

RAILROAD COMMISSION OF TEXAS

AW
ABC

Christi Craddick, *Chairman*
David Porter, *Commissioner*
Barry T. Smitherman, *Commissioner*

INTERNAL
Gil Bujano, P.E.
Director, Oil and Gas Division

MEMORANDUM

October 27, 2014

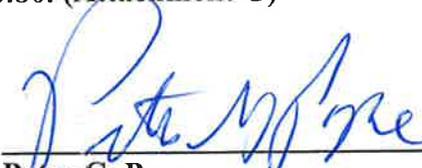
**TO: Chairman Christi Craddick
Commissioner David Porter
Commissioner Barry T. Smitherman**

**FROM: Peter G. Pope, Assistant Director
Site Remediation**

**SUBJECT: Site Remediation's Summary Report
September 2014**

The monthly report concerning the State-managed pollution site cleanup activities is attached. This report contains the following:

- 1. A summary of all attachments (Attachment A)**
- 2. In September 2014, a total of two activities were completed at a total cost of \$607,108.03. (Attachment B)**
- 3. Of the activities completed in September 2014, one activity exceeded the original award or work order amount by greater than 10%. (Attachments C, D, & E)**
- 4. Of the activities completed in September 2014, one was a routine cleanup activity, 0 were emergencies cleanup activities, and one was an assessment activity. (Attachment F)**
- 5. In September 2014, a total of 21 activities were authorized for bid solicitation and codes for a total estimated cost of \$197,680.80. (Attachment G)**



Peter G. Pope

PGP/dc
Attachments

ATTACHMENT A

Monthly State-Managed Pollution Site Cleanup Activities
for September 2014 and FY 2015 to date

Completed Cleanup Activities (See Attachments B, C, D, E, F, and H)

1.	Number of Cleanup Activities Completed in Sep 2014	2
	Total Cost of Cleanup Activities Completed in Sep 2014	\$ 607,108.03
	Number of Activities with Post-Close* Invoices Approved in Sep 2014	0
	Total Amount of Post-Close Invoices Approved in Sep 2014	\$ 0.00
	Total Number of Cleanup Activities where the Final Cost exceeded the Award or Work Order Amount by > 10% in Sep 2014	1
2.	Number of Cleanup Activities Completed in FY 2015	2
	Total Cost of Cleanup Activities Completed in FY 2015	\$ 607,108.03
	Number of Activities with Post-Close Invoices Approved in FY 2015	0
	Total Amount of Post-Close Invoices Approved in FY 2015	\$ 0.00
	Total Number of Cleanup Activities where the Final Cost exceeded the Award or Work Order Amount by > 10% in FY 2015	1
3.	Grand Total (Completed Activities plus Post-Close Invoices) for Sep 2014	\$ 607,108.03
	Grand Total (Completed Activities plus Post-Close Invoices) for FY 2015	\$ 607,108.03

New Cleanup Activities (See Attachment G)

1.	Number of Cleanup Activities Authorized for Bid Solicitation and Codes Issued in Sep 2014	21
	Estimated Cost of Cleanup Activities Authorized in Sep 2014	\$ 197,680.80
2.	Number of Cleanup Activities Authorized for Bid Solicitation and Codes Issued in FY 2015	21
	Estimated Cost of Cleanup Activities Authorized in FY 2015	\$ 197,680.80

Cleanup Activities Approved But Not Completed

1.	Total Number of Remaining Cleanup Activities as of the last day of Sep 2014	45
	Total Estimated Cost of Remaining Cleanup Activities	\$ 2,293,252.95

Cleanup Activities Canceled Without Cost to State

1.	Number of Authorized Cleanup Activities Canceled in Sep 2014	0
	Total Number of Authorized Cleanup Activities Canceled in FY 2015	0

*Reflects invoice amounts approved AFTER a Cleanup Activity is formally closed (from a prior reporting month).

ATTACHMENT B

SUMMARY OF CLEANUP ACTIVITIES COMPLETED

September 1, 2014 to September 30, 2014

DISTRICT	THIS MONTH		YEAR TO DATE	
	ACTIVITIES COMPLETED	TOTAL OF INVOICES	ACTIVITIES COMPLETED	TOTAL OF INVOICES
01	0	\$ 0.00	0	\$ 0.00
02	0	\$ 0.00	0	\$ 0.00
03	0	\$ 0.00	0	\$ 0.00
04	1	\$ 964.00	1	\$ 964.00
05	0	\$ 0.00	0	\$ 0.00
06	0	\$ 0.00	0	\$ 0.00
6E	1	\$ 606,144.03	1	\$ 606,144.03
7B	0	\$ 0.00	0	\$ 0.00
7C	0	\$ 0.00	0	\$ 0.00
08	0	\$ 0.00	0	\$ 0.00
8A	0	\$ 0.00	0	\$ 0.00
09	0	\$ 0.00	0	\$ 0.00
10	0	\$ 0.00	0	\$ 0.00
TOTALS	2	\$ 607,108.03	2	\$ 607,108.03
GRAND TOTALS*		\$ 607,108.03		\$ 607,108.03

*Grand Total line includes all Post-Close Invoice amounts.

