

# RAILROAD COMMISSION OF TEXAS

CHRISTI CRADDICK, *CHAIRMAN*  
WAYNE CHRISTIAN, *COMMISSIONER*  
JIM WRIGHT, *COMMISSIONER*

**INTERNAL**  
OIL AND GAS DIVISION  
CLAY WOODUL  
ASSISTANT DIRECTOR, FIELD OPERATIONS

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## MEMORANDUM

August 10, 2021

**MEMORANDUM TO:** Chairman Christi Craddick  
Commissioner Wayne Christian  
Commissioner Jim Wright

**FROM:** Clay Woodul  
Assistant Director, Oil and Gas Division  
Field Operations

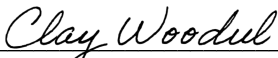
**SUBJECT:** Field Operations Section  
Monthly Report of State Managed Well Plugging Activities  
July 2021, FY 2021

Attached is the monthly report titled "State Managed Well Plugging Activities" for the Field Operations Section of the Oil and Gas Division. This report contains the following:

1. Monthly and cumulative performance measure summaries of the state managed well plugging activities of this Section.
2. Summary graphs of wells plugged, cost of wells plugged, number of salvage operations, and salvage proceeds.

The information contained in this report includes only those wells that have been physically plugged, invoiced by the plugging contractor, and approved for payment by Field Operations. Plugging operations are tracked daily to monitor the progress in meeting the FY 2021 goal of plugging 1,400 wells. As of July 31, 2021, a total of 1456 wells have been physically plugged, though not all of them have yet been invoiced and approved for payment.

KCW  
Attachments

  
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Clay Woodul  
Assistant Director, Oil and Gas Division  
Field Operations

cc: (via email)  
Wei Wang, Executive Director  
Danny Sorrells, Director, Oil & Gas Division  
Megan Neal, Director, Office of General Counsel-Enforcement  
Jeremy Mazur, Director Government Relations  
Paul Delaney, Internal Auditor  
R.J. DeSilva, Director Communications  
Ryland Ramos, Office of the Governor  
District Directors

RAILROAD COMMISSION OF TEXAS  
Oil and Gas Division  
Field Operations Section  
Monthly State Managed Plugging Activities  
July 2021

Outcome Measure: Percentage of Known Orphaned Wells Plugged with the Use of State Funds (State Managed Plugging/Orphaned Wells).

July	2.60%
Fiscal Year-to-date	19.06%
Performance Measure Goal	25 %

Output Measure: Number of Orphaned Wells Plugged with the Use of State Funds.

July	187
Fiscal Year-to-date	1,372
Performance Measure Goal	1,400

Output Measure: Total Aggregate Plugging Depth of Wells Plugged with the Use of State Funds.

July	385,751
Fiscal Year-to-date	3,089,924
Performance Measure Goal	3,400,000

Efficiency Measure: Average Number of Days to complete a State Managed Well Plugging. From Contract Award Date

July	45.8
Fiscal Year-to-date	42.3
Performance Measure Goal	60

Explanatory Measure: Number of Orphaned Wells Approved for Plugging with the Use of State Funds.

July	89
Fiscal Year-to-date	1,502
Performance Measure Goal	1,000

Explanatory Measure: Number of Known Orphaned Wells in Non-compliance with the Commission's Plugging Rule.

July	7,197
Performance Measure Goal	6,000

Explanatory Measure: Number of Wells Plugged, by Operators, Without the Use of State Funds.

July	381
Fiscal Year-to-date	5,268
Performance Measure Goal	5,500

Explanatory measure: Percentage of Active Well Operators Who Have More Than 25% of Their Wells Inactive.

July	47.5%
Performance Measure Goal	41%

Explanatory measure: Numbered shut-in/inactive wells.

July	149,085
Performance Measure Goal	117,000

**RAILROAD COMMISSION OF TEXAS**  
**Oil Field Cleanup**

**Monthly State-Funded Plugging, Pollution Abatement and Salvage Activities**  
**Commissioners Report**  
**07/01/2021 to 07/31/2021**

**State-Funded Plugging Activities**

Number of wells approved for plugging this month	89
Estimated cost of approvals	\$ 3,111,000.00
Number of wells approved for this fiscal year	1502
Number of approved wells remaining to plug	1570
Estimated cost to plug remaining approvals	\$ 72,125,911.84
Number of pluggings completed this month	187
Total cost to plug wells completed this month	\$ 5,880,009.90
Number of pluggings completed this fiscal year	1372
Cost of pluggings completed this fiscal year	\$ 33,247,516.80

