

# 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:** April 22, 2014

**SUBJECT:** Well Plugging and Site Remediation Fiscal Year 2014, 1<sup>st</sup> Quarter Report

**Well Plugging:** The 1st quarter well plugging performance includes 76 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 1<sup>st</sup> quarter based on the daily field reports is 138 with a total expenditure of \$2,522,081. Additionally, during the 1st quarter 176 wells were approved for plugging and at the end of the 1<sup>st</sup> quarter, 1,099 wells were approved and remain to be plugged. Bids have been prepared on 421 wells, of which 76 have been plugged, contracts have been awarded for 255 wells, and bids remain to be opened on 90 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 fiscal year 2014 budget is \$14,443,872, which includes eleven (11) offshore wells budgeted for \$5,995,000.

**Site Remediation:** During the 1<sup>st</sup> quarter Site Remediation completed and formally closed 20 cleanup activities, all of which were completed with the use of OGRC funds. Additionally, during the 1<sup>st</sup> quarter 73 cleanup activities were authorized and at the end of the 1<sup>st</sup> quarter a total of 85 cleanup activities are authorized and remain to be completed. 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 by district for fiscal year 2014 are shown on the attached graphs. Site Remediation's original FY14 budget approved by the Commission on October 22, 2013, was \$2,690,968.



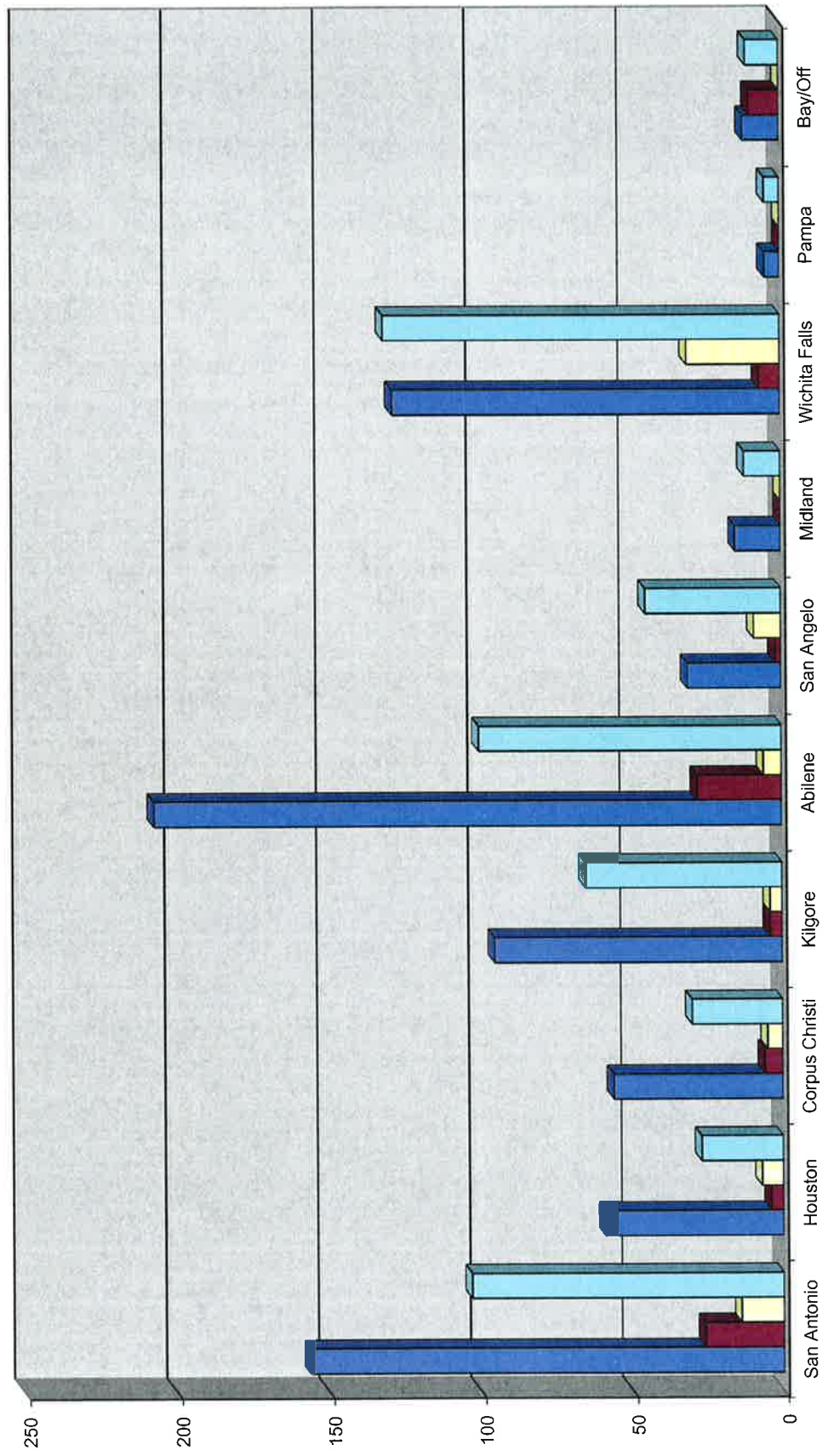
Ramon Fernandez, Jr., P. E.  
Deputy Director, Oil & Gas Division

