

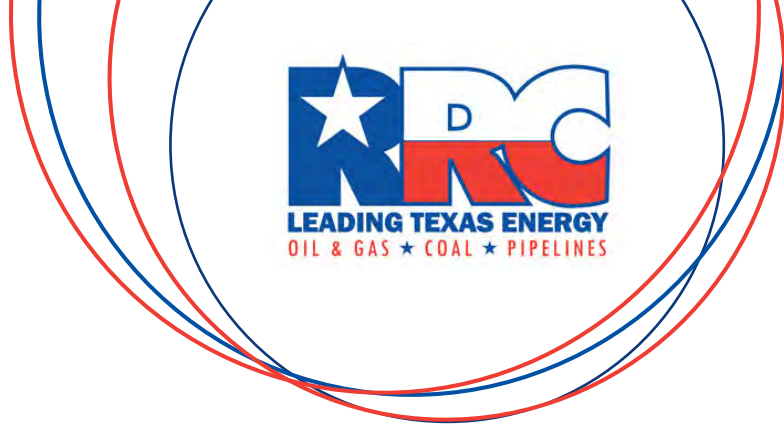


JUNE 2023

# Energy News



**From the Field Photo**  
Lease verification in Jack County  
Photo from Curt Inman



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## Upcoming Events

RRC Open Meeting ..... Tuesday, August 22, 2023

[VIEW OPEN MEETING WEBCASTS ▶](#)



# RRC Accepting Comments on Amendments to Carbon Dioxide Rules

The Railroad Commission has proposed several amendments to the Texas Administrative Code Title 16 Chapter 5, relating to Carbon Dioxide (CO<sub>2</sub>). These amendments are in response to the EPA's recommendations to the Commission's application to gain primacy for Class VI injection wells. The injection wells are used for underground storage of carbon dioxide from energy production, power generation or industrial sources. The proposed amendments to RRC rules are mostly clarifications of the frequency of some review evaluations, record retentions, financial assurance, and permit conditions.

The RRC applied for primacy through the EPA in December 2022 and the application is being reviewed.

Currently, operators must apply with the EPA and the RRC to get approved for carbon capture. Granting primacy to the Commission would streamline the process for applicants by saving time and resources.

The comment period on the proposed amendments to RRC's CO<sub>2</sub> rules ends on July 31, 2023.

[READ THE AMENDMENT ANNOUNCEMENT](#)

# Oil and Gas Division Names New Director for Kilgore Office

The Railroad Commission is excited to announce Stephen Smith as the new Director for the Oil and Gas District 05/06 in Kilgore.

Stephen began his career at the RRC in November 2011 as a State Managed Plugging inspector in the Kilgore District Office. He was promoted to Lead Plugger for the Kilgore office in November 2017. Most recently, Stephen has served as the Assistant District Director for District 05/06 since December 2018. Prior to joining the agency, he was a work-over supervisor for Peak Energy. Stephen has a bachelor's degree in business management from the University of Texas at Tyler.

“I am very excited and honored to go to work in my new role as District Director and I’m ready to bring Kilgore into a new era of leadership,” said Smith.

Stephen spends his time away from work traveling with his wife, bass fishing with his dad, watching Texas Rangers baseball or having cookouts with friends and family.





# RRC's New Oil and Gas Monitoring and Enforcement Plan for 2024

Railroad Commission of Texas commissioners have approved the Oil and Gas Monitoring Plan for Fiscal Year 2024 which will continue the agency's commitment to protecting Texans and the environment.

The plan consists of goals that explain the Commission's strategy to use oil and gas monitoring and enforcement resources to be more effective. It focuses on developing a framework to describe oil and gas monitoring and enforcement efforts, beyond inspections and remediations, and contain extensive work involving technical permit monitoring and administrative compliance enforcement.

The RRC's well plugging program will continue its system of prioritization successfully plugging orphaned oil and gas wells throughout Texas with state funding. The agency used federal grants to add to the number of wells that were plugged in fiscal year 2023. The commission has submitted comments on the federal guidance draft on another set of grants that could be used in the next fiscal year.