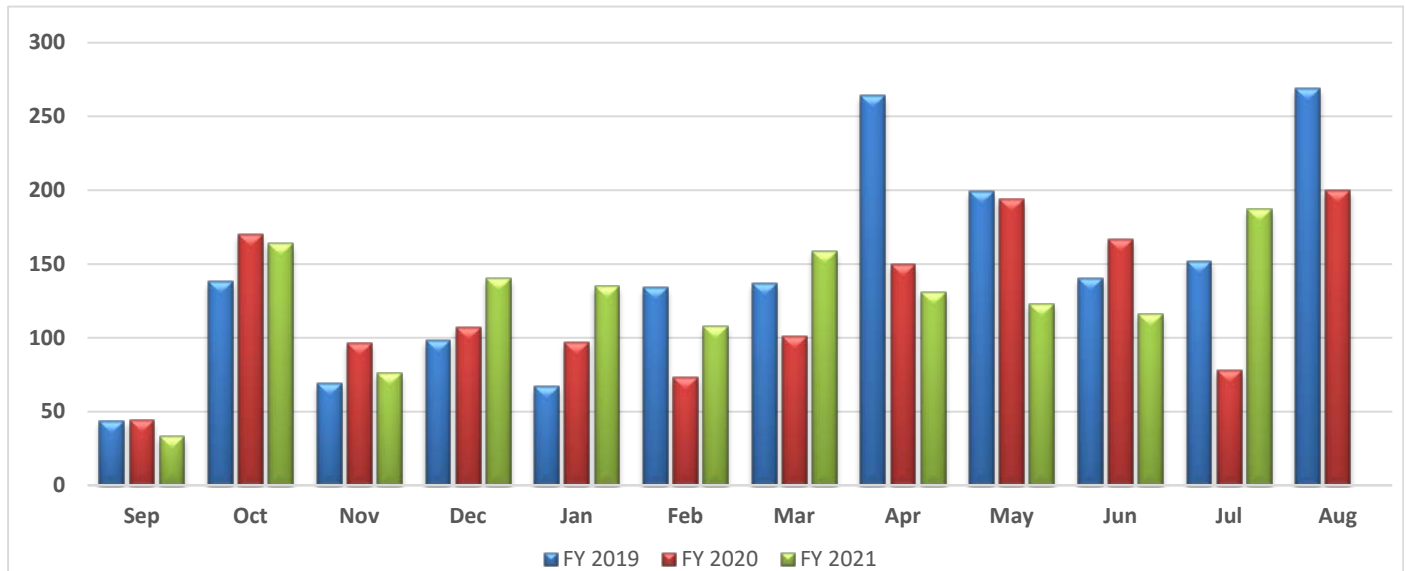
**Pollution Abatement Activities**

Number of pollution abatements approved this month	5
Estimated cost of approvals	\$ 13,500.00
Number of pollution abatements approved for this fiscal year	34
Number of pollution abatements remaining	68
Estimated cost to pollution abatements remaining	\$ 1,488,360.00
Number of pollution abatements completed this month	4
Total cost of pollution abatements completed this month	\$ 25,015.15
Number of pollution abatements completed this fiscal year	25
Cost of pollution abatements completed this fiscal year	\$ 115,742.62

