

RAILROAD COMMISSION OF TEXAS

David Porter, *Chairman*
Christi Craddick, *Commissioner*
Ryan Sitton, *Commissioner*

INTERNAL
Lori Wrotenbery
Director, Oil and Gas Division

MEMORANDUM

October 29, 2015

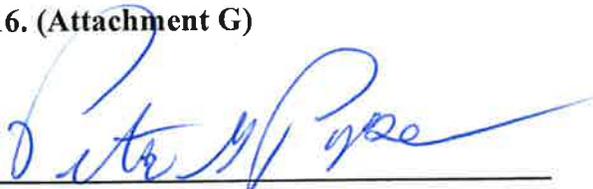
TO: **Chairman David Porter**
Commissioner Christi Craddick
Commissioner Ryan Sitton

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

SUBJECT: **Site Remediation's Summary Report**
September 2015

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 2015, a total of five activities were completed at a total cost of \$190,206.52. (Attachment B)
3. Of the activities completed in September 2015, 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 2015, all five were routine cleanup activities. (Attachment F)**
- 5. In September 2015, a total of 36 activities were authorized for bid solicitation and codes for a total estimated cost of \$287,353.16. (Attachment G)**



Peter G. Pope

PGP/dc
Attachments

ATTACHMENT A

Monthly State-Managed Pollution Site Cleanup Activities for September 2015 and FY 2016 to date

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

1.	Number of Cleanup Activities Completed in Sep 2015	5
	Total Cost of Cleanup Activities Completed in Sep 2015	\$ 190,206.52
	Number of Activities with Post-Close* Invoices Approved in Sep 2015	0
	Total Amount of Post-Close Invoices Approved in Sep 2015	\$ 0.00
	Total Number of Cleanup Activities where the Final Cost exceeded the Award or Work Order Amount by > 10% in Sep 2015	1
2.	Number of Cleanup Activities Completed in FY 2016	5
	Total Cost of Cleanup Activities Completed in FY 2016	\$ 190,206.52
	Number of Activities with Post-Close Invoices Approved in FY 2016	0
	Total Amount of Post-Close Invoices Approved in FY 2016	\$ 0.00
	Total Number of Cleanup Activities where the Final Cost exceeded the Award or Work Order Amount by > 10% in FY 2016	1
3.	Grand Total (Completed Activities plus Post-Close Invoices) for Sep 2015	\$ 190,206.52
	Grand Total (Completed Activities plus Post-Close Invoices) for FY 2016	\$ 190,206.52

New Cleanup Activities (See Attachment G)

1.	Number of Cleanup Activities Authorized for Bid Solicitation and Codes Issued in Sep 2015	36
	Estimated Cost of Cleanup Activities Authorized in Sep 2015	\$ 287,353.16
2.	Number of Cleanup Activities Authorized for Bid Solicitation and Codes Issued in FY 2016	36
	Estimated Cost of Cleanup Activities Authorized in FY 2016	\$ 287,353.16

Cleanup Activities Approved But Not Completed

1.	Total Number of Remaining Cleanup Activities as of the last day of Sep 2015	51
	Total Estimated Cost of Remaining Cleanup Activities	\$ 1,383,765.11

Cleanup Activities Canceled Without Cost to State

1.	Number of Authorized Cleanup Activities Canceled in Sep 2015	0
	Total Number of Authorized Cleanup Activities Canceled in FY 2016	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, 2015 to September 30, 2015

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	3	\$ 7,824.76	3	\$ 7,824.76
04	1	\$ 1,048.00	1	\$ 1,048.00
05	0	\$ 0.00	0	\$ 0.00
06	0	\$ 0.00	0	\$ 0.00
6E	0	\$ 0.00	0	\$ 0.00
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	1	\$ 181,333.76	1	\$ 181,333.76
10	0	\$ 0.00	0	\$ 0.00
TOTALS	5	\$ 190,206.52	5	\$ 190,206.52
GRAND TOTALS*		\$ 190,206.52		\$ 190,206.52

