

RAILROAD COMMISSION OF TEXAS

CHRISTI CRADDICK, *CHAIRMAN*
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INTERNAL
OIL AND GAS DIVISION
SANTOS GONZALES JR., P.E.,
ASSISTANT DIRECTOR, FIELD OPERATIONS

MEMORANDUM

TO: Chairman Christi Craddick
Commissioner David Porter
Commissioner Barry T. Smitherman

FROM: Santos Gonzales, Jr., P. E.
Assistant Director, Field Operations

DATE: October 14, 2014

SUBJECT: Well Plugging and Site Remediation Fiscal Year 2014, 4th Quarter Report

Well Plugging: The 4th quarter well plugging performance includes 231 wells plugged with Oil and Gas Regulation and Cleanup (OGRC) funds. This includes wells for which the state-funded plug files have been formally closed in Austin. The fiscal year total is 563 wells plugged with OGRC funds. The number of wells physically plugged during FY 14, through the end of the 4th quarter, based on the daily field reports is 574 with a total expenditure of \$15,203,213. Additionally, during the 4th quarter 77 wells were approved for plugging with state funds for a fiscal year total of 623 wells. At the end of fiscal year 2014, 956 wells were approved and remain to be plugged. During FY 14 bids have been prepared on 853 wells, of which 574 have been plugged, contracts have been awarded for 119 wells, and bids remain to be opened on 160 wells. The well plugging goal for fiscal year 2014 is 529 wells. The actual wells plugged and expenditure by district for fiscal years 2012, 2013 and 2014 and the well plugging goals and budgets by district for fiscal year 2014 are shown on the attached graphs. The FY 14 budget for Well Plugging is \$15,888,259.

Site Remediation: During the 4th quarter Site Remediation completed and formally closed 121 cleanup activities, of which 116 were completed with the use of OGRC funds and 5 were completed using Grant funds. Additionally, during the 4th quarter 52 cleanup activities were authorized and at the end of the 4th quarter a total of 26 cleanup activities are authorized and remain to be completed. Site Remediation has completed and formally closed a total of 238 cleanup activities during the fiscal year, of which 231 were completed with the use of OGRC funds and 7 were completed using Grant funds. The actual remediation activities and expenditure by district for fiscal years 2012, 2013, and 2014 and the goals and budgets for the Site Remediation activities for fiscal year 2014 are shown on the attached graphs. Site Remediation's approved FY14 budget is \$3,125,725.53.