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

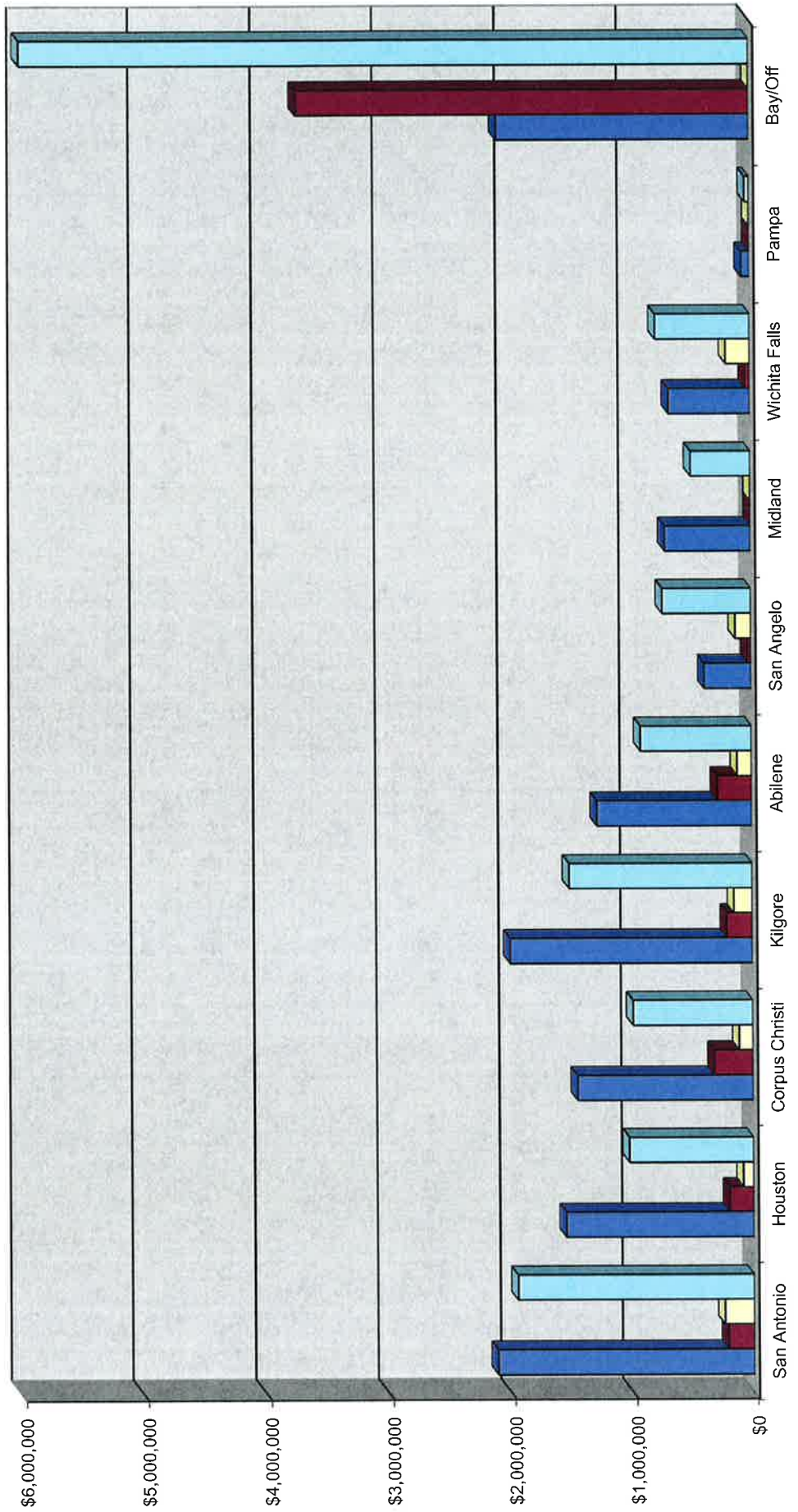


■ 2012 Wells Plugged   
 ■ 2013 Wells Plugged   
 ■ 2014 Wells Plugged   
 ■ 2014 Wells Budgeted

	San Antonio	Houston	Corpus Christi	Kilgore	Abilene	San Angelo	Midland	Wichita Falls	Pampa	Bay/Off	Statewide
<b>2012 Wells Plugged</b>	156	59	56	95	207	31	15	128	5	12	764