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

ATTACHMENT C

SUMMARY OF COST OVERRUNS FOR COMPLETED CLEANUP ACTIVITIES

September 1, 2015 to September 30, 2015

	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	0	0
7B	0	0
7C	0	0
08	0	0
8A	0	0
09	1	1
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, 2015 to September 30, 2015

DIST. NO.	REQ. NUMBER	CLEANUP ID	ORIGINAL AWARD	APPROVED INVOICES	PERCENT
09	455-15-1234	09-229956 09-227096	\$ 181,649.50	\$ 206,720.26	13.8%
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, 2015 to September 30, 2015

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%

09-229956: K.W. OIL VENTURES : CUNNINGHAM (11673): Wichita County

09-227096: KTC OIL ENTERPRISES : BURNETT AMI (11918): Wichita County

Original Award Amount - \$181,649.50, Contract Change Amount - \$211,428.00, Final Cost - \$206,720.26, Increase of 13.8%

THIS JOB WAS ORIGINALLY AWARDED TO OS&S OPERATING, INC. ON AUGUST 11, 2015 FOR \$181,649.50. HOWEVER, DURING THE CLEANUP ACTIVITIES NORM CLOGGED PIPING THAT REQUIRED OFFSITE DECONTAMINATION AND MORE NORM BS&W WAS DISCOVERED INCREASING THE FINAL COST TO \$206,720.26 FOR THIS ACTIVITY.

ATTACHMENT F

SUMMARY OF CLEANUP ACTIVITIES COMPLETED BY ACTIVITY TYPE

September 1, 2015 to September 30, 2015

TYPE OF ACTIVITY	THIS MONTH		YEAR TO DATE	
	ACTIVITIES COMPLETED	TOTAL OF INVOICES	ACTIVITIES COMPLETED	TOTAL OF INVOICES
Cleanup	5	\$ 190,206.52	5	\$ 190,206.52
Emergency	0	\$ 0.00	0	\$ 0.00
Assessment	0	\$ 0.00	0	\$ 0.00
Partial	0	\$ 0.00	0	\$ 0.00
Miscellaneous	0	\$ 0.00	0	\$ 0.00
Abatement	0	\$ 0.00	0	\$ 0.00
TOTALS	5	\$ 190,206.52	5	\$ 190,206.52
GRAND TOTALS*		\$ 190,206.52		\$ 190,206.52

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

ATTACHMENT G

SUMMARY OF CLEANUP ACTIVITIES APPROVED/CODES ISSUED

September 1, 2015 to September 30, 2015

DISTRICT	THIS MONTH		YEAR TO DATE	
	ACTIVITIES APPROVED	ORIGINAL COST ESTIMATE	ACTIVITIES APPROVED	ORIGINAL COST ESTIMATE
01	11	\$ 94,500.00	11	\$ 94,500.00
02	8	\$ 28,600.00	8	\$ 28,600.00
03	4	\$ 75,576.16	4	\$ 75,576.16
04	2	\$ 26,500.00	2	\$ 26,500.00
05	0	\$ 0.00	0	\$ 0.00
06	5	\$ 15,455.00	5	\$ 15,455.00
6E	2	\$ 26,222.00	2	\$ 26,222.00
7B	2	\$ 12,000.00	2	\$ 12,000.00
7C	0	\$ 0.00	0	\$ 0.00
08	0	\$ 0.00	0	\$ 0.00
8A	0	\$ 0.00	0	\$ 0.00
09	2	\$ 8,500.00	2	\$ 8,500.00
10	0	\$ 0.00	0	\$ 0.00
TOTALS	36	\$ 287,353.16	36	\$ 287,353.16

CLEANUP ACTIVITIES APPROVED BUT NOT COMPLETED AS OF September 30, 2015

Remaining Authorized Cleanup Activity Count: 51
Total Estimated Cost of Remaining Cleanup Activities: \$ 1,383,765.11