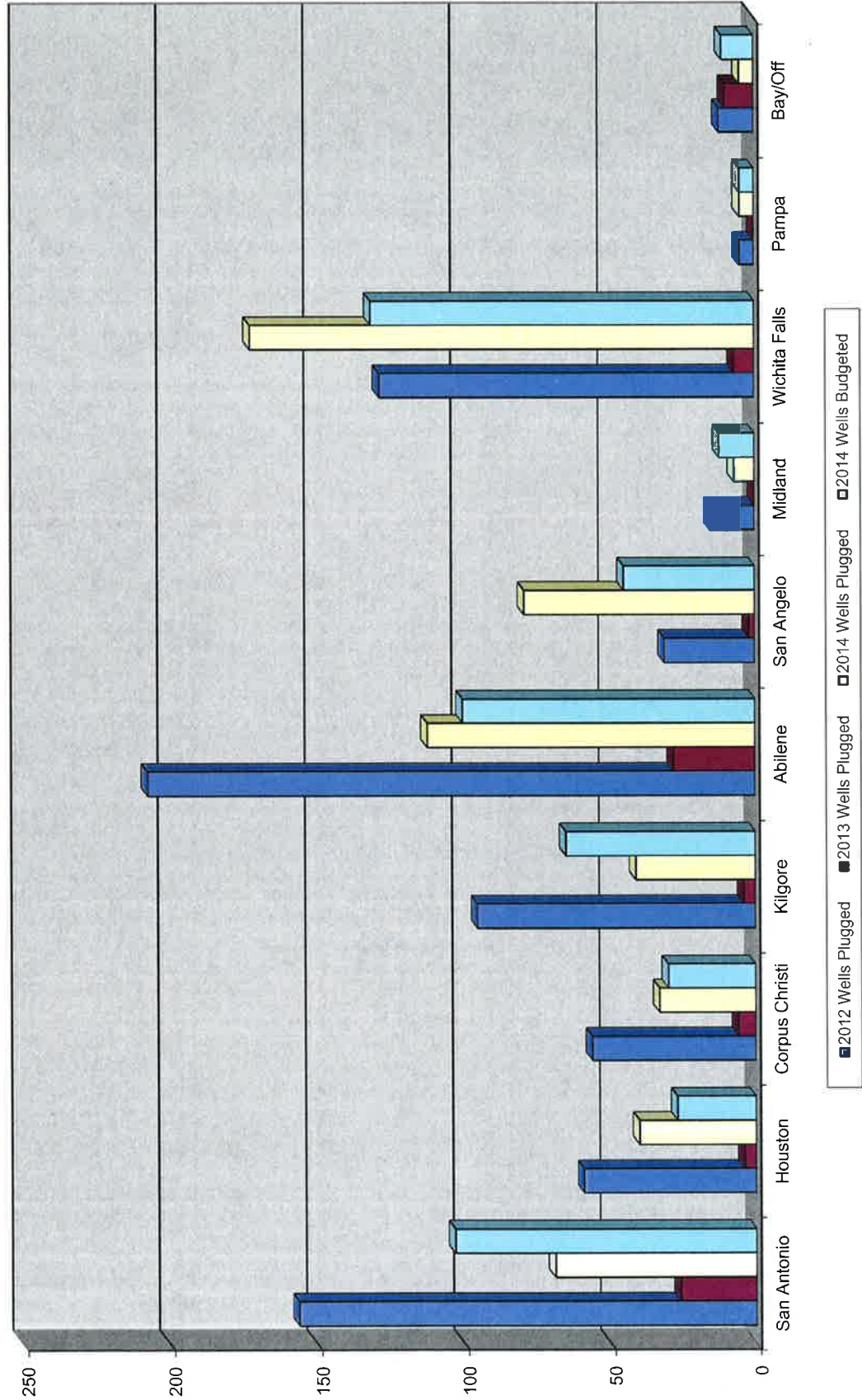
Santos Gonzales, Jr., P. E.
Assistant Director, Field Operations

KCW
Attachments:

cc Milton Rister, Executive Director
Gil Bujano, P. E., Director, Oil & Gas Division