**Salvage Activities**

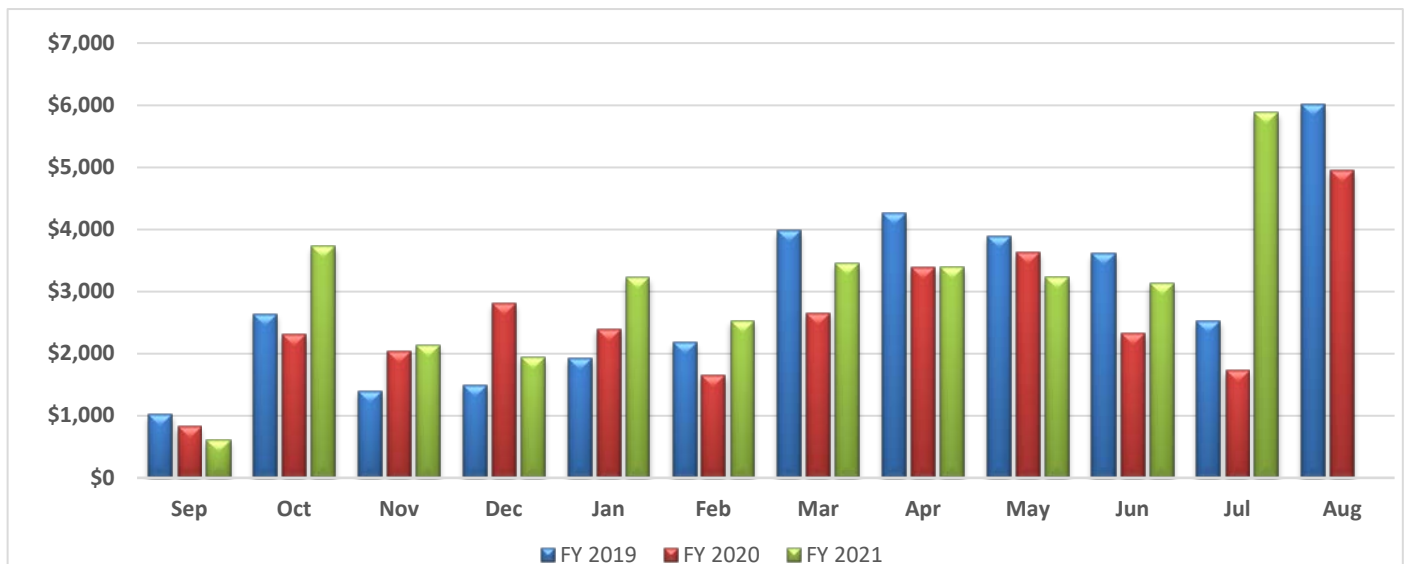
Number of salvage activities completed this month	87
Total proceeds received this month	\$ 352,385.03
Number of salvage activities completed this fiscal year	460
Total proceeds received this year	\$ 1,281,765.77

## State Managed Well Plugging Program Monthly Wells Plugged July 2021



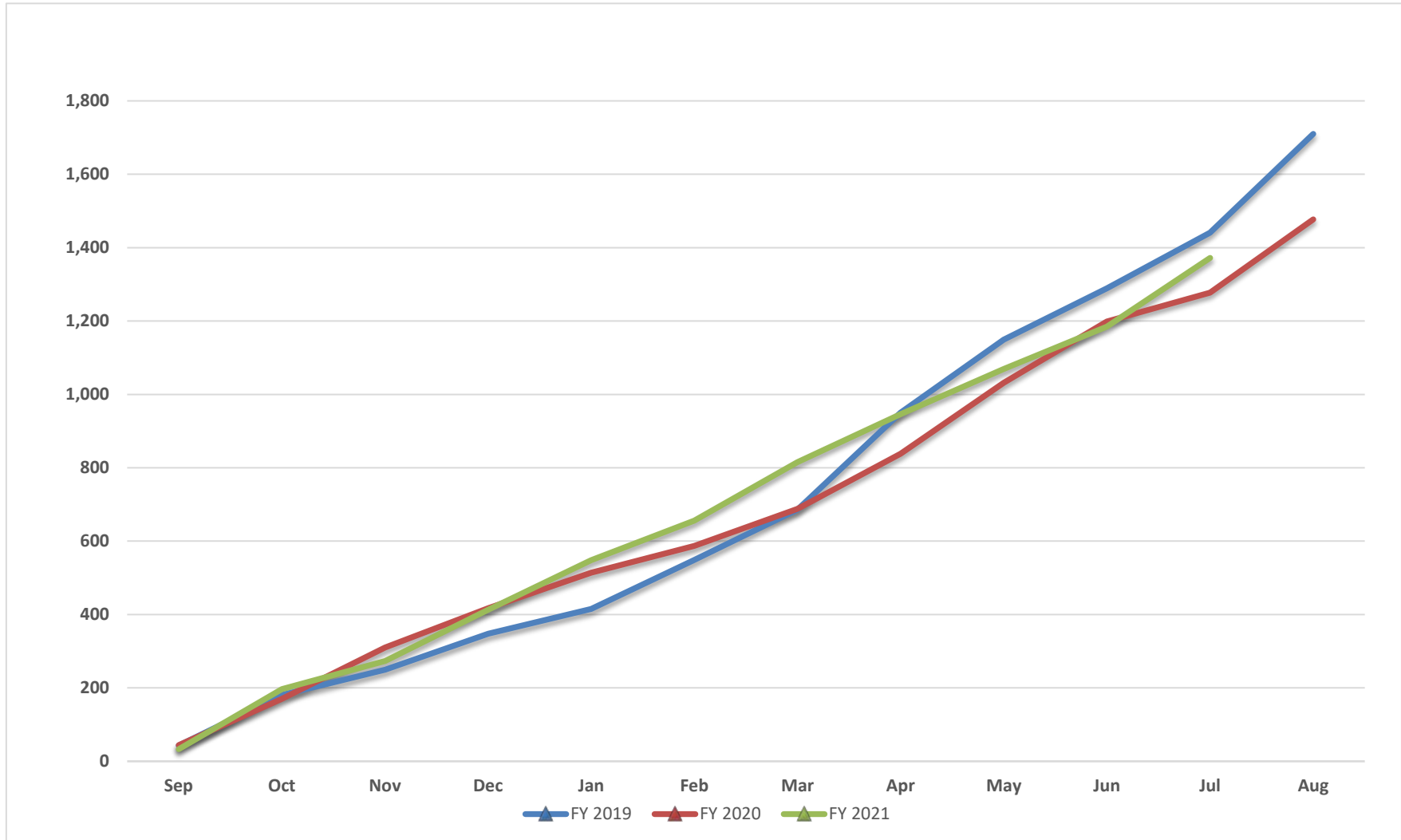
	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Tot
FY 2019	43	138	69	98	67	134	137	264	199	140	152	269	1,710
FY 2020	44	170	96	107	97	73	101	150	194	167	78	200	1,477
FY 2021	33	164	76	140	135	108	159	131	123	116	187		1,372