<b>2013 Wells Plugged</b>	26	4	6	4	28	2	0	7	0	10	87
<b>2014 Wells Plugged</b>	14	7	5	4	6	9	0	31	0	0	76
<b>2014 Wells Budgeted</b>	103	27	30	65	100	45	12	131	5	11	529

# Field Operations/Well Plugging Oil Field Cleanup Program Expenditures

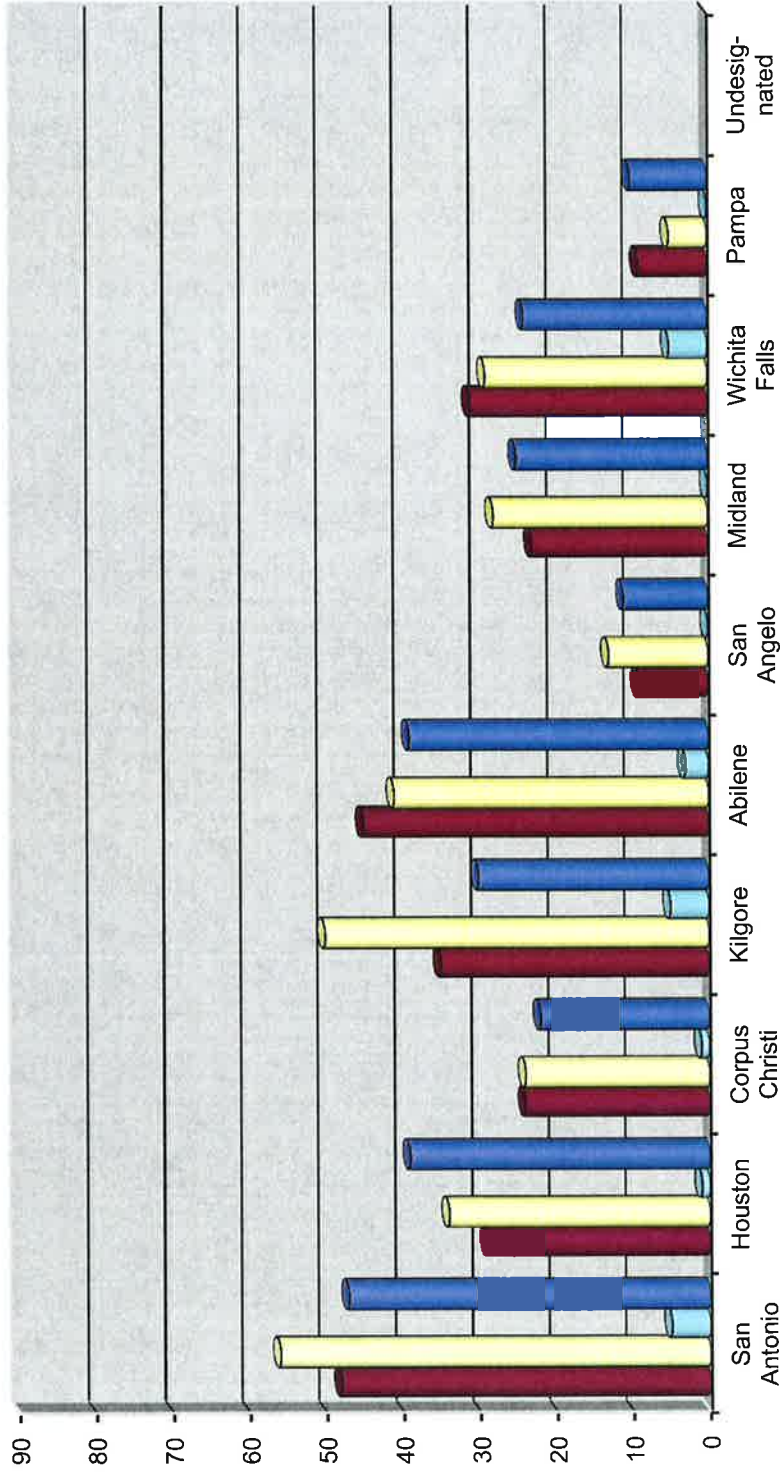
**FY 12 Actual, FY 13 Actual, FY 14 Actual, FY 14 Budgeted**



