

RAILROAD COMMISSION OF TEXAS

BARRY T. SMITHERMAN, *CHAIRMAN*
DAVID PORTER, *COMMISSIONER*
CHRISTI CRADDICK, *COMMISSIONER*

INTERNAL
OIL AND GAS DIVISION
RAMON FERNANDEZ JR., P.E., DEPUTY DIRECTOR

MEMORANDUM

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

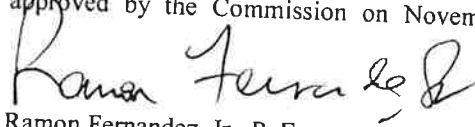
FROM: Ramon Fernandez, Jr., P. E.
Deputy Director, Oil & Gas Division

DATE: January 29, 2013

SUBJECT: Well Plugging and Site Remediation Fiscal Year 2013, 1st Quarter Report

Well Plugging: The 1st quarter well plugging performance includes 87 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 number of wells physically plugged during the 1st quarter based on the daily field reports is 165 with a total expenditure of \$7,378,252. Additionally, during the 1st quarter 291 wells were approved for plugging and at the end of the 1st quarter, 1,265 wells were approved and remain to be plugged. Bids have been prepared on 654 wells, of which 87 have been plugged, contracts have been awarded for 478 wells, and bids remain to be opened on 89 wells. The well plugging goal for fiscal year 2013 is 815 wells. The actual wells plugged and expenditure by district for fiscal years 2011, 2012 and 2013 and the well plugging goals and budgets by district for fiscal year 2013 are shown on the attached graphs. The fiscal year 2013 total budget of \$17,785,366 includes a base budget of \$14,285,366 plus \$3,500,000 for the ten (10) well Corpus Christi Bay project paid for with FY 2012 funds. The files were closed and expenditures reported in FY 2013.

Site Remediation: During the 1st quarter Site Remediation completed and formally closed 28 cleanup activities, all of which were completed with the use of OGRC funds. Additionally, during the 1st quarter 88 cleanup activities were authorized and at the end of the 1st quarter a total of 104 cleanup activities are authorized and remain to be completed. The actual remediation activities and expenditure by district for fiscal years 2011, 2012, and 2013 and the goals and budgets for the Site Remediation activities by district for fiscal year 2013 are shown on the attached graphs. Site Remediation's original FY13 budget approved by the Commission on November 6, 2012, was \$2,690,968.


