

# RAILROAD COMMISSION OF TEXAS

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

**INTERNAL**  
OIL AND GAS DIVISION  
DANNY SORRELLS  
DIRECTOR

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## MEMORANDUM

June 17, 2024

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

**FROM:** Danny Sorrells  
Director, Oil and Gas Division


**SUBJECT:** Field Operations Section  
Monthly Report of State Managed Well Plugging Activities  
May 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 May 31, 2024, a total of 1,001 wells have been physically plugged, though not all of them have yet been invoiced and approved for payment.

KCW  
Attachments

  
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Danny Sorrells  
Director, Oil and Gas Division

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  
May 2024

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

May	1.06 %
Fiscal Year-to-date	9.82 %
Performance Measure Goal	20.0 %

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

May	92
Fiscal Year-to-date	852
Performance Measure Goal	2,000

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

May	105,138
Fiscal Year-to-date	1,775,375
Performance Measure Goal	4,000,000

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

May	12.8
Fiscal Year-to-date	31.9
Performance Measure Goal	50

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

May	219
Fiscal Year-to-date	1,673
Performance Measure Goal	2,000

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

May	8,674
Performance Measure Goal	7,500

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

May	465
Fiscal Year-to-date	5,567
Performance Measure Goal	6,000

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

May	47.9 %
Performance Measure Goal	48.0 %

Explanatory measure: Numbered shut-in/inactive wells.

May	154,024
Performance Measure Goal	146,000

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

**Monthly State-Funded Plugging, Pollution Abatement and Salvage Activities**  
**Commissioners Report**  
**05/01/2024 to 05/31/2024**

**State-Funded Plugging Activities**

Number of wells approved for plugging this month	219
Estimated cost of approvals	\$ 8,100,550.00
Number of wells approved for this fiscal year	1673
Number of approved wells remaining to plug	3395
Estimated cost to plug remaining approvals	\$ 146,501,481.64
Number of pluggings completed this month	92
Total cost to plug wells completed this month	\$ 1,417,119.43
Number of pluggings completed this fiscal year	852
Cost of pluggings completed this fiscal year	\$ 26,841,569.57