ATTACHMENT C

SUMMARY OF COST OVERRUNS FOR COMPLETED CLEANUP ACTIVITIES

September 1, 2014 to September 30, 2014

	THIS MONTH	YEAR TO DATE
DISTRICT	Final Cost Exceeded the Contract Amount by more than 10 percent	Final Cost Exceeded the Contract Amount by more than 10 percent
01	0	0
02	0	0
03	0	0
04	0	0
05	0	0
06	0	0
6E	1	1
7B	0	0
7C	0	0
08	0	0
8A	0	0
09	0	0
10	0	0
TOTALS	1	1

ATTACHMENT D

LIST OF COST OVERRUNS > 10% OF ORIGINAL AWARD AMOUNT
(Single Cleanup per Requisition or Bundled Bid)

September 1, 2014 to September 30, 2014

DIST. NO.	REQ. NUMBER	CLEANUP ID	ORIGINAL AWARD	APPROVED INVOICES	PERCENT
6E	455-13-0981	6E-219157	\$ 57,353.00	\$ 602,665.03	950.8%
Total number of cleanup activities where the final cost exceeded the original award amount by greater than 10 percent.					1

LIST OF COST OVERRUNS > 10% OF ORIGINAL CONTRACT AMOUNT
(Multiple Cleanup per Requisition - Work Order or Prof. Services Bid)

September 1, 2014 to September 30, 2014

DIST NO.	REQ. NUMBER	CLEANUP ID	BID TYPE	ORIGINAL CONTRACT	APPROVED INVOICES	PERCENT
Total number of Cleanup activities (Work Orders, etc...) where the final cost exceeded the original contract amount by greater than 10 percent.						0

ATTACHMENT E

Cost Overruns Greater than 10%

6E-219157: B & B OIL, INC. (039791); SILER, W. H. R/A -A- (07609); Rusk County

Original Award Amount - \$57,353.00, Contract Change Amount - \$925,805.00, Final Cost - \$602,665.03, Increase of 950.8%

THIS JOB WAS AWARDED TO PAT'S ROUSTABOUT SERVICE ON 9/25/2013. DURING THE CLEANUP IT WAS DISCOVERED THAT THE BOTTOM OF THE PIT WAS NOT LINED IN CONTRADICTION TO THE PERMIT. THE PIT WAS DEEPER AND THE PIT BOTTOMS IMPACTED A SIGNIFICANTLY GREATER AMOUNT OF SOIL THAT REQUIRED REMOVAL. TOTAL EXPENDITURES FOR THIS ACTIVITY IS \$602,665.03.

ATTACHMENT F

SUMMARY OF CLEANUP ACTIVITIES COMPLETED BY ACTIVITY TYPE

September 1, 2014 to September 30, 2014

TYPE OF ACTIVITY	THIS MONTH		YEAR TO DATE	
	ACTIVITIES COMPLETED	TOTAL OF INVOICES	ACTIVITIES COMPLETED	TOTAL OF INVOICES
Cleanup	1	\$ 606,144.03	1	\$ 606,144.03
Emergency	0	\$ 0.00	0	\$ 0.00
Assessment	1	\$ 964.00	1	\$ 964.00
Partial	0	\$ 0.00	0	\$ 0.00
Miscellaneous	0	\$ 0.00	0	\$ 0.00
Abatement	0	\$ 0.00	0	\$ 0.00
TOTALS	2	\$ 607,108.03	2	\$ 607,108.03
GRAND TOTALS*		\$ 607,108.03		\$ 607,108.03

*Grand Total line includes all Post-Close Invoice amounts.

