

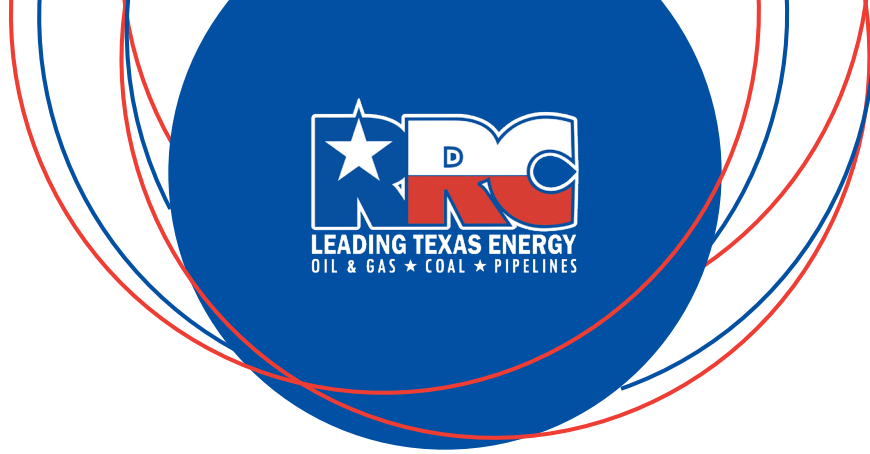


January 2023

# Energy News



From the Field Photo  
Frosty Morning - Gray County  
Photo by: Charles Dabney



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## Upcoming Events

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RRC Open Meeting  
February 28, 2023

Austin, TX

[VIEW MORE RRC EVENTS ▶](#)

[VIEW OPEN MEETING WEBCASTS ▶](#)

# RRC Adds Even More Public Information on Wells Plugged with Federal Funds

More than 180 orphaned oil and gas wells in Texas have already been plugged with the use of federal funds since last October, and now you can see those well locations with a newly launched interactive map.

The data visualization allows users to choose what they see on the map, including which county to view, the fiscal year, and whether the wells have been plugged or have had a work order issued to be plugged.

The RRC received a \$25 million initial grant to plug abandoned oil and gas wells from the U.S. Department of the Interior in 2022. Texas was the first state in the country to start plugging abandoned oil and gas wells using federal funds.

The funds are part of the federal Infrastructure Investment and Jobs Act, which dedicated the funds to plug abandoned oil and gas wells.

The RRC's target is to plug about 800 abandoned wells by the end of the fiscal year using federal funds.

Those would be in addition to wells plugged through the RRC's State Managed Plugging Program (SMP), whose target is 1,000 wells plugged for the fiscal year. The SMP utilizes

revenue from the oil and gas industry including fees and fines.

"Thanks to our well-established well plugging program, we were able to hit the ground running to start plugging wells with the federal funds," said Clay Woodul, RRC Assistant Director of the Oil and Gas Division for Field Operations. "The data visualization allows anybody with access to the Internet to see our progress plugging wells the federal funds."

The RRC may receive up to \$318 million in additional formula funding from the federal government to plug orphaned wells. More information and links can be found via the following webpage: <https://www.rrc.texas.gov/oil-and-gas/environmental-cleanup-programs/federally-funded-well-plugging/>



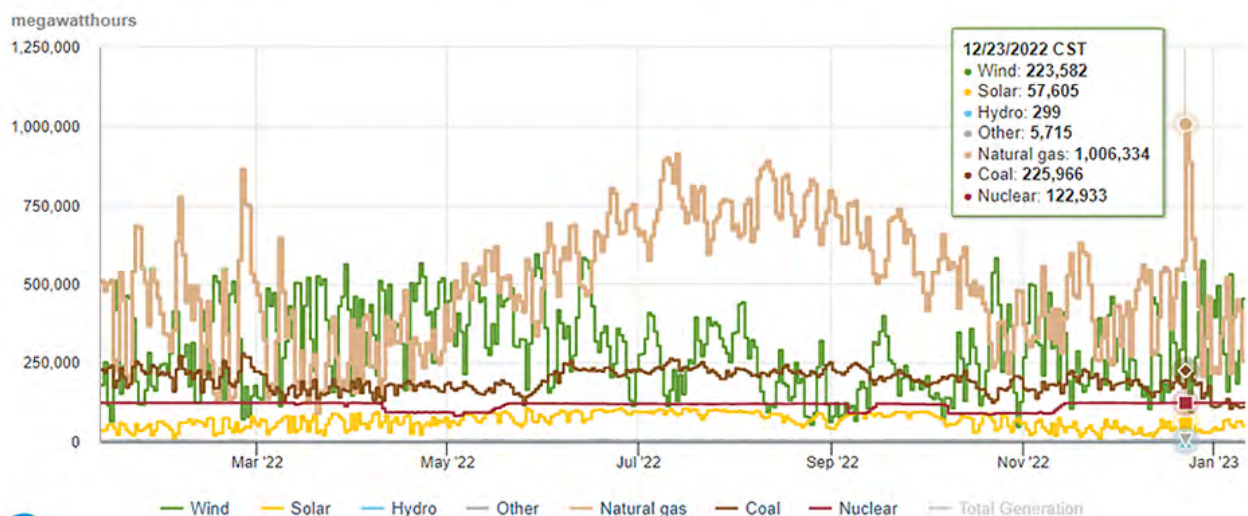
Texas was the first state in the nation to start using federal grants to plug orphaned wells when projects began in Refugio in October 2022. You can get an up-close look at that work in this video [https://www.youtube.com/watch?v=63GZU1ZQ\\_xI](https://www.youtube.com/watch?v=63GZU1ZQ_xI)