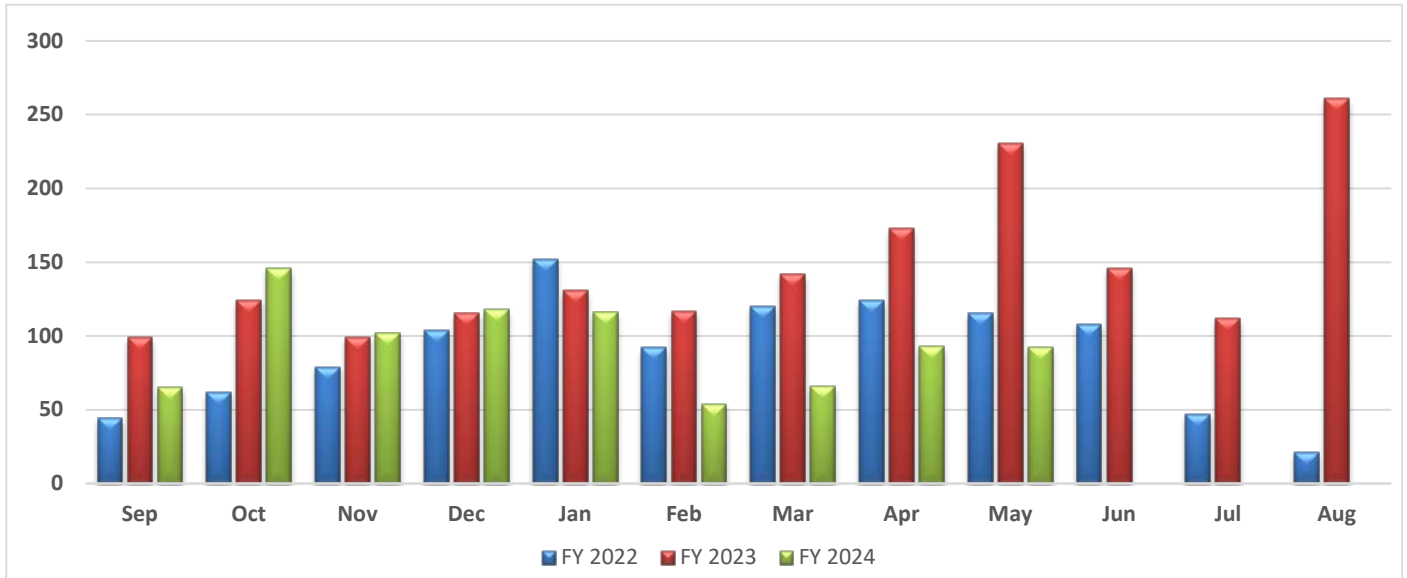
**Pollution Abatement Activities**

Number of pollution abatements approved this month	6
Estimated cost of approvals	\$ 71,000.00
Number of pollution abatements approved for this fiscal year	56
Number of pollution abatements remaining	79
Estimated cost to pollution abatements remaining	\$ 843,560.00
Number of pollution abatements completed this month	1
Total cost of pollution abatements completed this month	\$ 520.00
Number of pollution abatements completed this fiscal year	43
Cost of pollution abatements completed this fiscal year	\$ 1,743,013.66

**Salvage Activities**

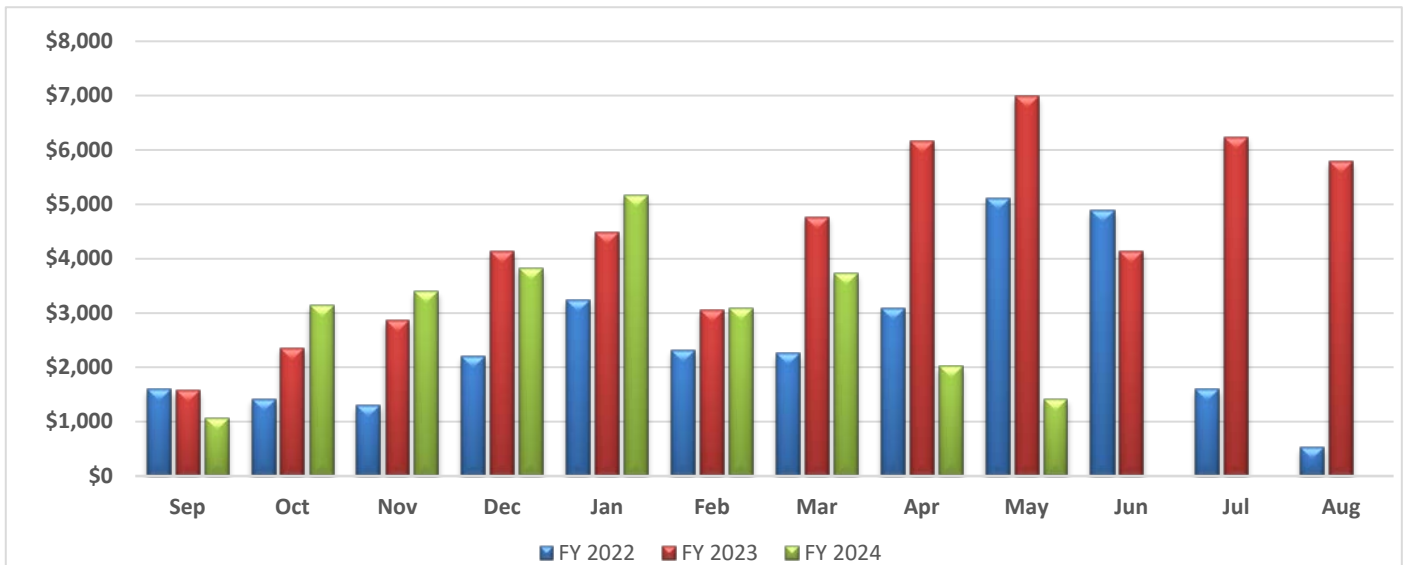
Number of salvage activities completed this month	29
Total proceeds received this month	\$ 134,598.15
Number of salvage activities completed this fiscal year	300
Total proceeds received this year	\$ 1,357,310.90