Additional agency staff training has been another important initiative bringing technology that will further advance our experts in the oil and gas industry. Inspectors will continue to receive in-house and external enrichment to learn about new tools that will be used in conventional and shale oil and gas field operations.

The Commission's recent goals include using data from inspections, enforcement, and compliance to enhance our information management systems to be easily accessible and improve efficiency for oil and gas operators, as well as agency staff.

"Our new plan expands on our previous goals to continue regulating the oil and gas industry with precision and efficiency, while keeping our environment safe," said Wei Wang, RRC Executive Director. "Texas continues to be the largest producer of oil and gas in the country, and we will continue to contribute to our state's successful economy."

[READ THE FY 2024 MONITORING AND ENFORCEMENT PLAN](#)

[READ THE SPANISH VERSION OF THE PLAN](#)

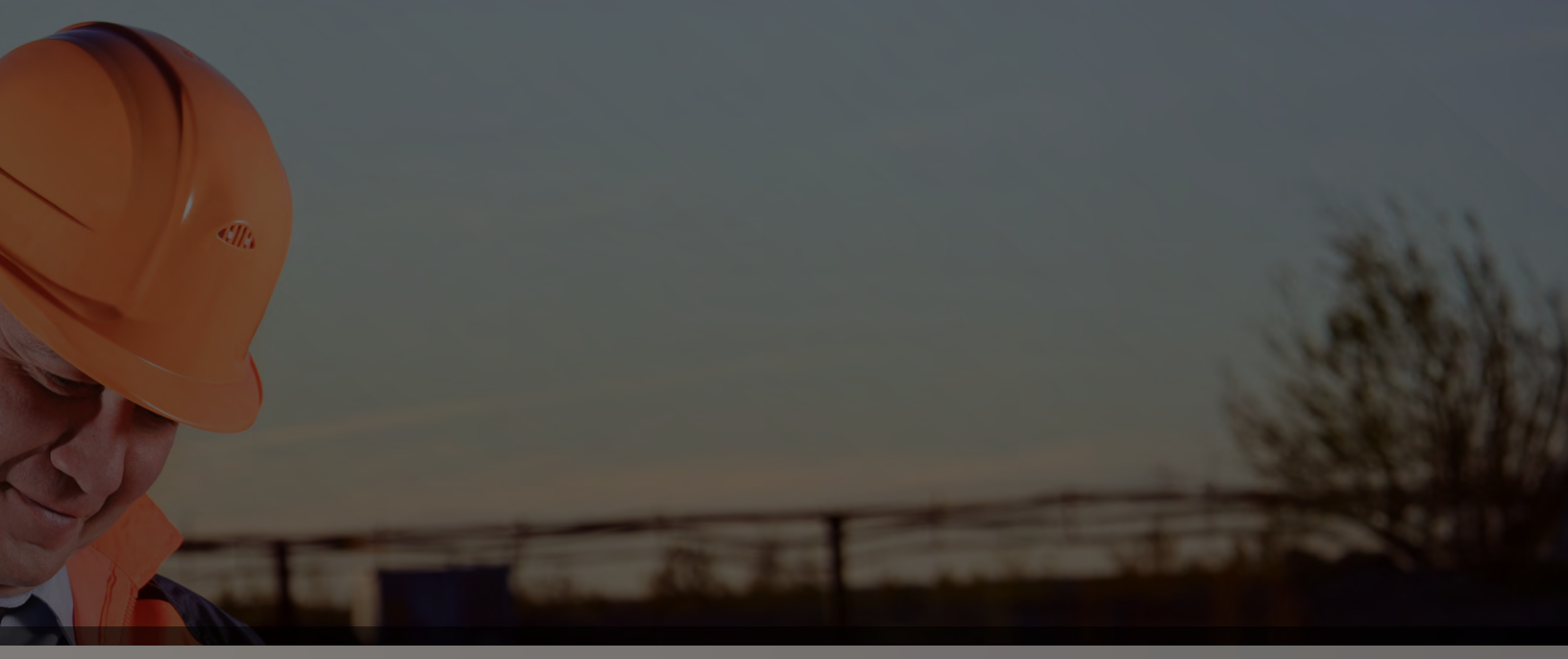
# New State Budget Helps the RRC Continue Serving Texas through Important Work

The new state budget was passed by the Legislature and signed by the Governor in June to expand the Railroad Commission's work in regulating the oil and gas industry, while serving Texans.