ATTACHMENT H

ACTIVITIES WITH POST-CLOSE INVOICES APPROVED

September 1, 2015 to September 30, 2015

<u>Dist</u>	<u>Cleanup ID</u>	<u>Operator Name Lease Name</u>	<u>County Lse/Gas ID</u>	<u>Site Rank</u>	<u>Date Approved</u>	<u>Total of Invoices</u>	
					<u>Activities Adjusted</u>	<u>Total of Invoices</u>	
Total (all Districts)						0	\$ 0.00

CLEANUP ACTIVITIES CANCELED WITH NO COST TO STATE

September 1, 2015 to September 30, 2015

<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>
					0	<N/A>

Total (all Districts)

0

<N/A>

SUMMARY OF COMPLETED CLEANUP ACTIVITIES

September 1, 2015 to September 30, 2015

					<u>Activity Count</u>	<u>RRC Estimate</u>	<u>Total of Invoices</u>	<u>Remaining</u>
District 03 Totals					3	\$ 8,900.00	\$ 7,824.76	\$ 1,075.24
<u>Dist</u>	<u>Cleanup ID</u>	<u>Operator Name Lease Name</u>	<u>Site Rank</u>	<u>County</u>	<u>RRC Estimate</u>	<u>Total of Invoices</u>	<u>Remaining</u>	
03	229397	PATHFINDER CAPITAL L.C. BEDINGER, C.A.	CU-B	MADISON Activity Total	\$ 2,100.00	\$ 2,007.62	\$ 92.38	
03	229456	MANVEL SALT WATER DISPOSAL CO. DAVIS, J. M.	CU-B	BRAZORIA Activity Total	\$ 4,000.00	\$ 3,785.50	\$ 214.50	
03	229976	THOMPSON, E. P. HIGGINS	CU-U	HARRIS Activity Total	\$ 2,800.00	\$ 2,031.64	\$ 768.36	

SUMMARY OF COMPLETED CLEANUP ACTIVITIES

September 1, 2015 to September 30, 2015

					<u>Activity Count</u>	<u>RRC Estimate</u>	<u>Total of Invoices</u>	<u>Remaining</u>
District 04 Totals					1	\$ 2,000.00	\$ 1,048.00	\$ 952.00
<u>Dist</u>	<u>Cleanup ID</u>	<u>Operator Name Lease Name</u>	<u>Site Rank</u>	<u>County</u>	<u>RRC Estimate</u>	<u>Total of Invoices</u>	<u>Remaining</u>	
04	229836	STONEGATE OPERATORS, INC. WHITE, P. E., ACCT. #1	CU-A	DUVAL	Activity Total	\$ 2,000.00	\$ 1,048.00	\$ 952.00

SUMMARY OF COMPLETED CLEANUP ACTIVITIES

September 1, 2015 to September 30, 2015

	Activity Count	RRC Estimate	Total of Invoices	Remaining
District 09 Totals	1	\$ 150,000.00	\$ 181,333.76	-\$ 31,333.76

Dist	Cleanup ID	Operator Name Lease Name	Site Rank	County	RRC Estimate	Total of Invoices	Remaining
09	229956	K.W. OIL VENTURES, LLC. CUNNINGHAM	CU-A	WICHITA Activity Total	\$ 150,000.00	\$ 181,333.76	-\$ 31,333.76

	Activity Count	RRC Estimate	Total of Invoices	Remaining
Grand Totals (all Districts)	5	\$ 160,900.00	\$ 190,206.52	-\$ 29,306.52