Ramon Fernandez, Jr., P. E.
Deputy Director, Oil & Gas Division

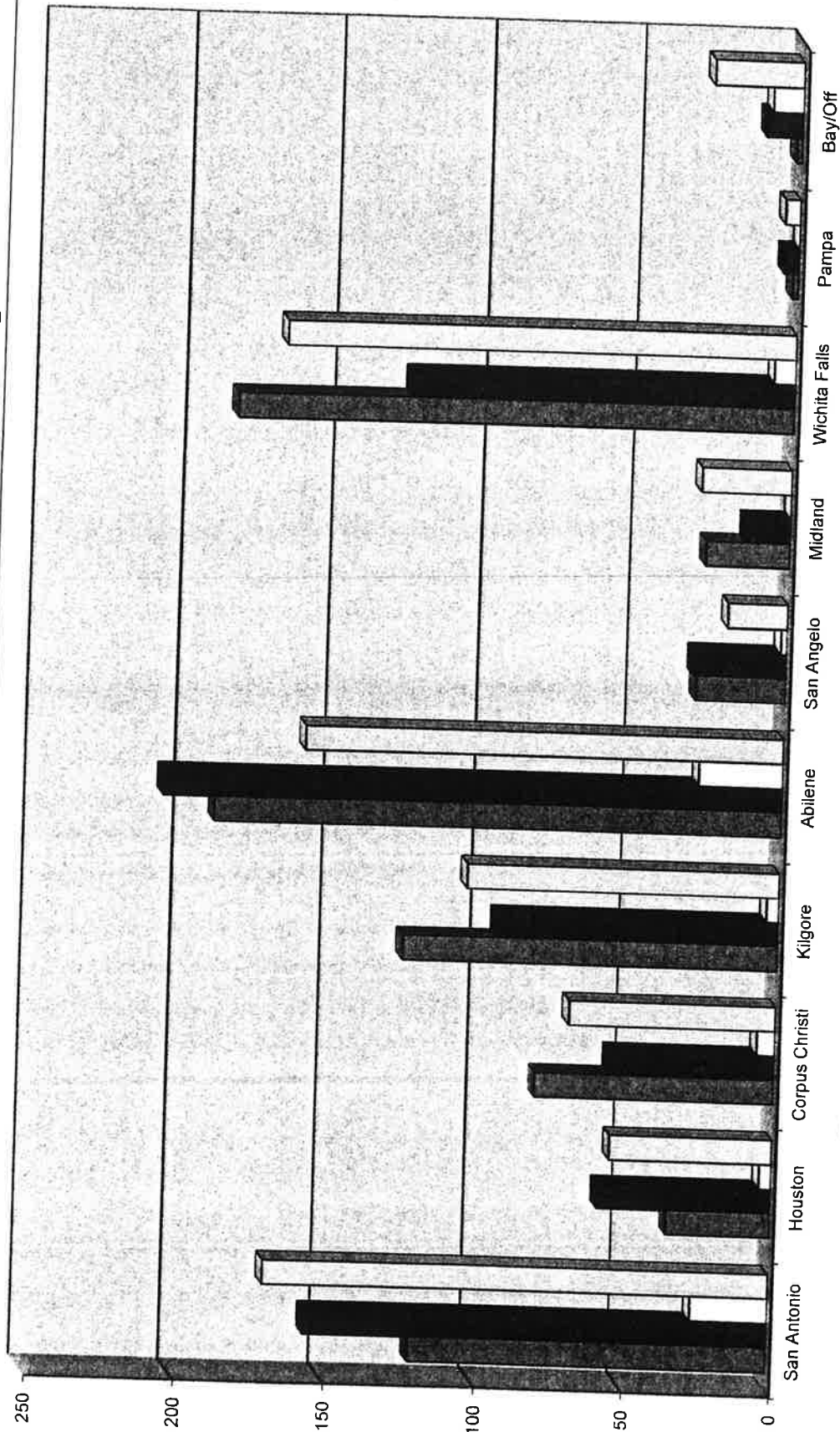
KCW
Attachments:

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 11 Actual, FY 12 Actual, FY 13 Actual, FY 13 Budgeted