ATTACHMENT G

SUMMARY OF CLEANUP ACTIVITIES APPROVED/CODES ISSUED

September 1, 2014 to September 30, 2014

DISTRICT	THIS MONTH		YEAR TO DATE	
	ACTIVITIES APPROVED	ORIGINAL COST ESTIMATE	ACTIVITIES APPROVED	ORIGINAL COST ESTIMATE
01	14	\$ 156,000.00	14	\$ 156,000.00
02	0	\$ 0.00	0	\$ 0.00
03	0	\$ 0.00	0	\$ 0.00
04	1	\$ 1,180.80	1	\$ 1,180.80
05	0	\$ 0.00	0	\$ 0.00
06	1	\$ 10,000.00	1	\$ 10,000.00
6E	0	\$ 0.00	0	\$ 0.00
7B	1	\$ 2,000.00	1	\$ 2,000.00
7C	0	\$ 0.00	0	\$ 0.00
08	0	\$ 0.00	0	\$ 0.00
8A	2	\$ 19,000.00	2	\$ 19,000.00
09	2	\$ 9,500.00	2	\$ 9,500.00
10	0	\$ 0.00	0	\$ 0.00
TOTALS	21	\$ 197,680.80	21	\$ 197,680.80

CLEANUP ACTIVITIES APPROVED BUT NOT COMPLETED AS OF September 30, 2014

Remaining Authorized Cleanup Activity Count:	45
Total Estimated Cost of Remaining Cleanup Activities:	\$ 2,293,252.95

CLEANUP ACTIVITIES CANCELED WITH NO COST TO STATE

September 1, 2014 to September 30, 2014

<u>Dist</u>	<u>Cleanup ID</u>	<u>Operator Name Lease Name</u>	<u>County Lse/Gas ID</u>	<u>Site Rank</u>	<u>Number Canceled</u>	<u>RRC Estimate</u>
					<u>Number Canceled</u>	<u>RRC Estimate</u>
Total (all Districts)					0	<N/A>

SUMMARY OF COMPLETED CLEANUP ACTIVITIES
September 1, 2014 to September 30, 2014

	Activity Count	RRC Estimate	Total of Invoices	Remaining
District 04 Totals	1	\$ 1,180.80	\$ 964.00	\$ 216.80

Dist	Cleanup ID	Operator Name Lease Name	Site Rank	County	RRC Estimate	Total of Invoices	Remaining	
04	225882	UNIDENTIFIED JAMES LEAL, WATER WELL	AS-A	WEBB	Activity Total	\$ 1,180.80	\$ 964.00	\$ 216.80

SUMMARY OF COMPLETED CLEANUP ACTIVITIES
 September 1, 2014 to September 30, 2014

	Activity Count	RRC Estimate	Total of Invoices	Remaining
District 6E Totals	1	\$ 98,000.00	\$ 606,144.03	-\$ 508,144.03

Dist	Cleanup ID	Operator Name Lease Name	Site Rank	County	RRC Estimate	Total of Invoices	Remaining
6E	219157	B & B OIL, INC. SILER, W. H. R/A -A-	CU-A	RUSK	\$ 98,000.00	\$ 606,144.03	-\$ 508,144.03
Activity Total					\$ 98,000.00	\$ 606,144.03	-\$ 508,144.03

	Activity Count	RRC Estimate	Total of Invoices	Remaining
Grand Totals (all Districts)	2	\$ 99,180.80	\$ 607,108.03	-\$ 507,927.23

SUMMARY OF APPROVED/AUTHORIZED CLEANUP ACTIVITIES

September 1, 2014 to September 30, 2014

					<u>Number</u> <u>Approved</u>	<u>RRC</u> <u>Estimate</u>
District 01 Totals					14	\$ 156,000.00
<u>Dist</u>	<u>Cleanup ID</u>	<u>Operator Name Lease Name</u>	<u>County Lse/Gas ID</u>	<u>Site Rank</u>	<u>Number Approved</u>	<u>RRC Estimate</u>
01	223659	HUMEDEL LAND & MINERALS, INC. BYRD, H.C. -A-	ATASCOSA 12481	CU-A	<u>1</u>	<u>\$ 6,500.00</u>
01	225982	PETROLEUM OILFIELD SERVICES INC. FULLER	ATASCOSA 01622	CU-A	<u>1</u>	<u>\$ 5,000.00</u>
01	225980	GREAT PLAINS RESOURCES, INC. MILLER, M.	ATASCOSA 01636	CU-A	<u>1</u>	<u>\$ 8,000.00</u>
01	225979	GREAT PLAINS RESOURCES, INC. LANGLEY HRS.	ATASCOSA 01634	CU-A	<u>1</u>	<u>\$ 3,500.00</u>
01	225978	GREAT PLAINS RESOURCES, INC. LANGLEY, A. G.	ATASCOSA 01633	CU-A	<u>1</u>	<u>\$ 5,000.00</u>
01	225836	MCDONALD, BURT VENTRCEK, TOM	ATASCOSA 00808	AS-A	<u>1</u>	<u>\$ 4,000.00</u>
01	224739	JACKSON PRODUCTION CO. STANISLAW, E.	MILAM 06195	CU-A	<u>1</u>	<u>\$ 22,000.00</u>
01	223660	LPG ENERGY COMPANY HEINEN, D. D.	ATASCOSA 05209	CU-A	<u>1</u>	<u>\$ 6,500.00</u>
01	223661	THOMAS EXPLORATION & DEVEL., INC ADAMS, FRANKIE	ATASCOSA 04705	CU-B	<u>1</u>	<u>\$ 5,500.00</u>
01	223662	WEEKS, C. W. SMITH, GUY	ATASCOSA 01278	CU-A	<u>1</u>	<u>\$ 20,000.00</u>
01	223663	MCDONALD, BURT VENTRCEK, TOM	ATASCOSA 00808	CU-A	<u>1</u>	<u>\$ 17,000.00</u>
01	224736	CRYSTAL OIL & LAND CO. CARTER, ROBERT W.	CALDWELL 01872	CU-A	<u>1</u>	<u>\$ 7,000.00</u>
01	224737	FRAC TANK RENTALS, INC. JOURDANTON WASHOUT SITE	ATASCOSA P002228	CU-A	<u>1</u>	<u>\$ 21,000.00</u>
01	224738	CRUDE PROCESSING, INC. RIGGS	FRIO 05178	CU-A	<u>1</u>	<u>\$ 25,000.00</u>

