



SEPTEMBER 2024

# Energy News



**From the Field Photo**  
Rainbow Pump Jacks  
in Howard County  
Photo from Katie Wilson



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## Upcoming Events

RRC Open Meeting.....October 15, 2024

[VIEW OPEN MEETING WEBCASTS ▶](#)

# RRC Extends Successful Orphan Well Plugging Streak

The Railroad Commission continued its hard work exceeding legislative goals to plug orphan wells for yet another year. The RRC plugged 1,012 orphan wells in Fiscal Year 2024 using state funds. This exceeded the fiscal year’s goal of plugging 1,000 wells with state funds, making it the eighth year in a row in which the RRC has surpassed its legislative target!

State funds that are used by the RRC to plug wells are from oil and gas industry revenue, including, but not limited to, well plugging reimbursements, fees and bonds or other financial securities paid by the industry.

“We continue to be a national leader in addressing orphaned wells,” said Danny Sorrells, RRC Deputy Executive Director. “Our extensive well plugging experience dates to 1984, and elements of our program, such as a prioritization system that ensures high-risk, high-priority wells are plugged, have been copied by other states. The design of RRC’s plugging program and our dedicated staff help us quickly work to protect groundwater around the state.”

Watch this video from the field to see more on how the RRC’s decades of well plugging experience helps protect Texas communities and the environment <https://youtu.be/QrT0ox-Wtvk>.



# OIL AND GAS PRODUCTION TAX REVENUE EARMARKED FOR MAJOR COMPONENTS OF THE STATE BUDGET

This month, the Texas Comptroller released the final tax revenue numbers for Fiscal Year 2024.

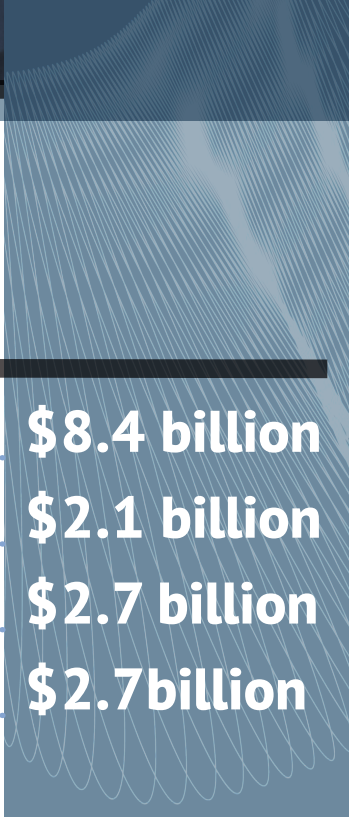
Many people may not realize that much of the billions of dollars in production taxes that oil and gas operators pay annually is used to fund major parts of the Texas budget.

By statute, a quarter of production tax revenue is earmarked for public education funding. And under the Texas constitution, production tax revenue also goes into the State Highway

Fund, to pay for transportation needs, and the Rainy Day Fund, which is used for emergencies or other needs identified by legislators.

The revenue is another example of how the energy industry remains vital for Texans and the state economy year after year.

Here's a breakdown of the Fiscal Year 2024 production taxes that will be used for those three specific areas of the budget.



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<b>Total oil &amp; gas production tax revenue.....</b>	<b>\$8.4 billion</b>
<b>Public Education.....</b>	<b>\$2.1 billion</b>
<b>Transportation.....</b>	<b>\$2.7 billion</b>
<b>Rainy Day Fund.....</b>	<b>\$2.7 billion</b>



# Public Comment Period for the Proposed Waste Management Rules Extended

The RRC has extended the public comment period to provide ample time for community feedback on proposed rules on the agency's regulation of waste management facilities. It is the first overhaul of RRC's waste management rules in four decades.

Groundwater protection is a major factor in the rule amendments, and they also take into consideration the need for historical rules to adapt to technological advancements in the energy industry's resource development in Texas.

The proposed amendments pertain to not only waste from oil and gas operations, such as rock and other material pulled up from the ground during drilling, but also encapsulate waste from other operations

for which the Legislature has given the RRC jurisdiction. Examples include geothermal, carbon sequestration and brine mining wells.

The proposed rule updates requirements on the design, construction, operation, monitoring, and closure of waste management units, and help improve the Commission's ability to track and collect data on oilfield waste transported throughout Texas.

The proposed rules were adopted and open for public comment beginning in mid-August. The original comment period end date was September 30. In response to public requests, the comment period has been extended to October 15, 2024.



To view the proposed rule amendments and submit comments, visit the RRC website at <https://www.rrc.texas.gov/general-counsel/rules/proposed-rules/> under Chapters 3 and 4.