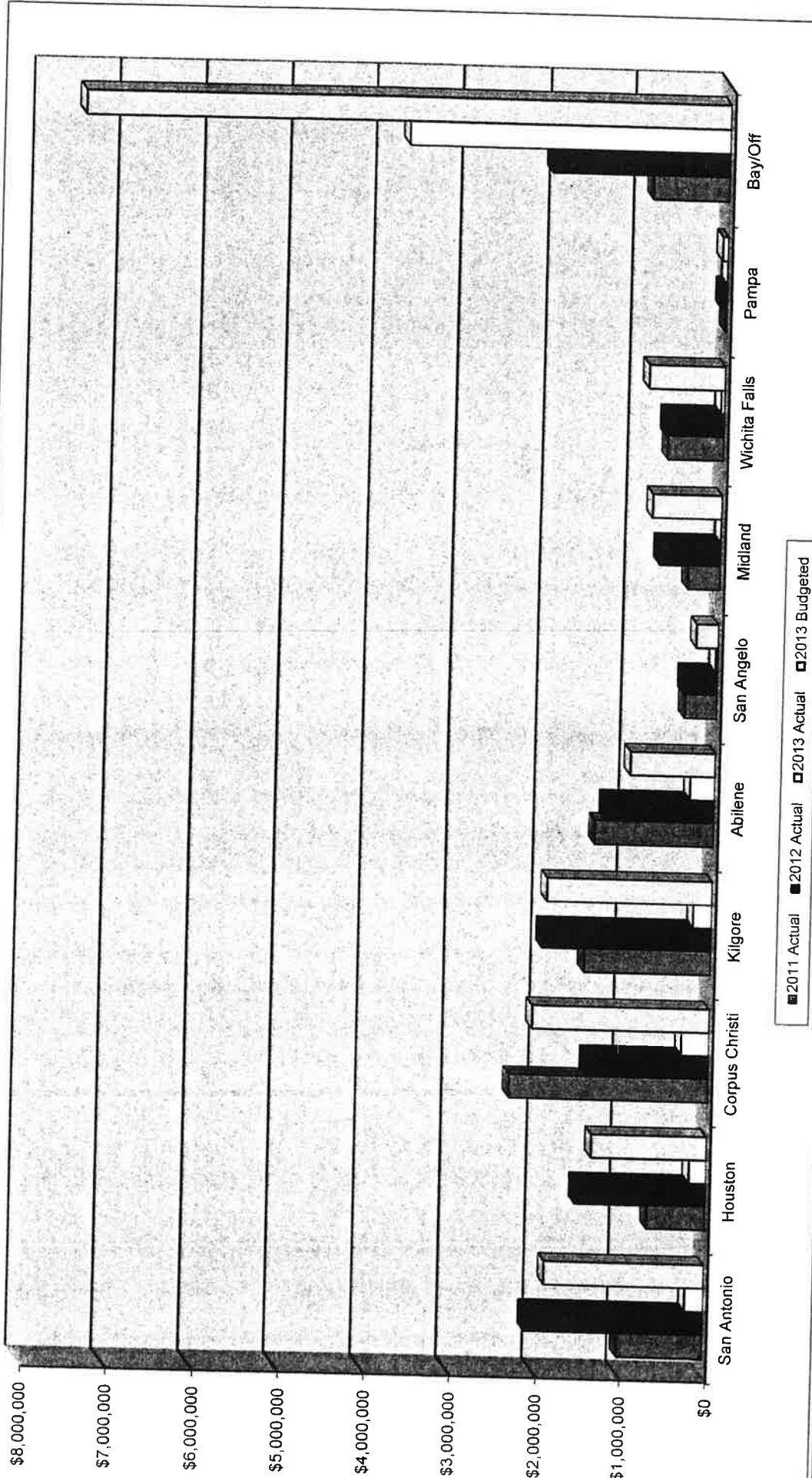


2011 Wells Plugged
 2012 Wells Plugged
 2013 Wells Plugged
 2013 Wells Budgeted

	San Antonio	Houston	Corpus Christi	Kilgore	Abilene	San Angelo	Midland	Wichita Falls	Pampa	Bay/Off	Statewide
2011 Wells Plugged	121	35	81	126	190	30	28	186	2	2	801
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
2013 Wells Budgeted	170	55	70	105	160	20	30	170	5	30	815