The energy industry is vital to the economy in Texas and the Legislature's funding allows the Commission to continue its work in permitting, compliance and enforcement. The RRC has been consistent in meeting or exceeding annual performance goals set by the Legislature for the Commission's funding.

The bill provides the agency with approximately \$481 million for the next two fiscal years and includes new funding to enhance the RRC's work in public safety and environmental protection.





### Important updates include:

- Hiring 50 new pipeline safety professionals to inspect gathering lines after new federal law this year requires additional oversight. The number of RRC regulated gathering lines has now increased more than seven times to about 45,000 miles.
- Funding for additional staff in the Oil and Gas Environmental Permits and Support Unit. The RRC has seen a significant workload increase over the last year following the enactment of legislation that encourages the recycling of fluid waste for beneficial purposes. New staff members will assist with the anticipated increase in carbon capture permitting applications if the EPA grants the RRC primacy to oversee carbon capture applications.
- Funding for additional FLIR cameras will increase inspection capabilities. The cameras have been used by the Commission for more than 10 years to detect emissions from wells and other oil and gas facilities during inspections.
- Funding for the digitization of records will help the commission continue its initiative of transparency with historical documents becoming more readily available. The RRC was budgeted \$1.9 million to create online access to about 5 million documents throughout district offices in the state for public access.



# Chairman Craddick

COMMISSIONERS' CORNER



In June, Chairman Christi Craddick had the opportunity to visit with important groups around central Texas. These groups included the Texas Gas Association and Boys' State.

In San Marcos, Chairman Craddick was honored to address the Texas Gas Association at their annual meeting. With the regular legislative session complete, she provided updates on the agency's budget and critical legislation impacting the natural gas industry in Texas. Natural gas is more important than ever as 1,100 people move to this state each day. Providing reliable, affordable, and clean burning fuel for all Texans will always be a priority for the Chairman and speaking to this critical sector of the industry and economy is always a pleasure.

Additionally, Chairman Craddick had the opportunity to visit with the Boys State 2023 delegation at the Texas Capitol. Hundreds of young men come to Austin each year from across the state to learn about the importance of civic engagement, leadership, and the legislative process. Visiting with these future leaders and hearing their ideas each year is a highlight for the Chairman.







# Commissioner Christian

COMMISSIONERS' CORNER



Commissioner Christian released the latest episode of “Wayne’s World: Energizing Texas.” This episode features Jason Modglin (Texas Alliance of Energy Producers), Michael Lozano (Permian Basin Producers Association), and Travis McCormick (Panhandle Producers and Royalty Owners Association) discussing the important energy policies coming out of the 88th Texas Legislature.

[LISTEN TO THE PODCAST](#)





# Commissioner Wright

COMMISSIONERS' CORNER

Recently, Commissioner Wright attended the Interstate Oil and Gas Commission (IOGCC) Annual Business Meeting in Oklahoma City, where he had several encouraging conversations regarding strategies to address orphan oil and gas wells. At the meeting, the IOGCC passed a resolution authored by Commissioner Wright supporting efforts to provide greater flexibility for states utilizing federal grant funding passed under the Infrastructure Investment and Jobs Act for the purposes of plugging orphaned wells.

In addition to the resolution, Commissioner Wright also briefed IOGCC members on the need to reduce agency liability for orphaned oil and gas wells and encouraged the organization to research how states might utilize carbon credit markets in their state-managed programs.



# Oil & 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 CURRENT 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 LATEST 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 ▶](#)