

RAILROAD COMMISSION OF TEXAS

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

INTERNAL
OIL AND GAS DIVISION
DAVID LINDLEY
ASSISTANT DIRECTOR, FIELD OPERATIONS

MEMORANDUM

TO: Chairman Christi Craddick
Commissioner Wayne Christian
Commissioner Jim Wright

THROUGH: Wei Wang, Executive Director

Danny Sorrells, Assistant Executive Director
Director, Oil and Gas Division

FROM: David Lindley, Assistant Director
Field Operations

DATE: March 25, 2026

SUBJECT: Oil Field Cleanup Program Quarterly Status Report, Fiscal Year 2026, 1st Quarter

Well Plugging:

The 1st quarter performance for State-Managed Plugging includes 121 wells plugged with a total expenditure of \$ 4,373,087.22 using Oil and Gas Regulation and Cleanup (OGRC) funds. An additional 219 wells were plugged with a total expenditure of \$11,517,472.91 using grant funds from several federal agencies. The largest grant is from the U.S. Department of the Interior from the Infrastructure Investment and Jobs Act (IIJA). This report includes wells that have been physically plugged, invoiced by the plugging contractor, and approved for payment by Field Operations. Additionally, during the 1st quarter Field Operations approved 198 wells for plugging. A total of 528 wells were physically plugged through the end of the 1st quarter, of which, 340 have been invoiced and paid. The actual wells plugged and expenditure by district for fiscal years 2025 and 2026 and the well plugging goals by district for fiscal year 2026 are shown on the attached graphs. The fiscal year 2026 budget for OGRC funds is \$22,750,000.

Site Remediation: The 1st quarter performance for Site Remediation includes 55 cleanup activities completed with a total expenditure of \$1,192,835.18 using OGRC funds, and 4 activities completed with a total expenditure of \$76,830.00 using IIJA Grant Funds. Additionally, during the 1st quarter 127 cleanup activities were authorized for cleanup with State funds. Through the end of the 1st quarter, Site Remediation has completed and formally closed a total of 59 cleanup activities using OGRC funds and IIJA grant funds. The actual remediation activities and expenditure by district for fiscal years 2025, and 2026 and the goals for the Site Remediation activities by district for fiscal year 2026 are shown on the attached graphs. The fiscal year 2026 budget includes \$9,000,000.00 of OGRC funds, and \$1,200,000.00 of OGRC funds for assessments. The budget for Brownfield activities includes \$103,688 of 128a grant funds and \$362,792 in IIJA grant funds.

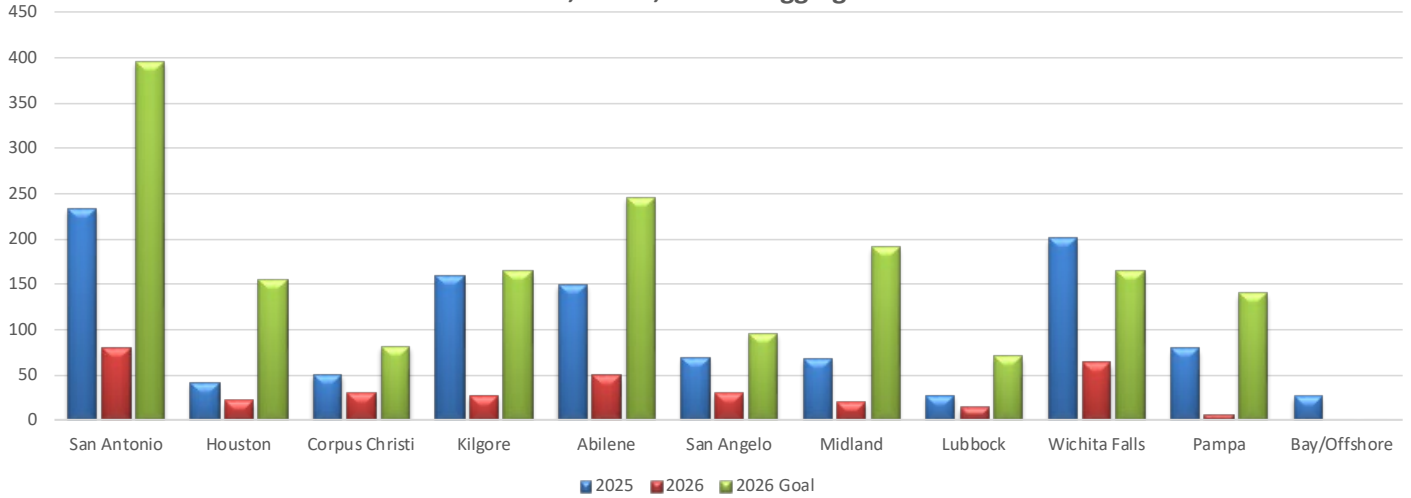
Per Texas Natural Resources Code Sec. 81.069 (b) financial information regarding the Oil and Gas Regulation and Cleanup Fund is attached.

