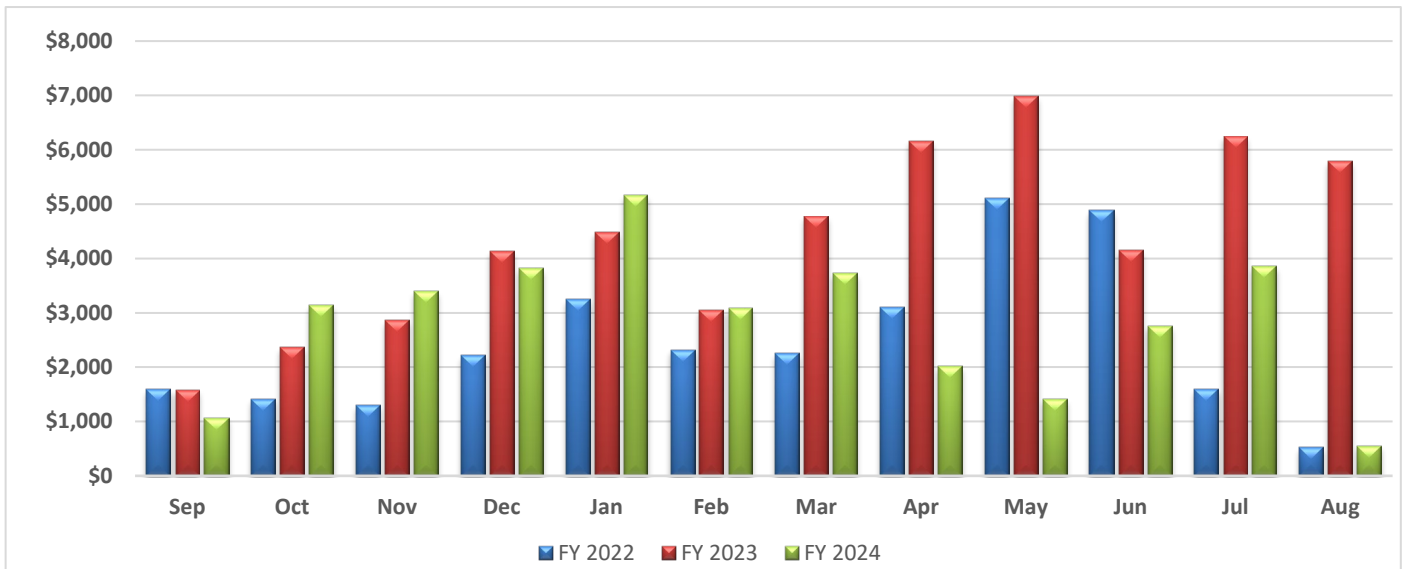
Number of salvage activities completed this month	25
Total proceeds received this month	\$ 156,890.77
Number of salvage activities completed this fiscal year	369
Total proceeds received this year	\$ 1,632,059.16