# The Numbers Say It All: Natural Gas Supply Held Up During Winter Storm Elliott

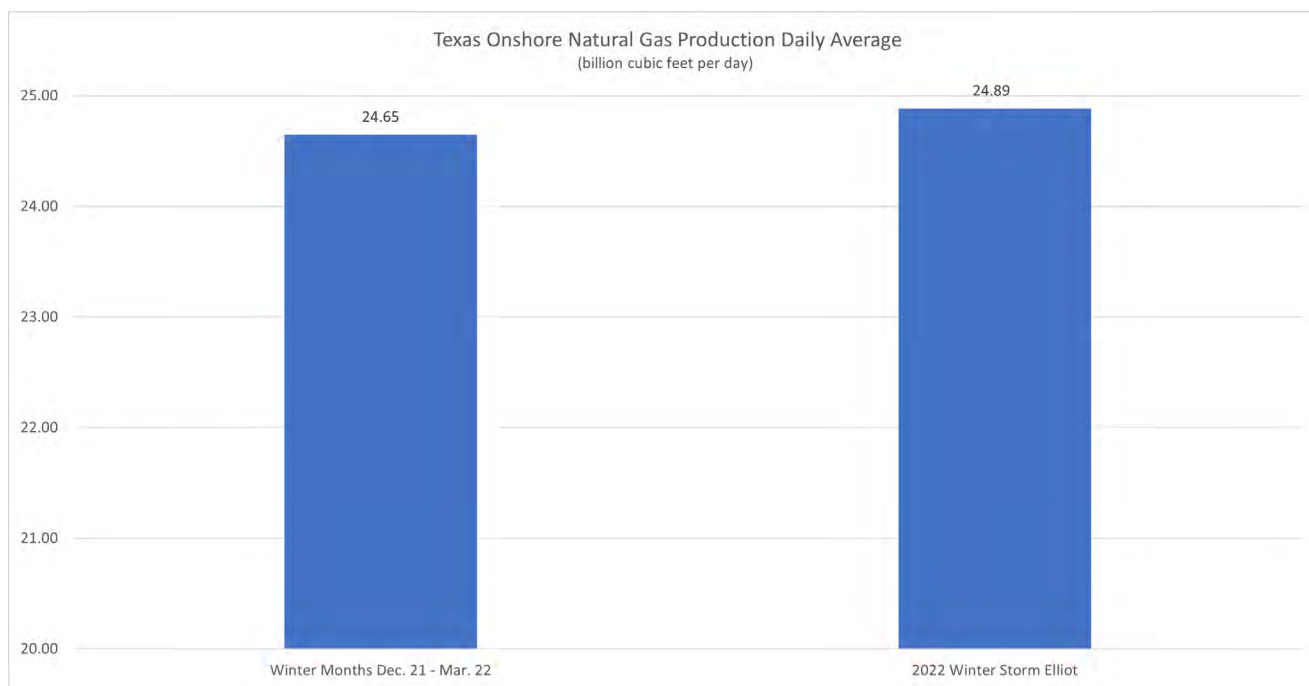
The RRC's extensive efforts adopting and implementing weatherization and critical designation rules were evident when a freeze gripped many parts of Texas over the Christmas break. The state's natural gas supply was protected to ensure gas was available for power generation during Winter Storm Elliott.