## State Managed Well Plugging Program Monthly Cost of Wells Plugged July 2021



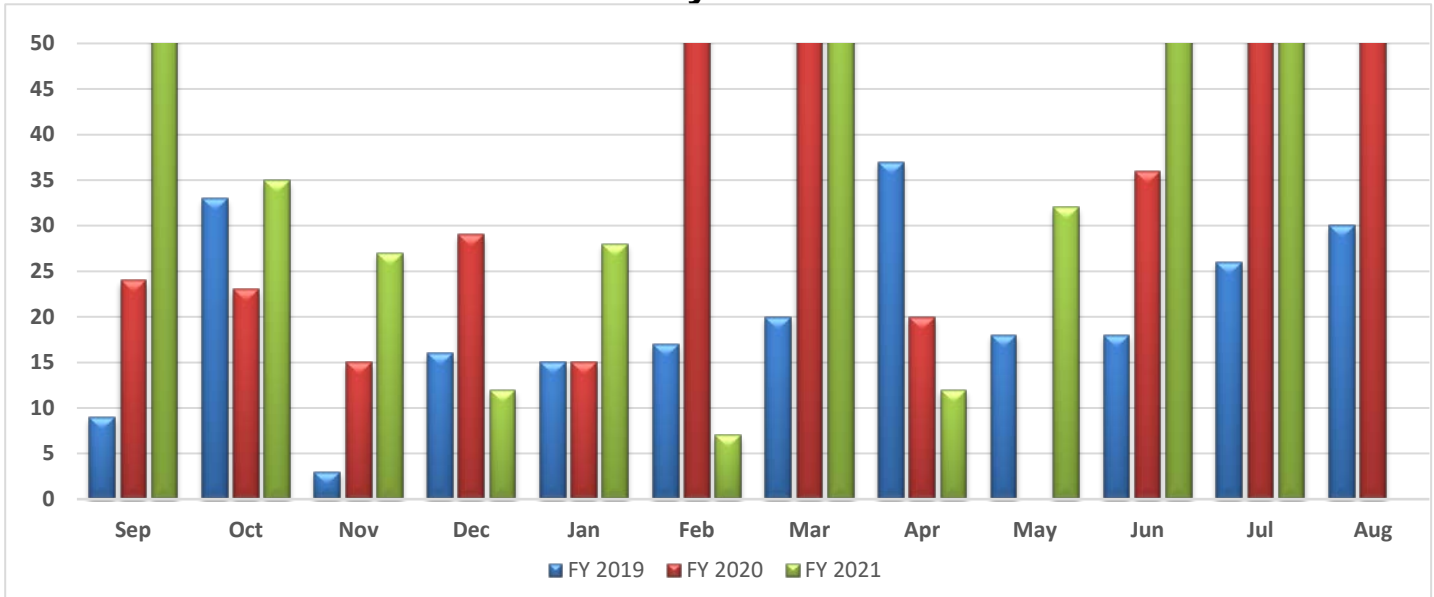
\$M	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Tot
FY 2019	\$1,020	\$2,637	\$1,397	\$1,494	\$1,921	\$2,181	\$3,983	\$4,257	\$3,894	\$3,617	\$2,528	\$6,014	\$34,943
FY 2020	\$831	\$2,306	\$2,044	\$2,805	\$2,395	\$1,651	\$2,655	\$3,381	\$3,625	\$2,328	\$1,728	\$4,951	\$30,700
FY 2021	\$611	\$3,723	\$2,143	\$1,935	\$3,222	\$2,526	\$3,449	\$3,393	\$3,227	\$3,137	\$5,880		\$33,247