WKM

Attachments:

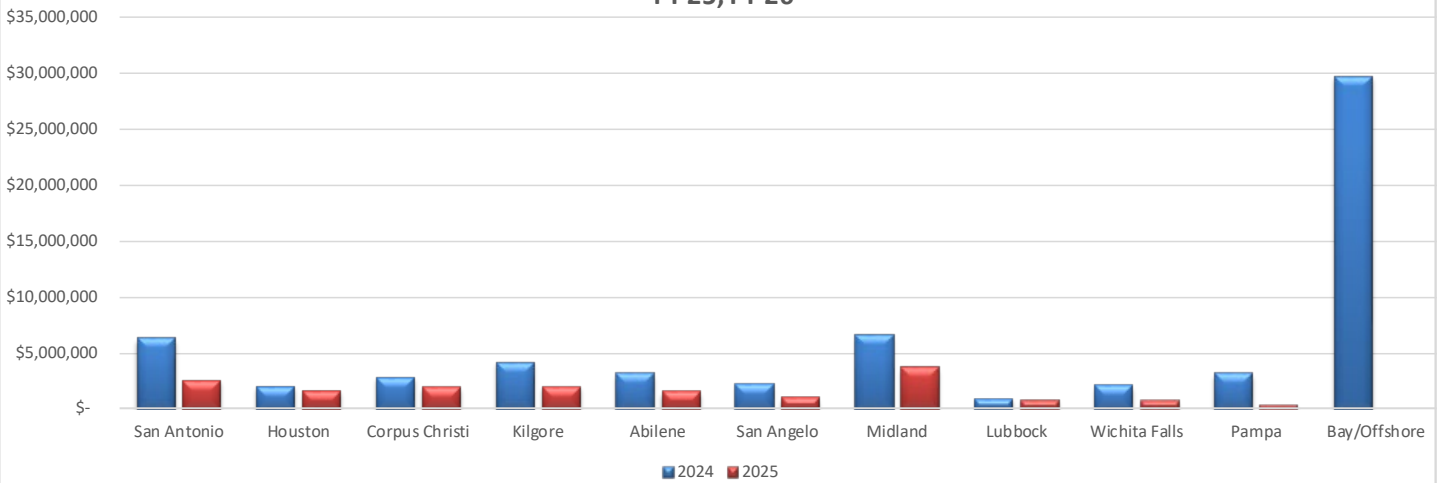
cc Wei Wang, Executive Director
Danny Sorrells, Director, Oil & Gas Division
Peter G. Pope, P.G., Manager, Site Remediation

**Oil Field Cleanup Program
State Managed Plugging
1st Quarter FY 2026
Wells Plugged
FY 25 , FY 26 , FY 26 Plugging Goal**



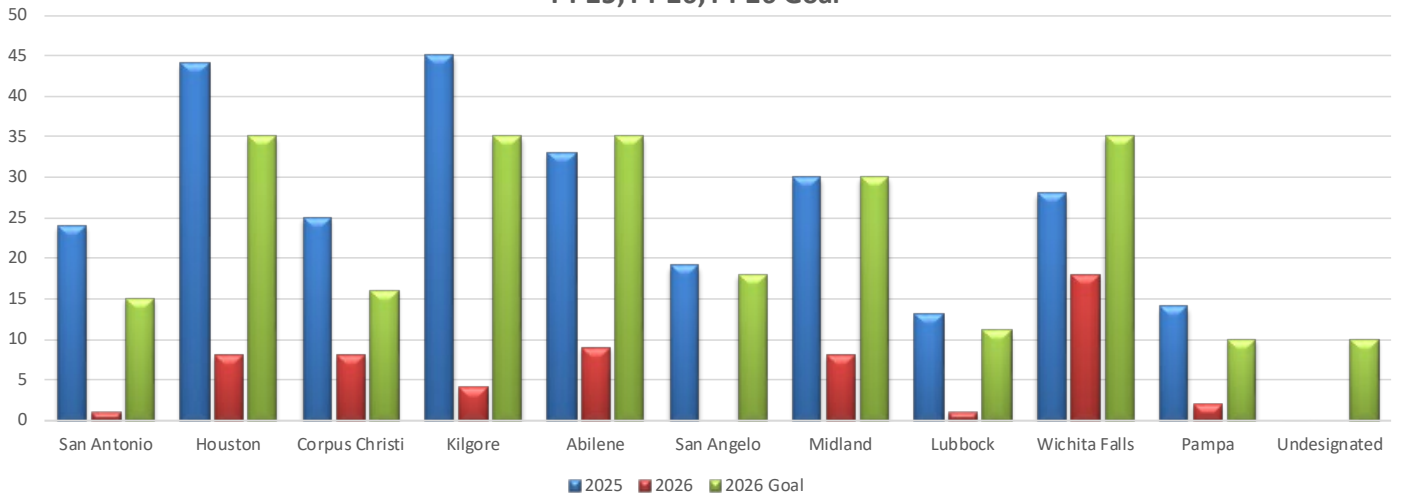
	San Antonio	Houston	Corpus Christi	Kilgore	Abilene	San Angelo	Midland	Lubbock	Wichita Falls	Pampa	Bay/Offshore	Total
2025	233	41	50	159	149	69	67	27	201	79	26	1,101
2026	80	21	30	27	49	30	20	14	63	6	0	340
2026 Goal	395	155	81	164	245	95	190	70	165	140	0	1,700