Peter G. Pope, P.G., Assistant Director, Site Remediation

Field Operations/Well Plugging Oil Field Cleanup Program Wells Plugged

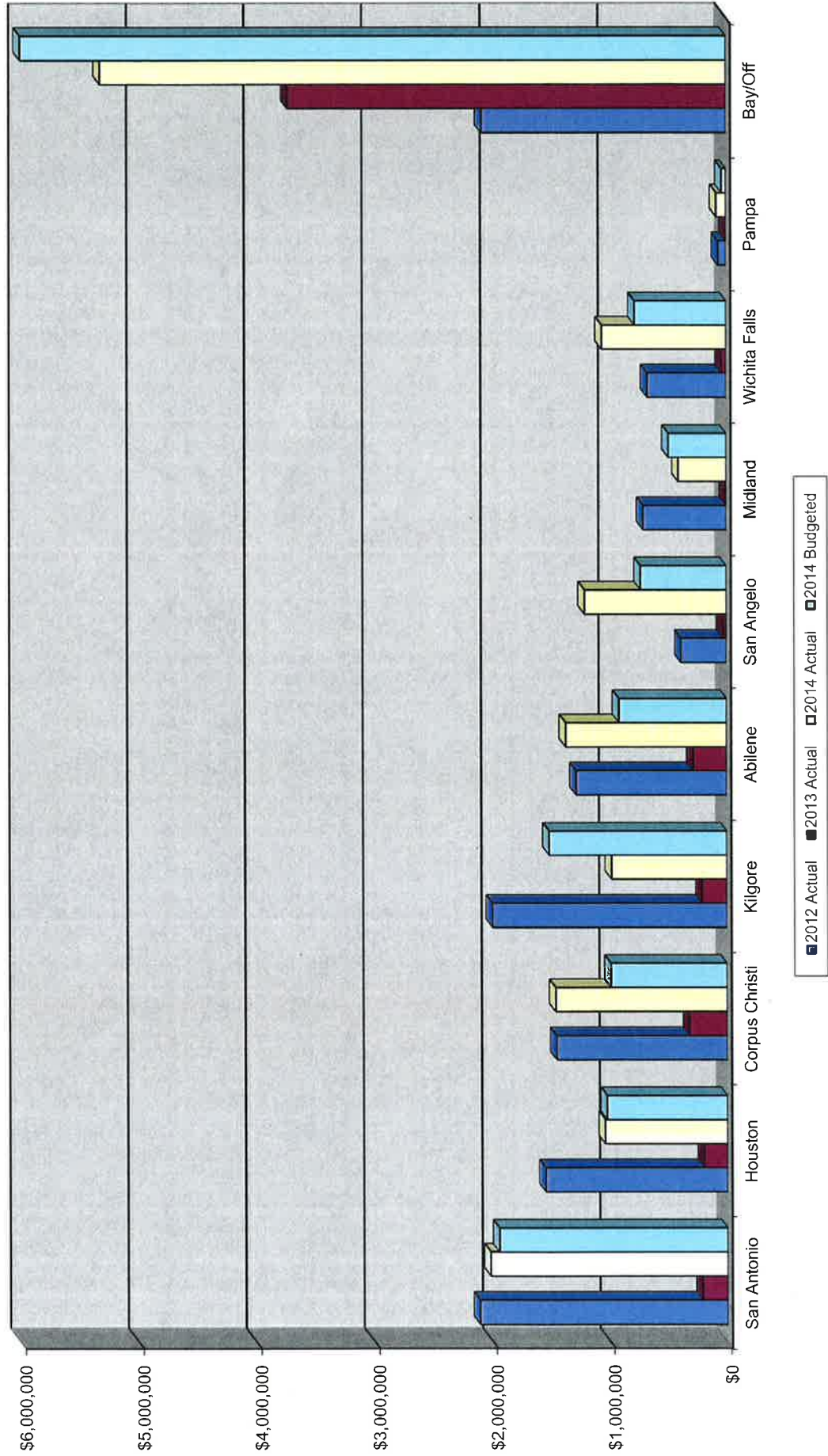
FY 12 Actual, FY 13 Actual, FY 14 Actual, FY 14 Budgeted