# State Managed Well Plugging Program Cumulative Wells Plugged July 2021



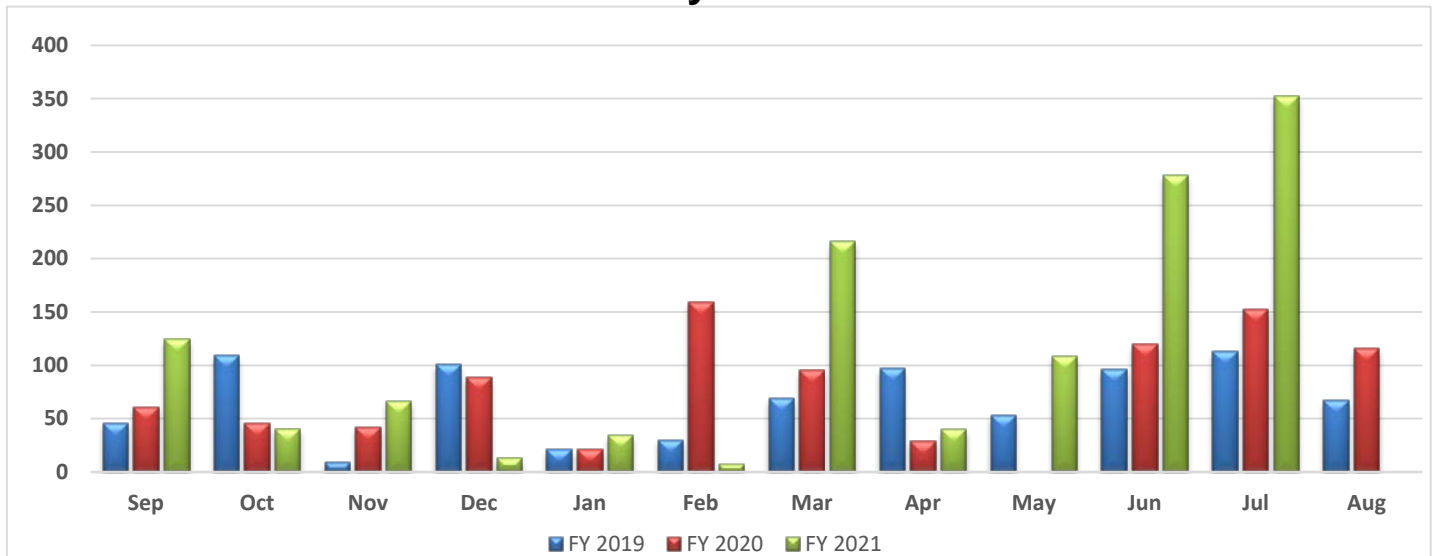
	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
<b>FY 2019</b>	43	181	250	348	415	549	686	950	1,149	1,289	1,441	1,710
<b>FY 2020</b>	44	170	310	417	514	587	688	838	1,032	1,199	1,277	1,477
<b>FY 2021</b>	33	197	273	413	548	656	815	946	1,069	1,185	1,372	