The chart below from the U.S. Energy Information Administration shows that December 23rd, during Elliott, marked the highest day of gas-fired generation in the Electric Reliability Council of Texas (ERCOT) for the entirety of 2022, even surpassing the peak days in the summer which is usually the state's high power demand period.

Electric Reliability Council of Texas, Inc. (ERCOT) electricity generation by energy source 1/10/2022 – 1/10/2023, Central Time



More data that was released after the winter storm indicate how the agency and operators worked to make sure the natural gas supply held up. Data from S&P Global Platts in the chart below shows the state's natural gas production not only held up during Elliott, but exceeded daily production averages from the previous winter. mer which is usually the state's high power demand period.



Weatherization is not simply limited to cold weather. The RRC will continue to inspect facilities to ensure they're hardened for both winter and summer weather emergencies, and provide the needed supply for electricity generation for residents.



# New Legislative Session Underway

The 88th Legislative session began in January, and lawmakers have already introduced several bills that are related to the oil and gas industry. The RRC will be monitoring bills throughout the session. Some of the bills staff is monitoring include, but are not limited to:

## **House Bill 33/Senate Bill 470**

Prohibits a state agency, political subdivision, law enforcement officer, or any agency employee from contracting with or otherwise provide assistance to a federal agency or official for the purposes of enforcing a federal requirement that prohibits or restricts Texas oil and gas operations in a manner not required by state law.

## **House Bill 578**

Requires that RRC develop and adopt a comprehensive oil and gas infrastructure protection plan to protect state oil and gas infrastructure from natural disasters, severe weather events, cybersecurity threats, terrorism, widespread power outages, and other potential threats.

## **House Bill 743**

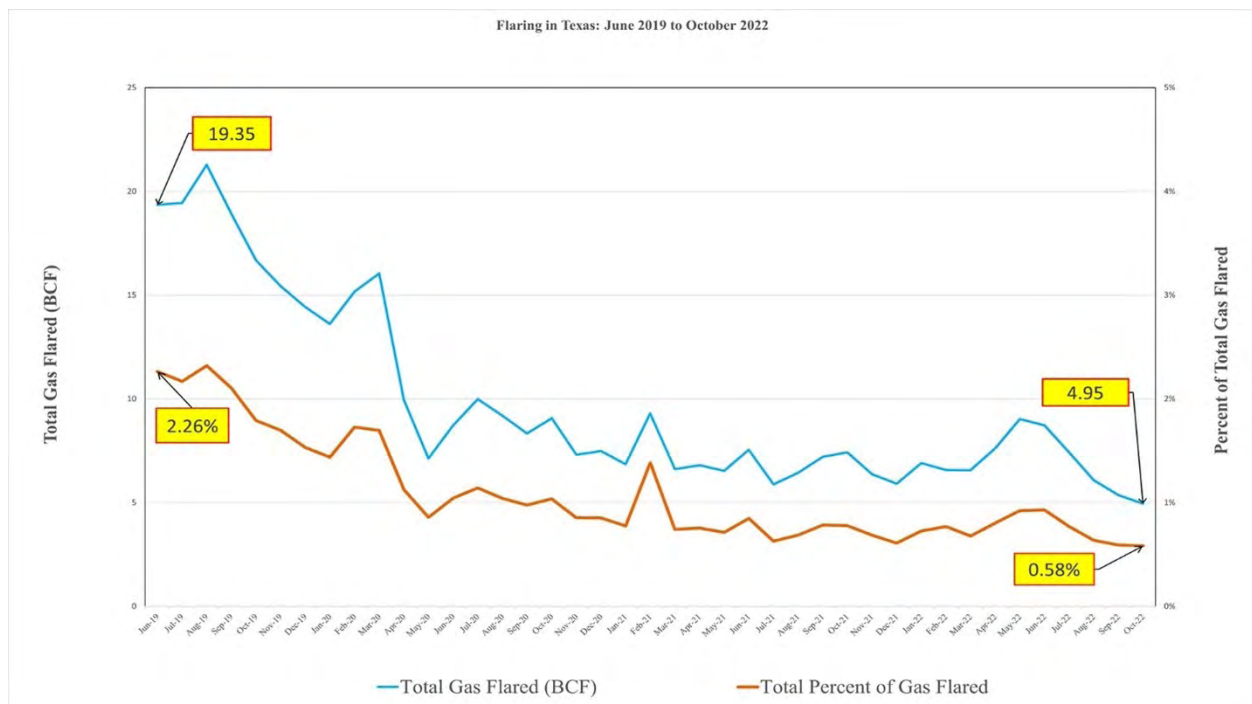
Prohibits political subdivision from restricting use of natural gas or propane of an appliance or system or construction of a residential or commercial building.