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



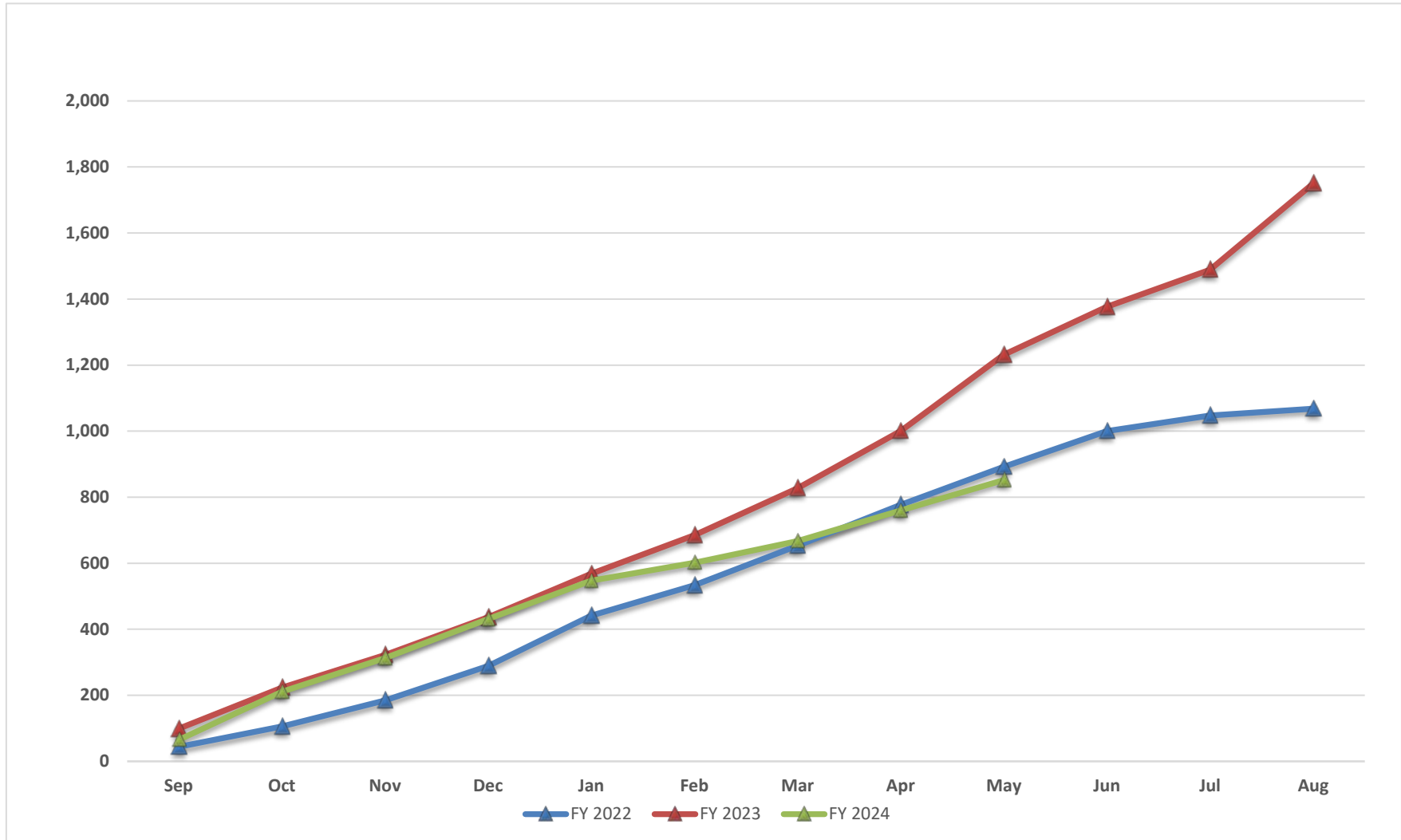
	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Tot
FY 2022	44	62	79	104	152	92	120	124	115	108	47	21	1,068
FY 2023	99	124	99	115	131	117	142	173	231	146	112	261	1,750
FY 2024	65	146	102	118	116	54	66	93	92	0	0	0	852