## State Managed Well Plugging Program Monthly Salvage Operations July 2021



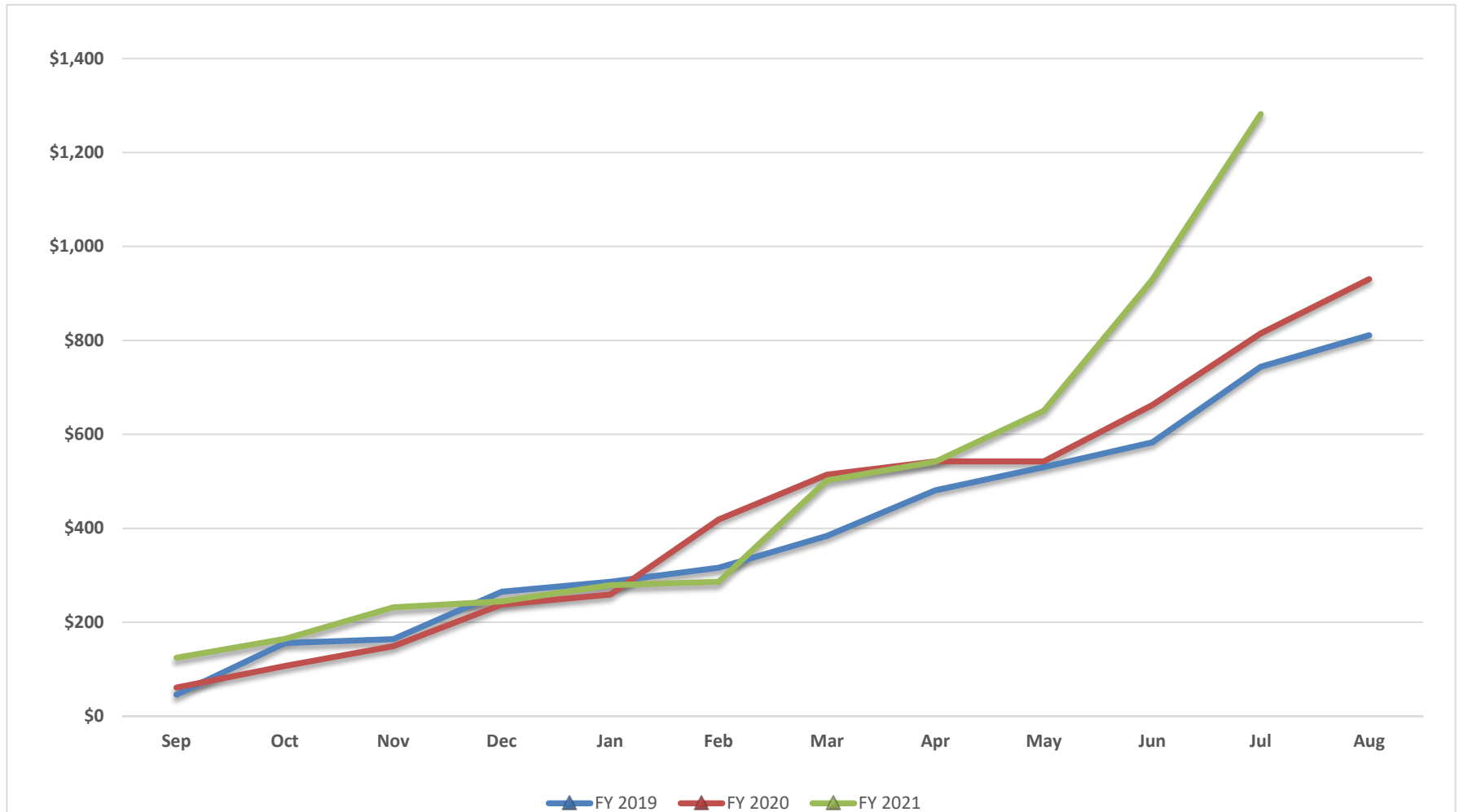
	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Tot
<b>FY 2019</b>	9	33	3	16	15	17	20	37	18	18	26	30	242
<b>FY 2020</b>	24	23	15	29	15	55	54	20	0	36	60	57	388
<b>FY 2021</b>	75	35	27	12	28	7	69	12	32	76	87		460

## State Managed Well Plugging Program Monthly Salvage Proceeds July 2021



\$M	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Tot
<b>FY 2019</b>	\$46	\$109	\$9	\$101	\$21	\$30	\$69	\$97	\$53	\$96	\$113	\$67	\$811
<b>FY 2020</b>	\$61	\$46	\$42	\$89	\$21	\$159	\$95	\$28	\$0	\$120	\$153	\$116	\$930
<b>FY 2021</b>	\$125	\$40	\$67	\$13	\$35	\$7	\$216	\$40	\$109	\$279	\$352		\$1,281

## State Managed Well Plugging Program Cumulative Salvage Proceeds July 2021



\$M	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
FY 2019	\$46	\$156	\$164	\$265	\$286	\$316	\$384	\$481	\$530	\$583	\$744	\$811
FY 2020	\$61	\$107	\$149	\$238	\$259	\$419	\$514	\$543	\$543	\$662	\$815	\$930
FY 2021	\$125	\$165	\$232	\$244	\$279	\$286	\$502	\$542	\$650	\$929	\$1,282	