SUMMARY OF APPROVED/AUTHORIZED CLEANUP ACTIVITIES

September 1, 2014 to September 30, 2014

					<u>Number Approved</u>	<u>RRC Estimate</u>
District 04 Totals					1	\$ 1,180.80
<u>Dist</u>	<u>Cleanup ID</u>	<u>Operator Name Lease Name</u>	<u>County Lse/Gas ID</u>	<u>Site Rank</u>	<u>Number Approved</u>	<u>RRC Estimate</u>
04	225882	UNIDENTIFIED JAMES LEAL, WATER WELL	WEBB N/A	AS-A	1	\$ 1,180.80

SUMMARY OF APPROVED/AUTHORIZED CLEANUP ACTIVITIES

September 1, 2014 to September 30, 2014

					<u>Number Approved</u>	<u>RRC Estimate</u>
District 06 Totals					1	\$ 10,000.00
<u>Dist</u>	<u>Cleanup ID</u>	<u>Operator Name Lease Name</u>	<u>County Lse/Gas ID</u>	<u>Site Rank</u>	<u>Number Approved</u>	<u>RRC Estimate</u>
06	226076	UNIDENTIFIED TEXACO/WILSON EMCU	TITUS <NA>	CU-A	1	\$ 10,000.00

SUMMARY OF APPROVED/AUTHORIZED CLEANUP ACTIVITIES

September 1, 2014 to September 30, 2014

					<u>Number Approved</u>	<u>RRC Estimate</u>
District 7B Totals					1	\$ 2,000.00
<u>Dist</u>	<u>Cleanup ID</u>	<u>Operator Name Lease Name</u>	<u>County Lse/Gas ID</u>	<u>Site Rank</u>	<u>Number Approved</u>	<u>RRC Estimate</u>
7B	220959	UNIDENTIFIED LUCAS PROPERTY	STEPHENS N/A	AS-B	1	\$ 2,000.00

SUMMARY OF APPROVED/AUTHORIZED CLEANUP ACTIVITIES

September 1, 2014 to September 30, 2014

					<u>Number Approved</u>	<u>RRC Estimate</u>
District 8A Totals					2	\$ 19,000.00
<u>Dist</u>	<u>Cleanup ID</u>	<u>Operator Name Lease Name</u>	<u>County Lse/Gas ID</u>	<u>Site Rank</u>	<u>Number Approved</u>	<u>RRC Estimate</u>
8A	225859	MGR RESOURCES HOOVER "D"	GAINES 123351	CU-A	1	\$ 9,000.00
8A	225857	GILLEY, SAM D. BREWSTER	LAMB 62217	CU-A	1	\$ 10,000.00

SUMMARY OF APPROVED/AUTHORIZED CLEANUP ACTIVITIES

September 1, 2014 to September 30, 2014

					<u>Number Approved</u>	<u>RRC Estimate</u>
District 09 Totals					2	\$ 9,500.00
<u>Dist</u>	<u>Cleanup ID</u>	<u>Operator Name Lease Name</u>	<u>County Lse/Gas ID</u>	<u>Site Rank</u>	<u>Number Approved</u>	<u>RRC Estimate</u>
09	224657	HARDROCK OPERATING COMPANY, INC. CASEY, A. C.	YOUNG 15263	CU-B	<u>1</u>	<u>\$ 6,000.00</u>
09	225985	HARDROCK OPERATING COMPANY, INC. VIOLA	YOUNG 23382	CU-B	<u>1</u>	<u>\$ 3,500.00</u>
					<u>Number Approved</u>	<u>RRC Estimate</u>
Grand Total (all Districts)					21	\$ 197,680.80