**Oil Field Cleanup Program
State Managed Plugging
1st Quarter FY 2026
Plugging Expenditures
FY 25, FY 26**



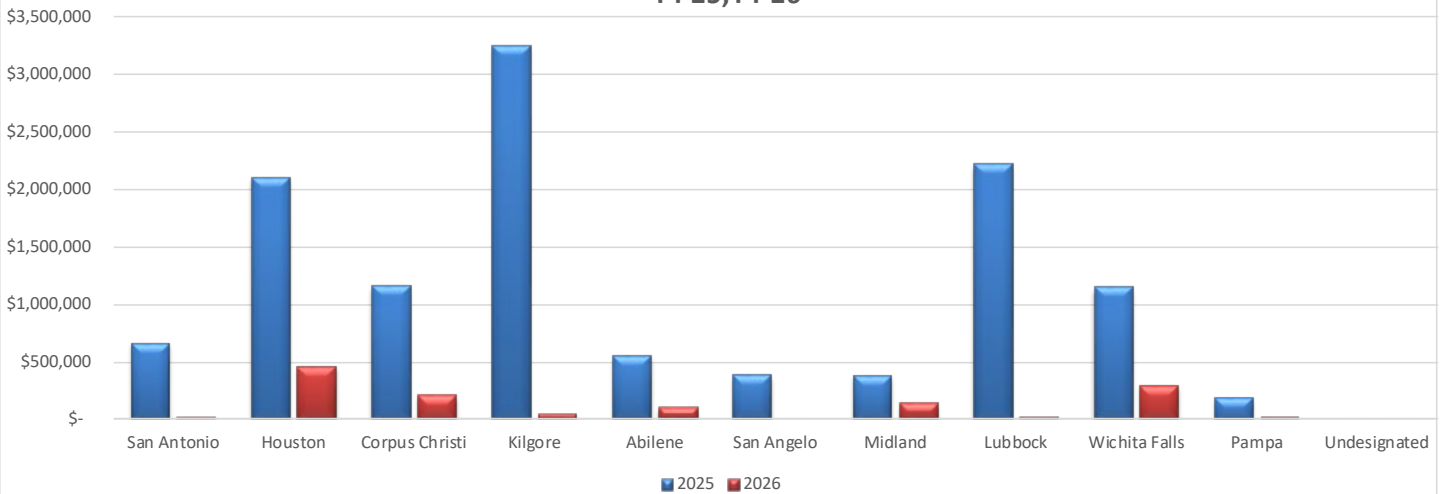
	San Antonio	Houston	Corpus Christi	Kilgore	Abilene	San Angelo	Midland	Lubbock	Wichita Falls	Pampa	Bay/Offshore	Total
2025	\$ 6,290,184	\$ 1,980,697	\$ 2,807,633	\$4,175,099	\$3,117,908	\$2,193,524	\$6,516,370	\$ 883,021	\$ 2,064,824	\$3,113,077	\$ 29,689,693	62,832,028
2026	\$ 2,535,277	\$ 1,568,683	\$ 1,890,133	\$1,952,309	\$1,511,181	\$ 986,647	\$3,694,858	\$ 754,432	\$ 672,964	\$ 324,075	\$ -	15,890,560

**Oil Field Cleanup Program
Site Remediation
1st Quarter FY 2026
Activities Completed
FY 25, FY 26, FY 26 Goal**



	San Antonio	Houston	Corpus Christi	Kilgore	Abilene	San Angelo	Midland	Lubbock	Wichita Falls	Pampa	Undesignated	Total
2025	24	44	25	45	33	19	30	13	28	14	0	275
2026	1	8	8	4	9	0	8	1	18	2	0	59
2026 Goal	15	35	16	35	35	18	30	11	35	10	10	250