## State Managed Well Plugging Program Monthly Wells Plugged August 2024



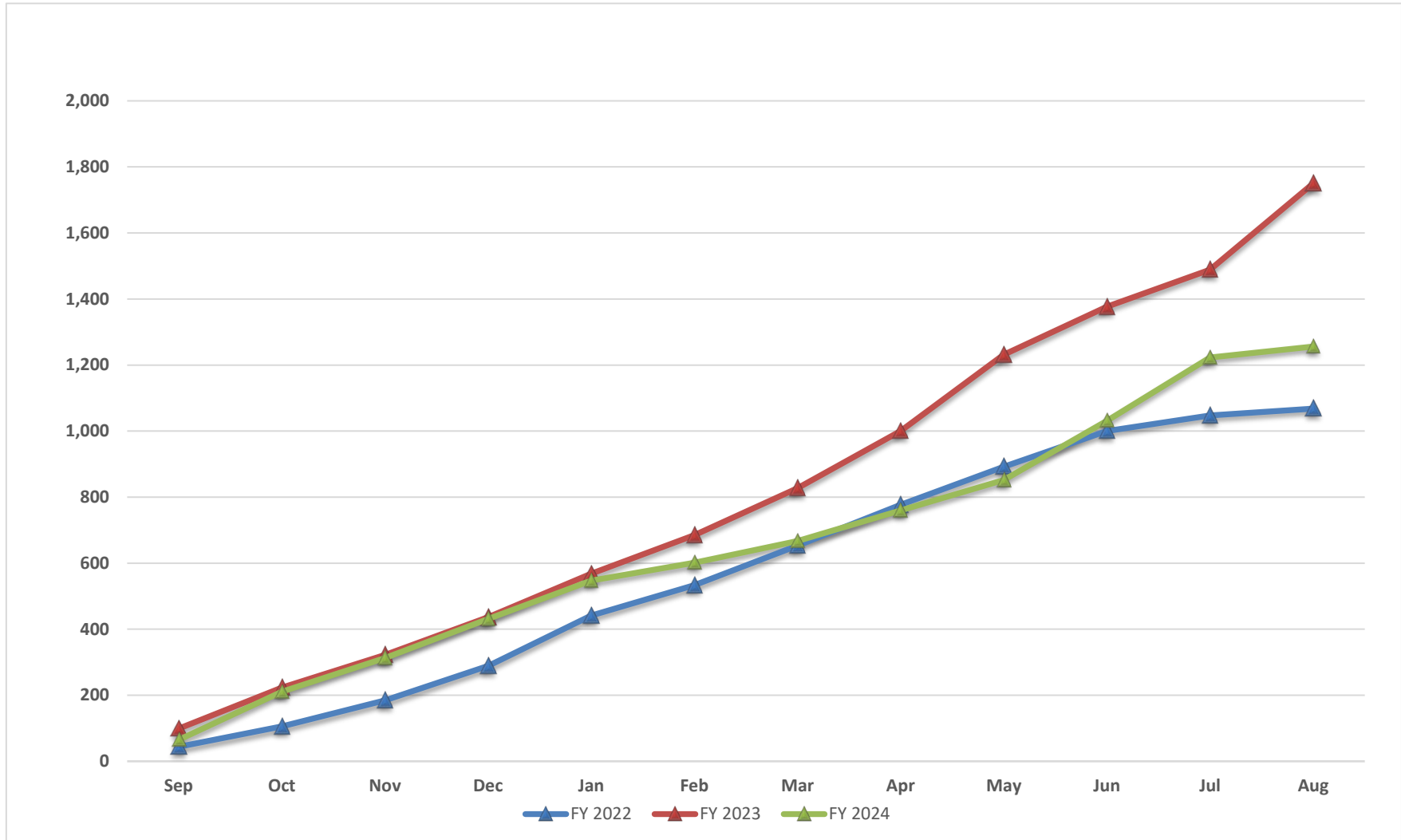
	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Tot
FY 2022	44	62	79	104	152	92	120	124	115	108	47	21	1,068
FY 2023	99	124	99	115	131	117	142	173	231	146	112	261	1,750
FY 2024	65	146	102	118	116	54	66	93	92	179	192	33	1,256

## State Managed Well Plugging Program Monthly Cost of Wells Plugged August 2024



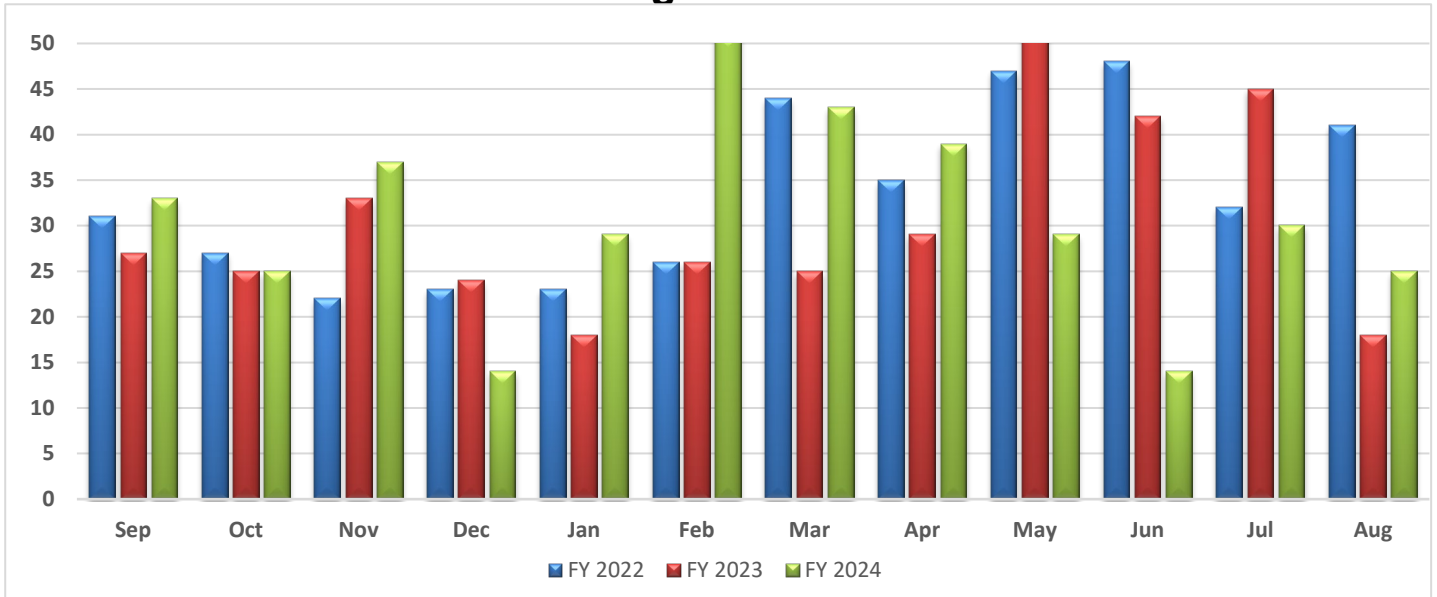
\$M	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Tot
FY 2022	\$1,592	\$1,418	\$1,293	\$2,212	\$3,245	\$2,320	\$2,253	\$3,097	\$5,109	\$4,886	\$1,593	\$523	\$29,541
FY 2023	\$1,578	\$2,360	\$2,858	\$4,132	\$4,478	\$3,051	\$4,766	\$6,164	\$6,985	\$4,142	\$6,238	\$5,790	\$52,541
FY 2024	\$1,065	\$3,140	\$3,400	\$3,822	\$5,161	\$3,090	\$3,730	\$2,017	\$1,417	\$2,760	\$3,849	\$550	\$34,001