SUMMARY OF APPROVED/AUTHORIZED CLEANUP ACTIVITIES

September 1, 2015 to September 30, 2015

					<u>Number Approved</u>	<u>RRC Estimate</u>
District 01 Totals					11	\$ 94,500.00
<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>
01	230339	CRUDE PROCESSING, INC. RIGGS	FRIO 05178	CU-A	<u>1</u>	<u>\$ 13,000.00</u>
01	230338	FRAC TANK RENTALS, INC. JOURDANTON WASHOUT SITE	ATASCOSA P002228	CU-A	<u>1</u>	<u>\$ 8,500.00</u>
01	230337	CRYSTAL OIL & LAND CO. CARTER, ROBERT W.	CALDWELL 01872	CU-A	<u>1</u>	<u>\$ 7,000.00</u>
01	230340	JACKSON PRODUCTION CO. STANISLAW, E.	MILAM 06195	CU-A	<u>1</u>	<u>\$ 8,500.00</u>
01	230421	LEMON, RICHARD G. LOKEY, K.R.	GONZALES 10603	CU-A	<u>1</u>	<u>\$ 9,000.00</u>
01	230422	J & M WELL SALVAGE COMPANY MILLER-MILLER UNIT	GONZALES 09265	CU-A	<u>1</u>	<u>\$ 11,000.00</u>
01	230518	AUSTIN OPERATING, LLC. MALONE, CORA	CALDWELL 01027	EC-A	<u>1</u>	<u>\$ 6,500.00</u>
01	228857	BRYMER, JACK CONTR. SERV. BOWERS, RUTH M.	DIMMIT 13148	CU-A	<u>1</u>	<u>\$ 4,500.00</u>
01	230424	J & M WELL SALVAGE COMPANY MILLER-MILLER UNIT	GONZALES 09265	AS-A	<u>1</u>	<u>\$ 5,000.00</u>
01	230423	CENTEX DEVELOPMENT TENBERG, G. F.	GONZALES 14878	AS-A	<u>1</u>	<u>\$ 4,500.00</u>
01	230556	AUSTIN OPERATING, LLC. MALONE, CORA	CALDWELL 01027	CU-A	<u>1</u>	<u>\$ 17,000.00</u>

SUMMARY OF APPROVED/AUTHORIZED CLEANUP ACTIVITIES

September 1, 2015 to September 30, 2015

					<u>Number Approved</u>	<u>RRC Estimate</u>
District 02 Totals					8	\$ 28,600.00
<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>
02	227042	EXPRESS OIL CO. SMITH, ALICE B.	JACKSON 112635	CU-A	1	\$ 2,800.00
02	227041	EXPRESS OIL CO. SMITH, ALICE B.	JACKSON 112635	CU-A	1	\$ 1,500.00
02	227039	EXPRESS OIL CO. SMITH, ALICE B.	JACKSON 112636	CU-A	1	\$ 2,800.00
02	227038	EXPRESS OIL CO. SMITH, ALICE B.	JACKSON 112636	CU-A	1	\$ 1,500.00
02	226778	EXPRESS OIL CO. HLAVINKA UNIT	JACKSON 183219	CU-A	1	\$ 3,500.00
02	226779	EXPRESS OIL CO. HLAVINKA UNIT	JACKSON 183219	CU-A	1	\$ 6,500.00
02	230420	UNIDENTIFIED FREDERICK WATER WELL	DE WITT <NA>	CU-A	1	\$ 5,500.00
02	230341	UNIDENTIFIED HORNSTEIN WATER WELL COMPLAINT	VICTORIA <NA>	AS-A	1	\$ 4,500.00

SUMMARY OF APPROVED/AUTHORIZED CLEANUP ACTIVITIES

September 1, 2015 to September 30, 2015

					<u>Number Approved</u>	<u>RRC Estimate</u>
District 03 Totals					4	\$ 75,576.16
<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>
03	230696	ROELING VACUUM, INC. HULL TRUCK YARD FACILITY	LIBERTY P0001605	CU-B	<u>1</u>	<u>\$ 4,500.00</u>
03	230620	LGL ENERGY, INC. HILLIARD-HOLMES UNIT	MONTGOMERY 00360	EC-A	<u>1</u>	<u>\$ 10,000.00</u>
03	229997	KONANTZ, RONALD J. INC. FRIENDSWOOD	MONTGOMERY 197856	CU-A	<u>1</u>	<u>\$ 11,111.00</u>
03	230278	UNIDENTIFIED FENNER GAS PLANT SITE	AUSTIN 03-1048	AS-A	<u>1</u>	<u>\$ 49,965.16</u>