**Oil Field Cleanup Program
Site Remediation
1st Quarter FY 2026
Cleanup Expenditures
FY 25, FY 26**



	San Antonio	Houston	Corpus Christi	Kilgore	Abilene	San Angelo	Midland	Lubbock	Wichita Falls	Pampa	Undesignated	Total
2025	\$ 657,135	\$ 2,095,726	\$ 1,157,150	\$ 3,242,072	\$ 541,426	\$ 381,179	\$ 374,102	\$ 2,213,650	\$ 1,138,967	\$ 187,149	\$ -	\$ 11,988,556
2026	\$ 10,190	\$ 455,671	\$ 204,440	\$ 40,100	\$ 94,304	\$ -	\$ 135,059	\$ 18,415	\$ 291,487	\$ 20,000	\$ -	\$ 1,269,665

Railroad Commission of Texas
Oil and Gas Regulation and Cleanup Dedicated Account
FY 2026 1st Quarter Report

Revenues:		Comptroller BRE (Jan. 2025)	Current Qtr. Collections	Year-To-Date Collections	BRE Collected
3310	Oil and Gas Regulation and Cleanup Fee Surcharge	\$ 22,930,000	\$ 4,656,613	\$ 4,656,613	20.3%
3313	Oil and Gas Well Drilling Permit	6,500,000	1,274,920	1,274,920	19.6%
3314	Oil and Gas Violations	14,000,000	3,218,583	3,218,583	23.0%
3338	Organization Report Fees	3,470,000	698,099	698,099	20.1%
3339	Railroad Commission Voluntary Cleanup Application Fees	17,000	1,080	1,080	6.4%
3369	Reimbursement of Well Plugging Costs	1,200,000	474,038	474,038	39.5%
3373	Injection Well Regulation	36,000	5,400	5,400	15.0%
3381	Oil Field Cleanup Regulatory Fee on Oil	11,034,000	2,874,486	2,874,486	26.1%
3382	Railroad Commission Rule Exceptions	1,400,000	325,500	325,500	23.3%
3383	Oil Field Cleanup Regulatory Fee on Gas	8,700,000	2,232,325	2,232,325	25.7%
3384	Oil and Gas Compliance Certification Reissue Fee	1,200,000	369,160	369,160	30.8%
3393	Abandoned Well Site Equipment Disposal	1,600,000	541,027	541,027	33.8%
3553	Pipeline Safety Inspection Fees	11,000,000	37,525	37,525	0.3%
3592	Waste Disposal Facilities, Generators, Transporters	190,000	37,480	37,480	19.7%
3727	Fees for Administrative Services	1,323,000	314,800	314,800	23.8%
Subtotal - OGRC		\$ 84,600,000	\$ 17,061,037	\$ 17,061,037	20.2%
3700	Federal Receipts-Matched, Other Programs	-	543,508	543,508	
3701	Federal Receipts-Earned Credit	-	1,945	1,945	
Subtotal - Federal Funds		\$ -	\$ 545,453	\$ 545,453	
3765	Interagency Sales of Supplies/Equipment/Services	-	24,994	24,994	
3802	Reimbursements - Third Party	-	(76,764)	(76,764)	
Subtotal - Other Revenue		\$ -	\$ (51,770)	\$ (51,770)	
Total Revenues		\$ 84,600,000	\$ 17,554,719	\$ 17,554,719	20.8%

Expenditures:	Budget		Expenditures	Encumbrances	Total Exp & Enc	Available Budget Remaining	
	Original	Adjustment					
13022	Pipeline Safety	\$ 12,157,292	\$ 12,157,292	\$ 2,581,605	\$ 97,131	\$ 2,678,736	78.0%
13024	Energy Resource Development	7,345,268	1,234,059	115,361	342,415	457,776	62.9%
13025	Oil & Gas Monitoring and Inspections	1,811,394	1,812,324	402,212	641,279	1,043,491	42.4%
13027	Oil & Gas Well Plugging and Remediation	41,927,863	42,790,280	6,338,330	21,058,776	27,397,106	36.0%
13031	Public Information	1,240,629	94,391	94,391	0	94,391	0.0%
13036	Pipeline Damage Prevention	322,747	397,423	75,596	0	75,596	81.0%
Total Expenditures		\$ 64,805,193	\$ 58,485,769	\$ 9,607,495	\$ 22,139,600	\$ 31,747,095	45.7%

Unobligated Oil and Gas Regulation and Cleanup Fund Balance - November 30, 2025

\$	64,664,022
-----------	-------------------