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



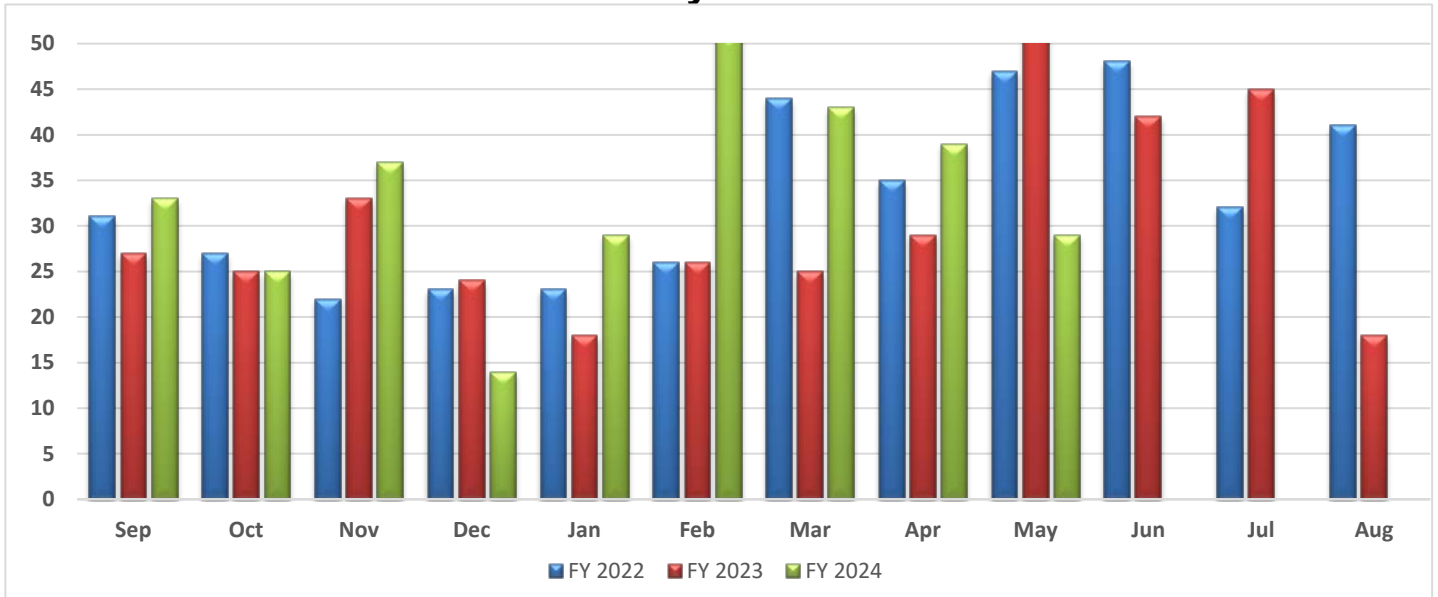
\$M	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Tot
FY 2022	\$1,592	\$1,418	\$1,293	\$2,212	\$3,245	\$2,320	\$2,253	\$3,097	\$5,109	\$4,886	\$1,593	\$523	\$29,541
FY 2023	\$1,578	\$2,360	\$2,858	\$4,132	\$4,478	\$3,051	\$4,766	\$6,164	\$6,985	\$4,142	\$6,238	\$5,790	\$52,541
FY 2024	\$1,065	\$3,140	\$3,400	\$3,822	\$5,161	\$3,090	\$3,730	\$2,017	\$1,417	\$0	\$0	\$0	\$26,841