■ 2012 Actual   
 ■ 2013 Actual   
 ■ 2014 Actual   
 ■ 2014 Budgeted

	San Antonio	Houston	Corpus Christi	Kilgore	Abilene	San Angelo	Midland	Wichita Falls	Pampa	Bay/Off	Statewide
<b>2012 Actual</b>	\$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
<b>2013 Actual</b>	\$214,756	\$199,965	\$323,007	\$212,495	\$285,746	\$27,540	\$0	\$39,530	\$0	\$3,723,661	\$5,026,701
<b>2014 Actual</b>	\$244,355	\$84,377	\$113,272	\$152,667	\$118,900	\$132,353	\$0	\$200,462	\$0	\$0	\$1,046,385
<b>2014 Budgeted</b>	\$1,946,700	\$1,026,000	\$990,000	\$1,511,250	\$919,472	\$735,750	\$496,200	\$786,000	\$37,500	\$5,995,000	\$14,443,872

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

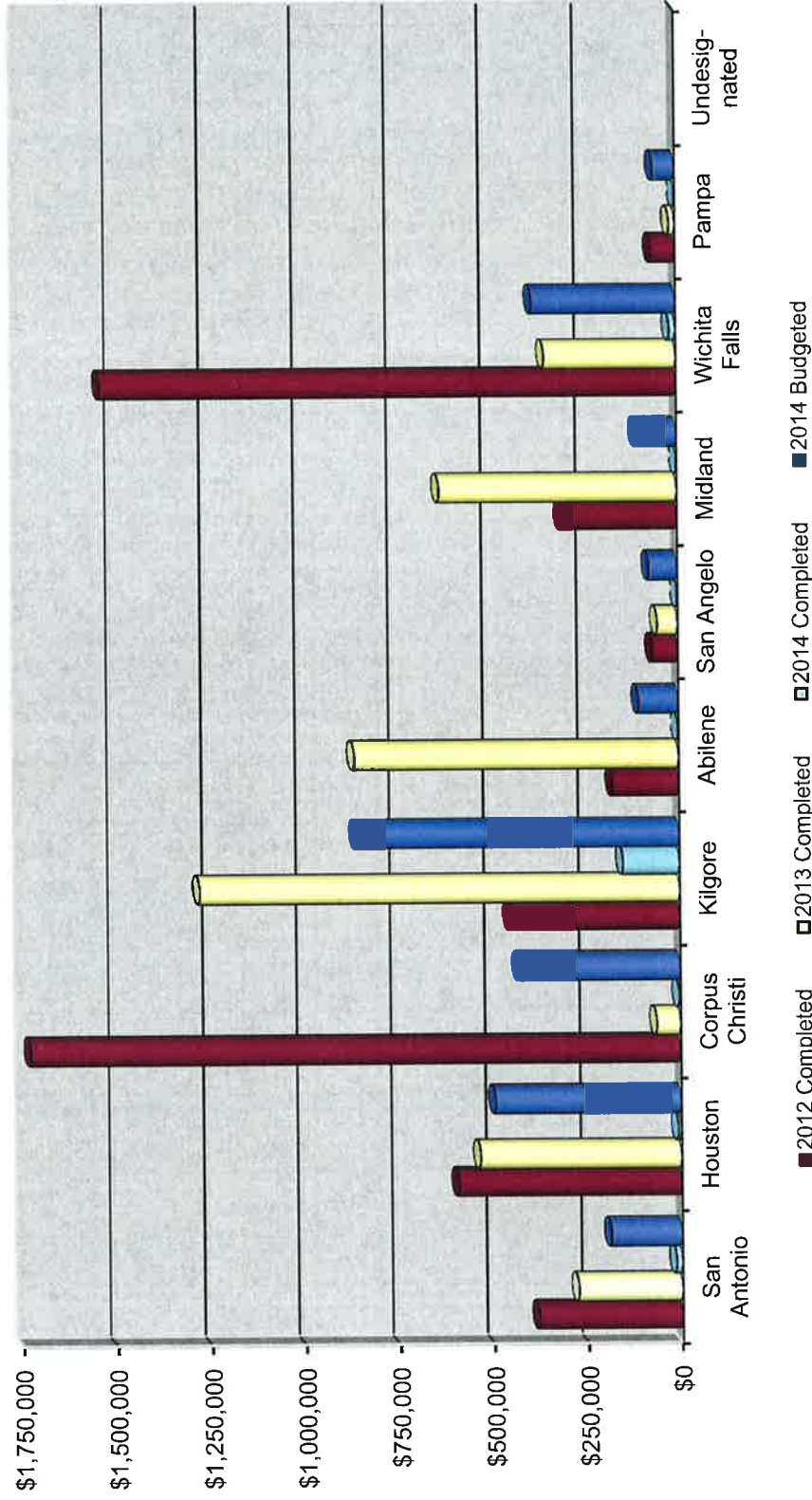


■ 2012 Activities Completed    □ 2013 Activities Completed    □ 2014 Activities Completed    ■ 2014 Activities Budgeted