	San Antonio	Houston	Corpus Christi	Kilgore	Abilene	San Angelo	Midland	Wichita Falls	Pampa	Bay/Off	Statewide
2012 Wells Plugged	156	59	56	95	207	31	15	128	5	12	764
2013 Wells Plugged	26	4	6	4	28	2	0	7	0	10	87
2014 Wells Plugged	69	40	33	41	112	79	7	172	5	5	563
2014 Wells Budgeted	103	27	30	65	100	45	12	131	5	11	529

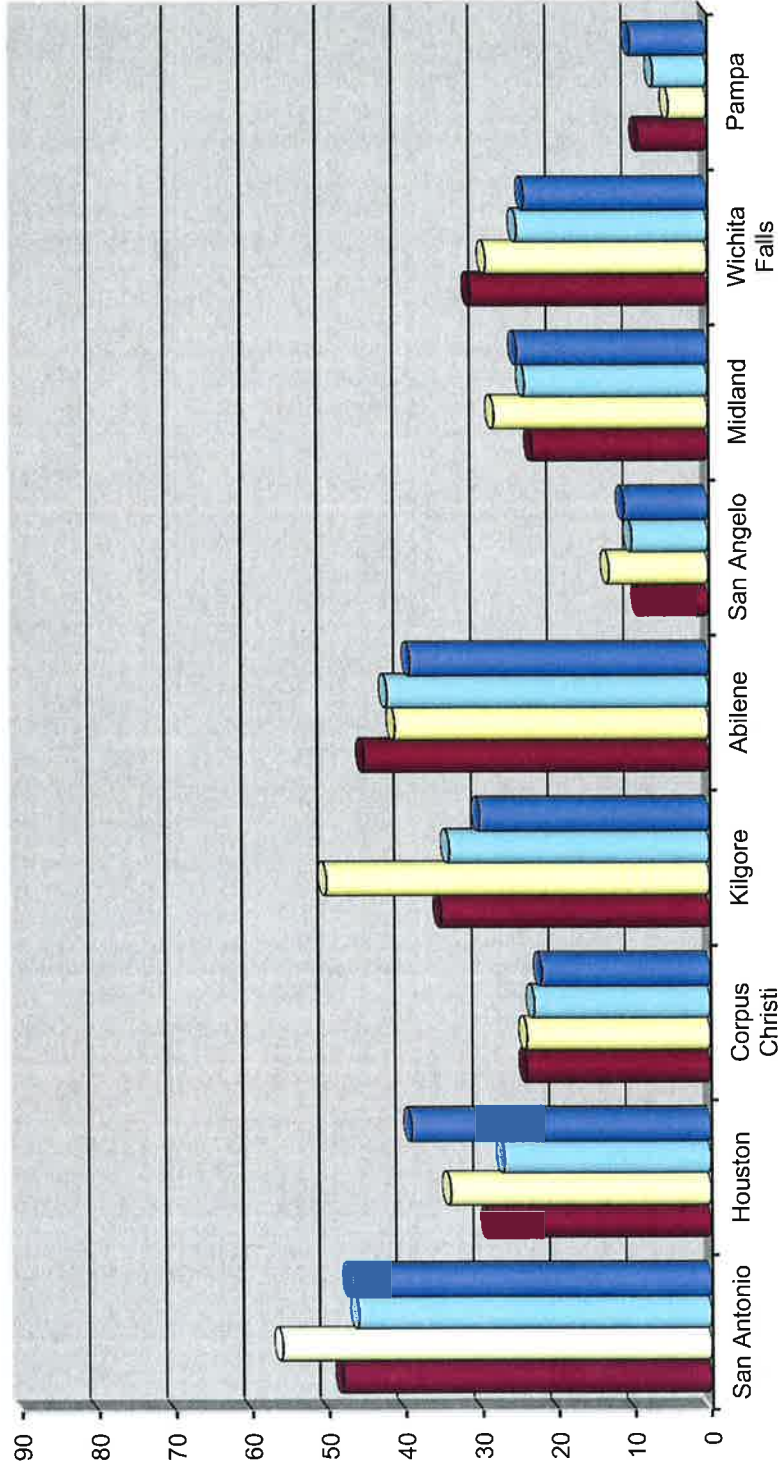
Field Operations/Well Plugging Oil Field Cleanup Program Expenditures

FY 12 Actual, FY 13 Actual, FY 14 Actual, FY 14 Budgeted



	San Antonio	Houston	Corpus Christi	Kilgore	Abilene	San Angelo	Midland	Wichita Falls	Pampa	Bay/Off	Statewide
2012 Actual	\$2,109,235	\$1,546,182	\$1,450,311	\$1,995,664	\$1,281,709	\$388,909	\$710,908	\$675,763	\$68,876	\$2,081,920	\$12,309,477
2013 Actual	\$214,756	\$199,965	\$323,007	\$212,495	\$285,746	\$27,540	\$0	\$39,530	\$0	\$3,723,661	\$5,026,701
2014 Actual	\$2,020,123	\$1,042,783	\$1,459,993	\$983,165	\$1,370,321	\$1,208,706	\$411,321	\$1,062,047	\$82,977	\$5,317,809	\$14,959,244
2014 Budgeted	\$1,946,700	\$1,026,000	\$990,000	\$1,511,250	\$919,472	\$735,750	\$496,200	\$786,000	\$37,500	\$5,995,000	\$15,888,259

**Site Remediation
Oil Field Cleanup Program
Activities Completed/Projected
FY 12 Completed, FY 13 Completed, FY 14 Budgeted**