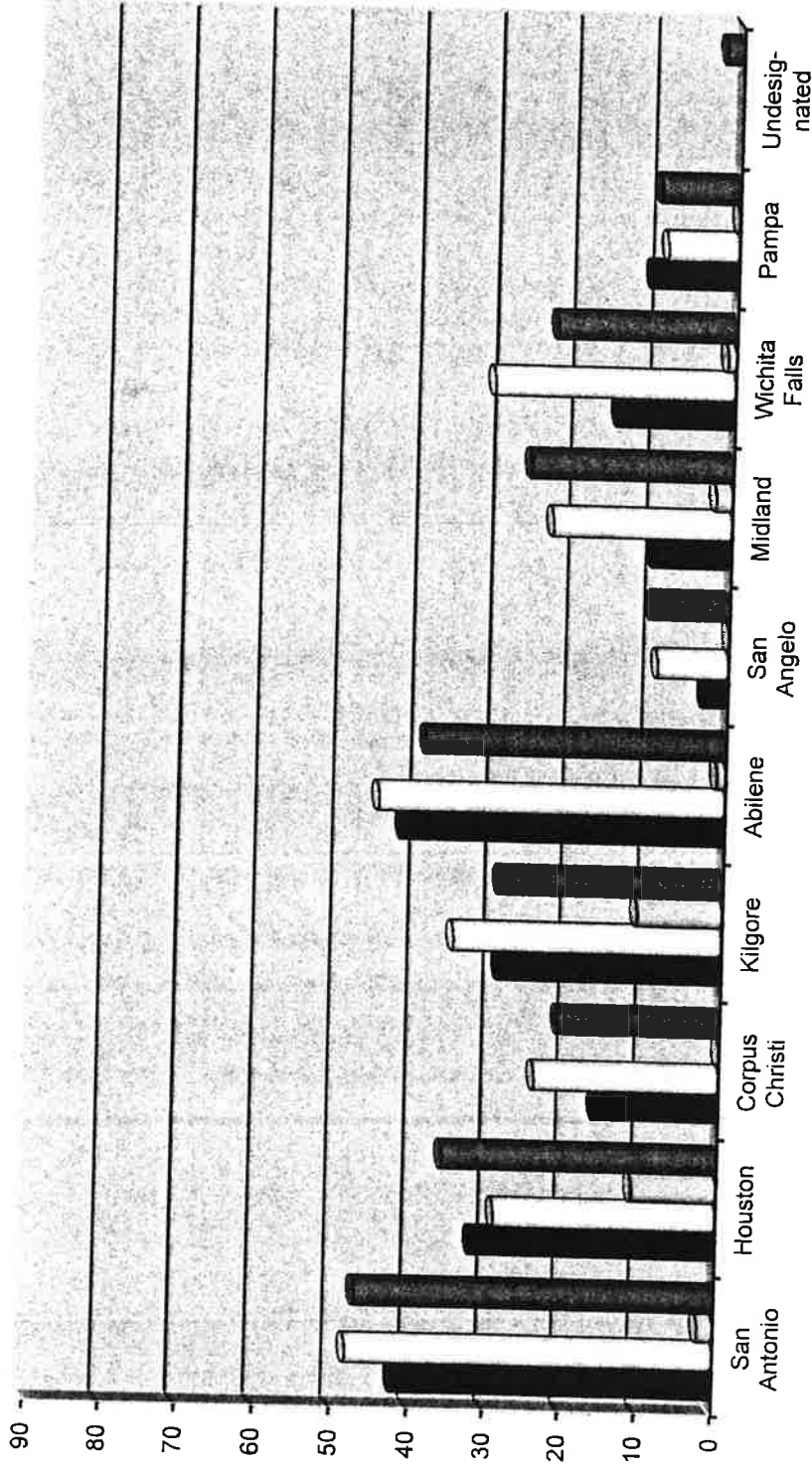
Field Operations/Well Plugging Oil Field Cleanup Program Expenditures

FY 11 Actual, FY 12 Actual, FY 13 Actual, FY 13 Budgeted



	San Antonio	Houston	Corpus Christi	Kilgore	Abilene	San Angelo	Midland	Wichita Falls	Pampa	Bay/Off	Statewide
2011 Actual	\$1,004,941	\$683,182	\$2,338,455	\$1,494,651	\$1,397,643	\$375,658	\$375,390	\$646,793	\$14,300	\$891,382	\$9,222,395
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
2013 Budgeted	\$1,887,000	\$1,363,450	\$2,089,370	\$1,942,500	\$992,000	\$252,046	\$810,000	\$884,000	\$65,000	\$7,500,000	\$17,785,366

**Site Remediation
Oil Field Cleanup Program
Activities Completed/Projected
FY 11 Completed, FY 12 Completed, FY 13 Budgeted
(as of 11/30/2012)**



	2011 Activities Completed		2012 Activities Completed		2013 Activities Completed		2013 Activities Budgeted				
	San Antonio	Houston	Corpus Christi	Kilgore	Abilene	San Angelo	Midland	Wichita Falls	Pampa	Undesignated	Statewide
2011 Activities Completed	42	32	16	29	42	3	10	15	11		200
2012 Activities Completed	48	29	24	35	45	9	23	31	9		253
2013 Activities Completed	2	11	0	11	1	0	2	1	0		28
2013 Activities Budgeted	47	36	21	29	39	10	26	23	10	2	243