	San Antonio	Houston	Corpus Christi	Kilgore	Abilene	San Angelo	Midland	Wichita Falls	Pampa	Undesignated	Statewide
<b>2012 Activities Completed</b>	48	29	24	35	45	9	23	31	9		253
<b>2013 Activities Completed</b>	56	34	24	50	41	13	28	29	5		280
<b>2014 Activities Completed</b>	5	1	1	5	3	0	0	5	0		20
<b>2014 Activities Budgeted</b>	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	Undesignated	Statewide
<b>2012 Completed</b>	\$380,429	\$590,833	\$1,724,741	\$449,676	\$176,337	\$67,490	\$306,512	\$1,531,216	\$64,161	\$5,291,395	\$5,291,395
<b>2013 Completed</b>	\$275,383	\$533,297	\$62,907	\$1,274,980	\$859,229	\$53,923	\$630,285	\$350,989	\$15,103	\$4,056,095	\$4,056,095
<b>2014 Completed</b>	\$15,127	\$7,740	\$3,200	\$150,190	\$1,219	\$0	\$0	\$16,257	\$0	\$193,733	\$193,733
<b>2014 Budgeted</b>	\$188,230	\$491,784	\$427,040	\$854,805	\$105,057	\$75,200	\$108,625	\$382,527	\$57,700	\$2,690,968	\$2,690,968