SUMMARY OF APPROVED/AUTHORIZED CLEANUP ACTIVITIES

September 1, 2015 to September 30, 2015

					<u>Number Approved</u>	<u>RRC Estimate</u>
District 04 Totals					2	\$ 26,500.00
<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>
04	228856	L.L. OIL COMPANY HOFFMAN, WINNIE	DUVAL 01247	CU-A	<u>1</u>	<u>\$ 14,000.00</u>
04	230400	UNIDENTIFIED CHILTIPIN CREEK SEEP TRENCH	SAN PATRICIO -4337	CU-A	<u>1</u>	<u>\$ 12,500.00</u>

SUMMARY OF APPROVED/AUTHORIZED CLEANUP ACTIVITIES

September 1, 2015 to September 30, 2015

					<u>Number Approved</u>	<u>RRC Estimate</u>
District 06 Totals					5	\$ 15,455.00
<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	230178	ARLEN CORPORATION WINSTON -B-	HARRISON 04882	CU-A	<u>1</u>	<u>\$ 2,000.00</u>
06	230542	PETROGAS ENERGY SERVICES, LLC KEYS, WARREN	HARRISON 155214	CU-B	<u>1</u>	<u>\$ 6,000.00</u>
06	230336	MOBIL PRODUCING TX. & N.M. INC. MCCLENDON, JON - PROPERTY	GREGG <NA>	AS-A	<u>1</u>	<u>\$ 600.00</u>
06	230581	T. AND M. PRODUCTION PLATT, ET AL	HARRISON 10573	CU-B	<u>1</u>	<u>\$ 1,300.00</u>
06	230538	DOWDEN, T. L. ANDERSON, J. G., UNIT #1	RUSK 10209	CU-A	<u>1</u>	<u>\$ 5,555.00</u>

SUMMARY OF APPROVED/AUTHORIZED CLEANUP ACTIVITIES

September 1, 2015 to September 30, 2015

					<u>Number Approved</u>	<u>RRC Estimate</u>
District 6E Totals					2	\$ 26,222.00
<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>
6E	230543	AAA OIL TRUST DOBY, J. B.	GREGG 07367	AB-A	1	\$ 2,222.00
6E	230316	INLAND PRODUCTS, INC. KILGORE RECLAMATION PLANT	RUSK 06-1971	CU-A	1	\$ 24,000.00

SUMMARY OF APPROVED/AUTHORIZED CLEANUP ACTIVITIES

September 1, 2015 to September 30, 2015

					<u>Number Approved</u>	<u>RRC Estimate</u>
District 7B Totals					2	\$ 12,000.00
<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	230482	FRIENDLY ENERGY SERVICES, INC. SAGE-BREEDLOVE	BROWN 131193	CU-B	<u>1</u>	<u>\$ 3,000.00</u>
7B	230483	FRIENDLY ENERGY SERVICES, INC. BOHANNON	BROWN 121450	CU-A	<u>1</u>	<u>\$ 9,000.00</u>

SUMMARY OF APPROVED/AUTHORIZED CLEANUP ACTIVITIES

September 1, 2015 to September 30, 2015

					<u>Number Approved</u>	<u>RRC Estimate</u>
District 09 Totals					2	\$ 8,500.00
<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	230717	UNIDENTIFIED PITTMAN LSE	YOUNG <NA>	EC-A	<u>1</u>	<u>\$ 2,500.00</u>
09	230378	PARADIGM OPERATING INC. SUMMERS, W. H.	KNOX 17667	EC-A	<u>1</u>	<u>\$ 6,000.00</u>
					<u>Number Approved</u>	<u>RRC Estimate</u>
Grand Total (all Districts)					36	\$ 287,353.16