# State Managed Well Plugging Program Cumulative Wells Plugged August 2024



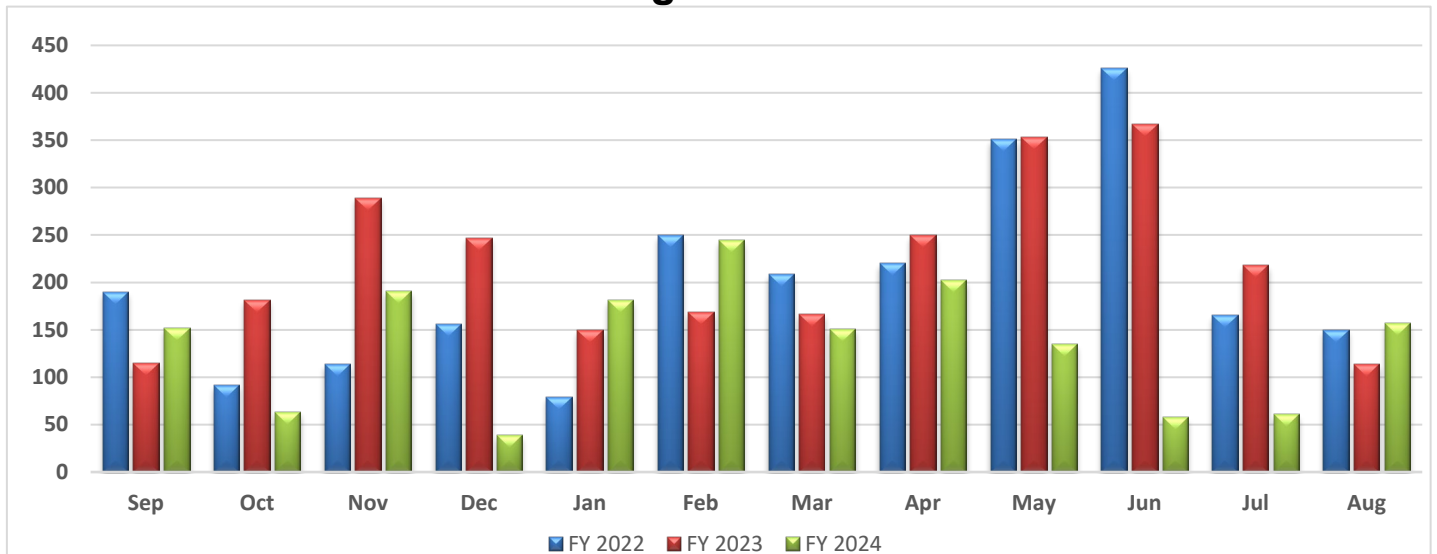
	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
FY 2022	44	106	185	289	441	533	653	777	892	1,000	1,047	1,068
FY 2023	99	223	322	437	568	685	827	1,000	1,231	1,377	1,489	1,750
FY 2024	65	211	313	431	547	601	667	760	852	1,031	1,223	1,256