The screenshot shows the RRC website's 'Proposed Rules' page. At the top, there is a search bar and a navigation menu with links for 'ABOUT US', 'RESOURCES', 'FORMS', 'EVENTS', 'COMPLAINTS', 'ACCIDENTS', 'CONTACT US', and 'ESPAÑOL'. Below the navigation, the page title is 'Proposed Rules'. The main content area contains several paragraphs of text explaining the process of rulemaking, including links to the Texas Register and the Plain Language Rules Summaries page. A sidebar on the right contains links for 'RULES', 'RULES EMAIL SERVICE', 'POLICIES AND GUIDELINES', and 'Alternative Dispute Resolution Policy'. The main content area lists several proposed rules, with 'Chapter 4. Environmental Protection - 1 approved 8/15/2024' highlighted. The details for this rule are as follows:

<b>Rule Title &amp; Contact Person :</b> Amend §3.0 and other rules in Chapter 3, and new and amended rules in Chapter 4 to update oil and gas waste management procedures and incorporate recent legislation (Paul Gubins, §12-463-6779)
<b>Proposal Approved at Conference for Submission to the Texas Register :</b> 8/15/2024 (pdf format)
<b>Proposal Published in the Texas Register :</b> 8/30/2024
<b>Comment Period Ends :</b> Comment period: extended to 10/15/2024 at 5:00 pm - Email comments to <a href="mailto:rulescoordinator@rrc.texas.gov">rulescoordinator@rrc.texas.gov</a> or Comment Online - Public Hearing Notice (Espanol) Webcasts: September 5 and September 6, 2024 - Comments Received
<b>Adoption Approved at Conference :</b> -
<b>Adoption Published in the Texas Register :</b> -
<b>Effective Date of Adoption :</b> -

Below the highlighted rule, there is a list of other proposed rules:

- Chapter 3. Oil and Gas Division - 2 approved 8/15/2024
- Chapter 5. Carbon Dioxide - Various Rules Approved 8/30/22 and 6/13/23
- Chapter 6. Geothermal Resources - 1 approved 9/24/2024
- Chapter 7. Gas Services - 1 Approved 11/15/23 and 03/19/24
- Chapter 8. Pipeline Safety Regulations - 1 approved 8/15/2024
- Chapter 13. Regulations for Compressed Natural Gas (CNG) - 1 Approved 1/18/2023
- Chapter 14. Regulations for Liquefied Natural Gas (LNG) - 1 Approved 1/18/2023





# COMMISSIONERS' CORNER



# Chairman Craddick

COMMISSIONERS' CORNER



In September, Chairman Christi Craddick testified before the Senate Water, Agriculture & Rural Affairs Committee on produced water. Alongside the Executive Director of the Texas Commission on Environmental Quality, the Chairman discussed the agencies role in permitting, treating, recycling, and finding alternative uses for produced water from the oil field. A new pilot program at the RRC which allows for operators to explore budding technologies for land application was also discussed. Providing alternative methods of recycling and reducing freshwater usage in the oil and gas industry is critical for a vibrant energy future in Texas. Chairman Craddick looks forward to continuing to advance opportunities for new technologies and methods for disposal of produced water.



# Commissioner Christian

COMMISSIONERS' CORNER



This month Commissioner Christian hosted the Lone Star Growth Summit, a meeting between the oil and gas industry and state agencies to talk Texas infrastructure.

“Texas’ population is projected to almost double to 54 million people by 2050. With our state in current need of more water and power, it’s vital that we project and build out the resources needed to support that many Texans to ensure Texas remains the epicenter of freedom and prosperity,” said Commissioner Christian about the summit.

Additionally, Check out the Commissioner’s latest podcast episode with Texas Comptroller Glenn Hegar.

**WAYNE’S WORLD WITH GLENN HEGAR**





# Commissioner Wright

COMMISSIONERS' CORNER

In September, Commissioner Wright traveled to Amarillo to speak at the Panhandle Producers and Royalty Owners Association's (PPROA) 95th Annual Convention. Prior to his speaking engagement, Commissioner Wright toured an area ranch which was impacted by the spring wildfires, before driving to the Railroad Commission's Pampa District office to meet with inspectors and field staff.





# Oil & Gas Production Statistics

View monthly production totals of crude oil, condensate and total oil; and of gas well gas, casinghead gas, and total natural gas.

[VIEW CURRENT PRODUCTION STATISTICS ▶](#)

# Enforcement Actions

The Commission has primary oversight and enforcement of the state's oil and gas industry and intrastate pipeline safety. View RRC's Latest Enforcement Actions here.

[VIEW LATEST ENFORCEMENT ACTIONS ▶](#)

# Public GIS Viewer

The Public GIS Viewer allows users to view oil, gas and pipeline data in a map view.

[LAUNCH THE PUBLIC GIS VIEWER ▶](#)