# State Managed Well Plugging Program Cumulative Wells Plugged May 2024



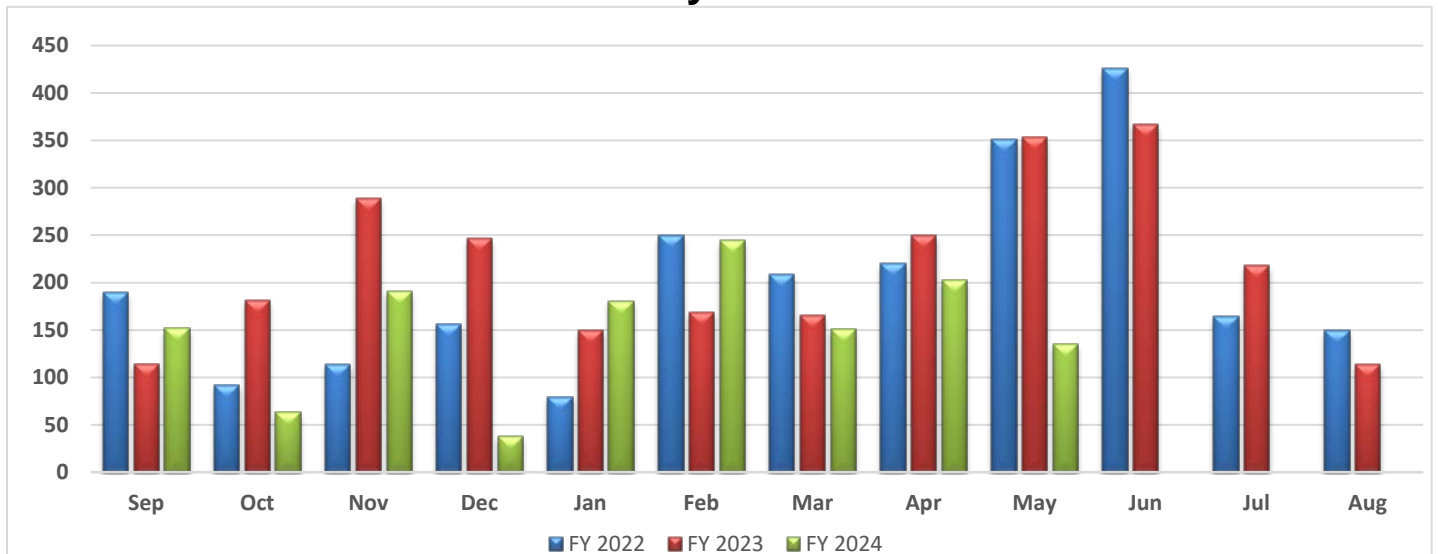
	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
FY 2022	44	106	185	289	441	533	653	777	892	1,000	1,047	1,068
FY 2023	99	223	322	437	568	685	827	1,000	1,231	1,377	1,489	1,750
FY 2024	65	211	313	431	547	601	667	760	852			