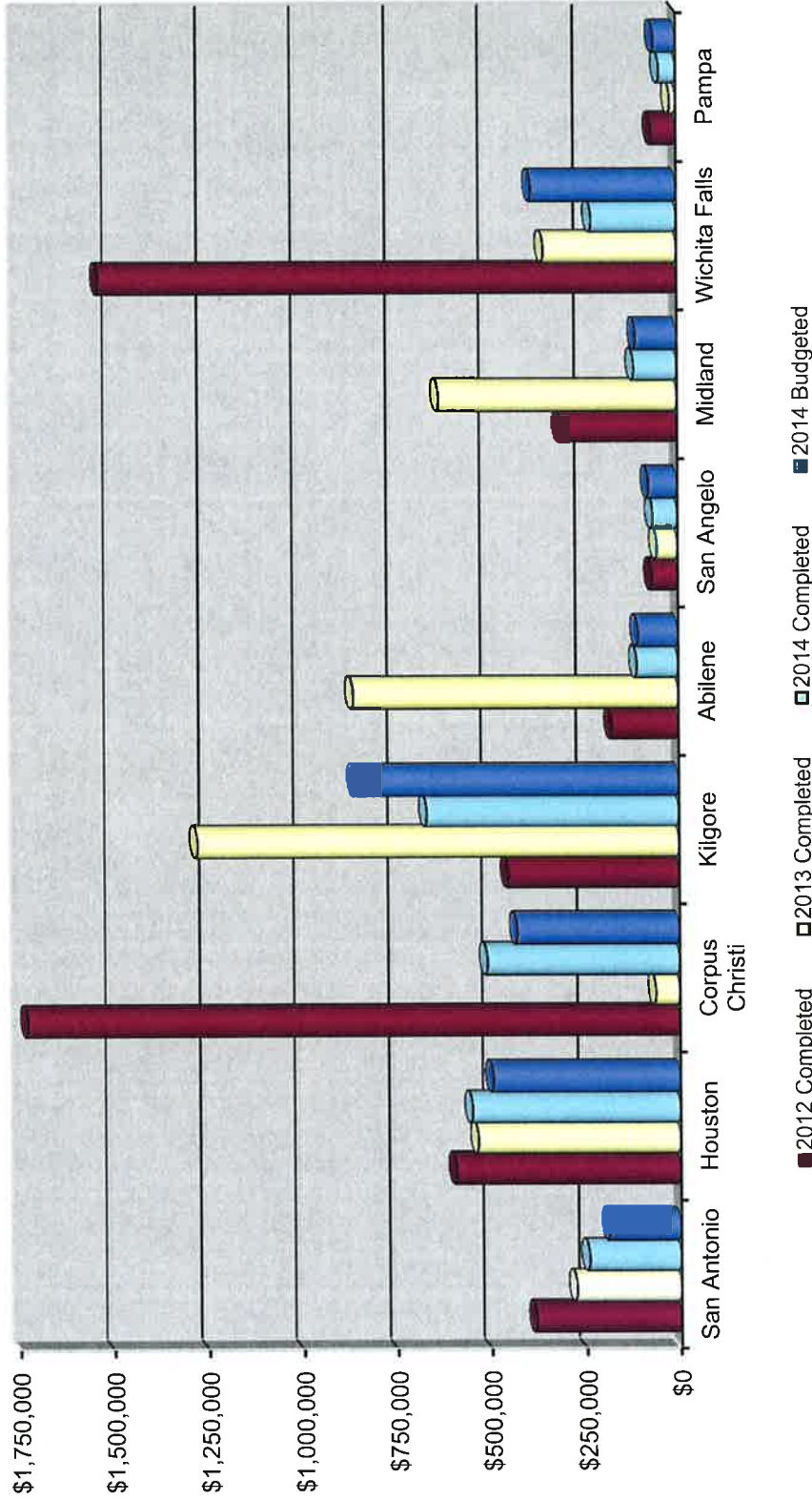


■ 2012 Activities Completed □ 2013 Activities Completed □ 2014 Activities Budgeted

	San Antonio	Houston	Corpus Christi	Kilgore	Abilene	San Angelo	Midland	Wichita Falls	Pampa	Statewide
2012 Activities Completed	48	29	24	35	45	9	23	31	9	253
2013 Activities Completed	56	34	24	50	41	13	28	29	5	280
2014 Activities Completed	46	27	23	34	42	10	24	25	7	238
2014 Activities Budgeted	47	39	22	30	39	11	25	24	10	247

Site Remediation Oil Field Cleanup Program Expenditures

FY 12 Completed, FY 13 Completed, FY 14 Completed, FY 14 Budgeted



	San Antonio	Houston	Corpus Christi	Kilgore	Abilene	San Angelo	Midland	Wichita Falls	Pampa	Statewide
2012 Completed	\$380,429	\$590,833	\$1,724,741	\$449,676	\$176,337	\$67,490	\$306,512	\$1,531,216	\$64,161	\$5,291,395
2013 Completed	\$275,383	\$533,297	\$62,907	\$1,274,980	\$859,229	\$53,923	\$630,285	\$350,989	\$15,103	\$4,056,095
2014 Completed	\$242,529	\$548,538	\$506,358	\$665,944	\$109,099	\$64,861	\$114,173	\$225,745	\$43,799	\$2,521,046
2014 Budgeted	\$188,230	\$491,784	\$427,040	\$854,805	\$105,057	\$75,200	\$108,625	\$382,527	\$57,700	\$3,125,726