## State Managed Well Plugging Program Monthly Salvage Operations August 2024



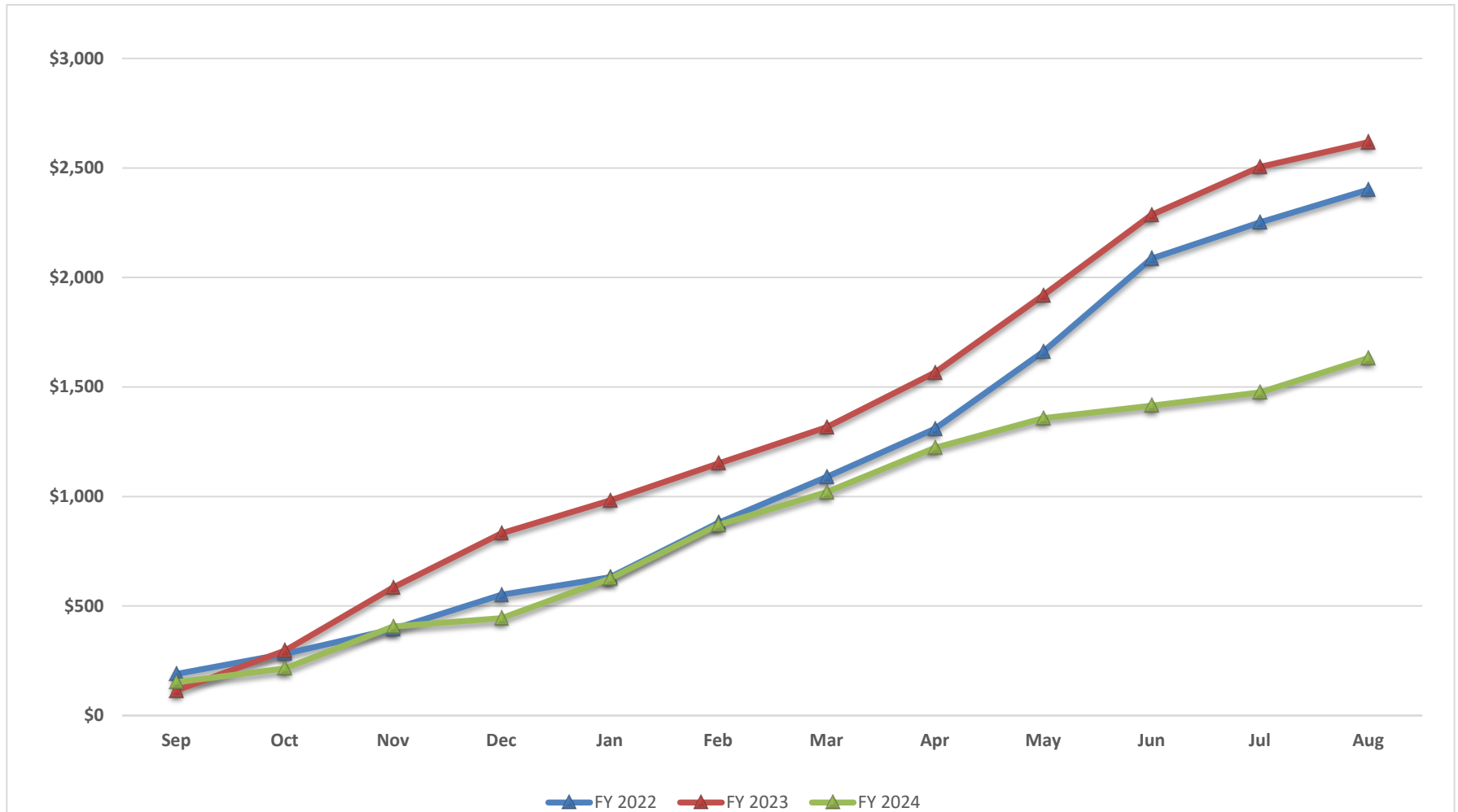
	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Tot
FY 2022	31	27	22	23	23	26	44	35	47	48	32	41	399
FY 2023	27	25	33	24	18	26	25	29	52	42	45	18	364
FY 2024	33	25	37	14	29	51	43	39	29	14	30	25	369

## State Managed Well Plugging Program Monthly Salvage Proceeds August 2024



\$M	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Tot
FY 2022	\$190	\$91	\$114	\$156	\$79	\$250	\$209	\$220	\$351	\$426	\$165	\$150	\$2,401
FY 2023	\$114	\$182	\$289	\$247	\$150	\$169	\$166	\$250	\$353	\$367	\$218	\$114	\$2,617
FY 2024	\$152	\$63	\$191	\$39	\$181	\$245	\$151	\$202	\$135	\$57	\$61	\$157	\$1,632

## State Managed Well Plugging Program Cumulative Salvage Proceeds August 2024



\$M	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
FY 2022	\$190	\$281	\$395	\$551	\$631	\$880	\$1,089	\$1,309	\$1,660	\$2,086	\$2,251	\$2,401
FY 2023	\$114	\$296	\$585	\$832	\$982	\$1,150	\$1,316	\$1,566	\$1,919	\$2,286	\$2,504	\$2,618
FY 2024	\$152	\$215	\$406	\$444	\$625	\$870	\$1,020	\$1,222	\$1,357	\$1,414	\$1,475	\$1,632