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



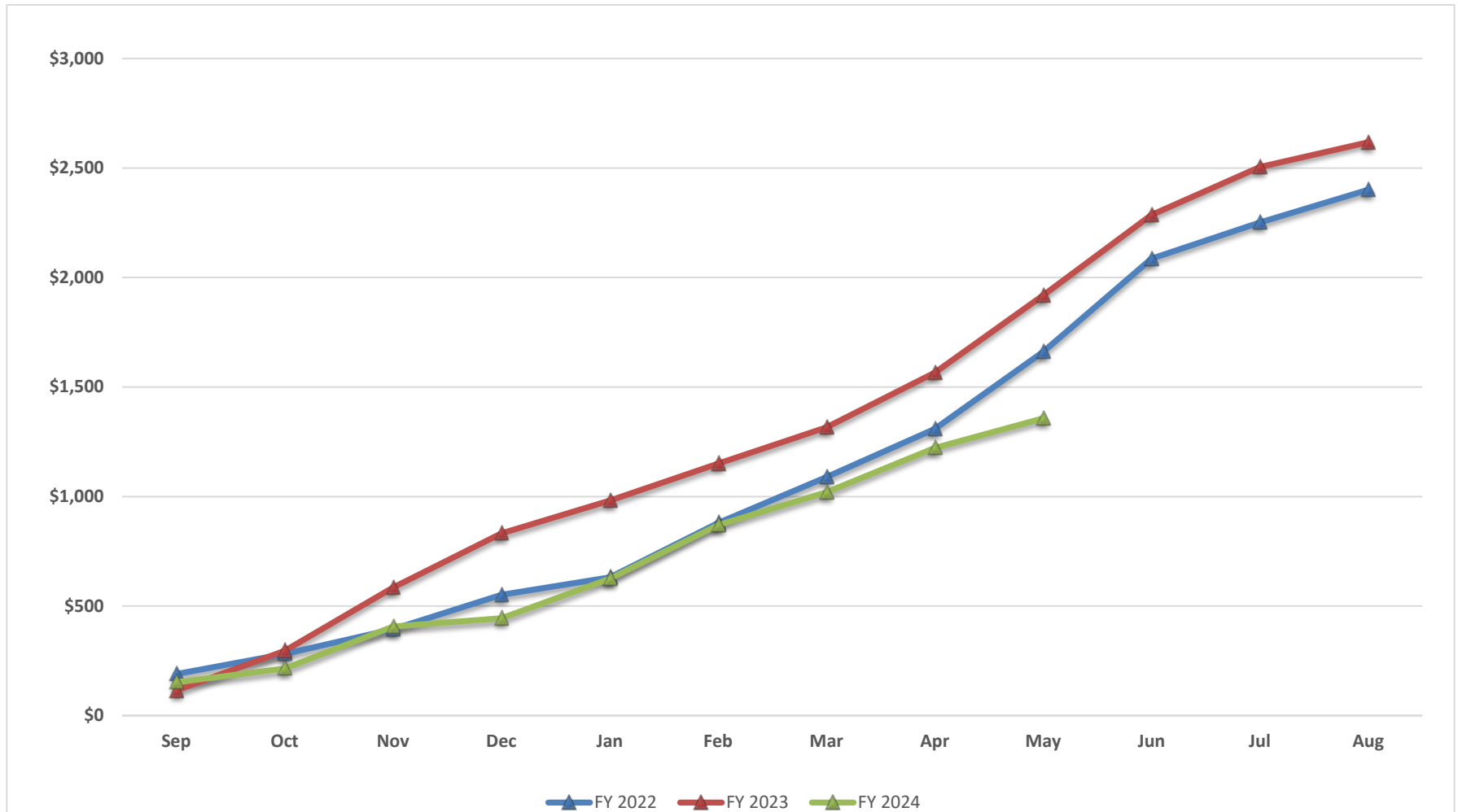
	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Tot
<b>FY 2022</b>	31	27	22	23	23	26	44	35	47	48	32	41	399
<b>FY 2023</b>	27	25	33	24	18	26	25	29	52	42	45	18	364
<b>FY 2024</b>	33	25	37	14	29	51	43	39	29				300

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



\$M	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Tot
<b>FY 2022</b>	\$190	\$91	\$114	\$156	\$79	\$250	\$209	\$220	\$351	\$426	\$165	\$150	\$2,401
<b>FY 2023</b>	\$114	\$182	\$289	\$247	\$150	\$169	\$166	\$250	\$353	\$367	\$218	\$114	\$2,617
<b>FY 2024</b>	\$152	\$63	\$191	\$39	\$181	\$245	\$151	\$202	\$135				\$1,357

## State Managed Well Plugging Program Cumulative Salvage Proceeds May 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			