# State's Flaring Rate Continues Its Decline from Three Years Ago

Over the course of the last several years the RRC has taken significant steps to address the often-discussed issue of flaring in the state. Those have included a revamped Form R-32, Application for Exception to Statewide Rule 32, which provides specific guidance on when an exception to flare would be permissible, under which circumstances, and for how long; and a revised Form PR, Monthly Production Report, which requires operators to report the amount of gas flared and the amount of gas vented as separate values on the monthly report instead of as a single value for an entire lease.

Along with those changes, the RRC has also been tracking the oil and gas industry's flaring rate (the percentage of gas flared compared to the amount of gas produced). As the chart below shows the flaring rate has dropped by almost 75% since June 2019. For the most recent month that data is available, October 2022, the flaring rate was 0.58%, meaning more than 99% of gas produced in Texas was being beneficially used.



# Chairman Craddick

COMMISSIONERS' CORNER



In January, Chairman Christi Craddick visited with members of the Legislature to discuss important issues facing the Railroad Commission of Texas and the oil and gas industry in Texas. Most notably, Chairman Craddick spent time discussing the RRC's budget request and educating members on the critical role this agency plays in ensuring responsible stewardship of our natural resources. The RRC mission of service to Texas through concern for personal and community safety, and our support of enhanced development and economic vitality can only be accomplished with a fully-funded agency.

Additionally, Chairman Craddick spent time visiting with Leadership Classes from around the state who took time to visit their state Capitol and learn about the legislative process. These Chamber of Commerce groups continually produce the business leaders of tomorrow, and the Chairman was honored to speak with them about the Railroad Commission of Texas. She looks forward to working with the legislature throughout the legislative session and continuing to meet with Texas' rising stars.

# Commissioner Christian

COMMISSIONERS' CORNER



This month Commissioner Wayne Christian was sworn in as Texas Railroad Commissioner for his second term.

“I’m thrilled and honored to serve my constituents making certain they have access to cheap, plentiful and reliable energy,” said Christian. “Texas is blessed with a robust economy and an abundance of natural resources, and our oil and gas sector is the connective tissue for it all.”

Christian continued, “As commissioner, I will work to ensure a safe and predictable regulatory environment while also fighting against the radical ‘keep-it-in-the-ground’ movement. Texas is the top energy producer in the nation and a global leader in natural gas, and I intend to make sure it stays that way.”



## Commissioner Christian...continued



Additionally, Commissioner Christian took to the Capitol to meet with Sen. Brian Birdwell, Sen. Charles Perry, Sen. Drew Springer, Sen. Mayes Middleton, Sen. Phil King, Sen. Tan Parker, **Sen. Pete Flores**, **Rep. Craig Goldman**, **Rep. Brooks Landgraf**, **Rep. Mike Schofield**, **Rep. Caroline Harris**, **Rep. Terri Leo-Wilson**, **Rep. Cole Hefner**, **Rep. Carrie Isaac**, and **Rep. Matt Schaefer** about the Commission's hard work and about the important role Texas oil and gas plays for our state, nation, and world.



In case you missed it, earlier this month Commissioner Christian began a new podcast "Wayne's World: Energizing Texas." Episodes will feature commentary and guests from policy leaders to industry experts to communications wizards to lawmakers and more. You can check out episodes [here](#).



# Commissioner Wright

COMMISSIONERS' CORNER

This January marked the start of the Texas 88th legislative session and with it a chance to preview the issues and priorities for our state over the next biennium.

In addition to attending various inaugural events, Commissioner Wright held several meetings with members of the Legislature to discuss recent Railroad Commission actions and priorities for the upcoming year. Commissioner Wright also took the opportunity to highlight the contributions of the oil and gas industry to our state's economy and emphasize the important role the Railroad Commission and its employees perform on behalf of our state through the stewardship of our natural resources.



# Oil and Gas Production Statistics

View monthly production totals of crude oil, condensate and total oil; and of gas well gas, casinghead gas, and total natural gas.

[VIEW PRODUCTION STATISTICS ▶](#)

# Enforcement Actions

The Commission has primary oversight and enforcement of the state's oil and gas industry and intrastate pipeline safety. View RRC's Latest Enforcement Actions [here](#).

[VIEW ENFORCEMENT ACTIONS ▶](#)

# Public GIS Viewer

The Public GIS Viewer allows users to view oil, gas and pipeline data in a map view.

[LAUNCH THE PUBLIC GIS VIEWER ▶](#)