



A Century of Leadership: Energy Regulation at the Railroad Commission of Texas

International Petroleum Environmental
Conference 2017



RRC History



- Established in 1891
 - Texas' oldest regulatory agency
 - Led by three statewide elected officials



Commissioner Ryan Sitton



Chairman Christi Craddick



Commissioner Wayne Christian

IPEC History



- 4th IPEC
 - 1997 in San Antonio
 - Keynote speech by Commissioner Matthews
 - IT enhancements
 - Waste minimization
 - Well plugging and site remediation
 - RRC exhibit booth visited by Commissioner Murray



Jurisdiction



- Activities associated with oil and gas exploration and production
 - Drilling and production operations at well sites
 - Transportation of crude oil, natural gas, and produced water by pipeline
 - Oil and gas waste haulers on public roads
 - Oil and gas waste management facilities
- Purposes
 - Water protection
 - Public safety
 - Waste prevention



Not Jurisdictional

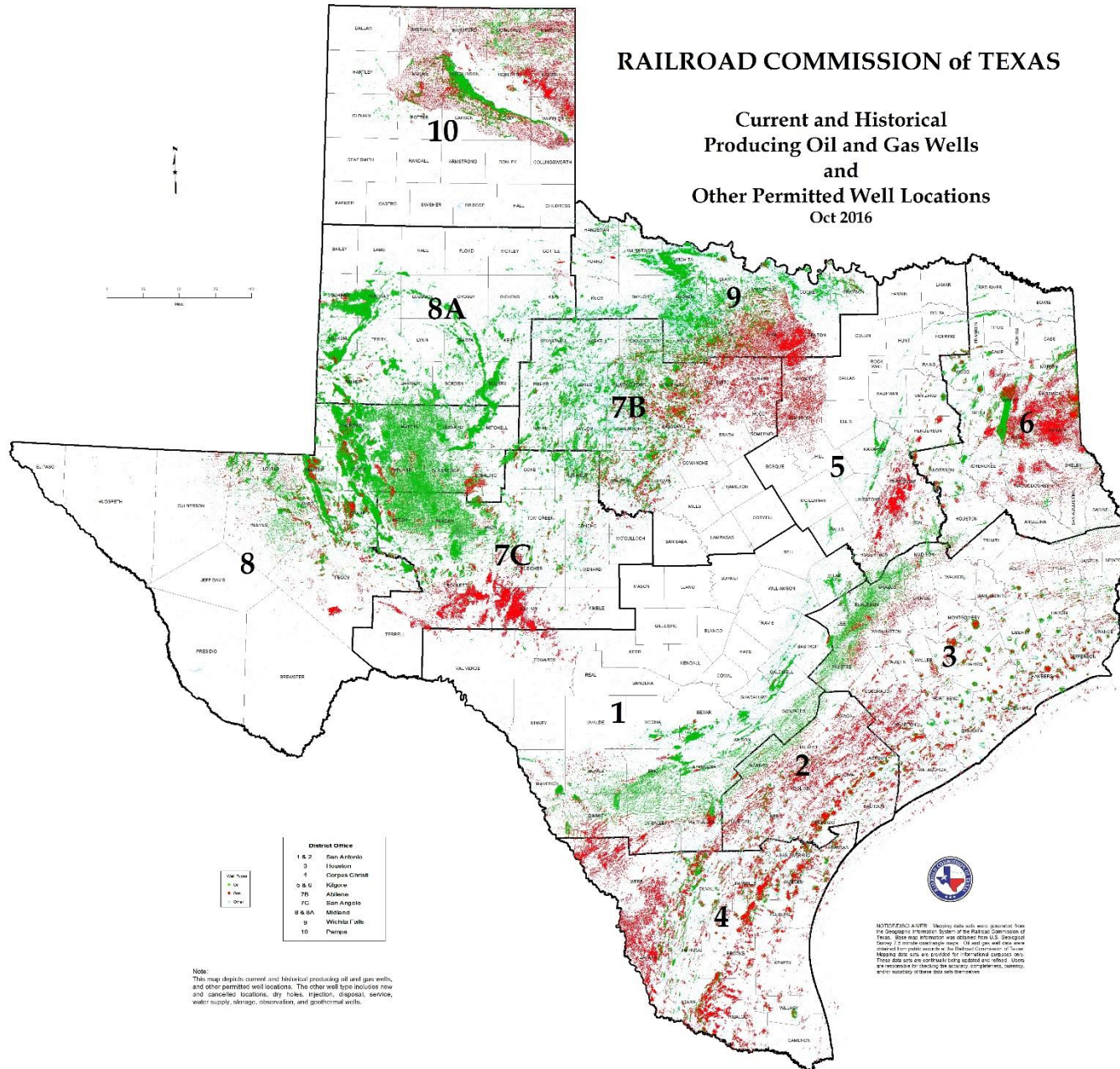


- Mineral interests/leases
- Noise, odors, and lighting
- Roads and traffic
- Air quality
- Railroads



RAILROAD COMMISSION of TEXAS

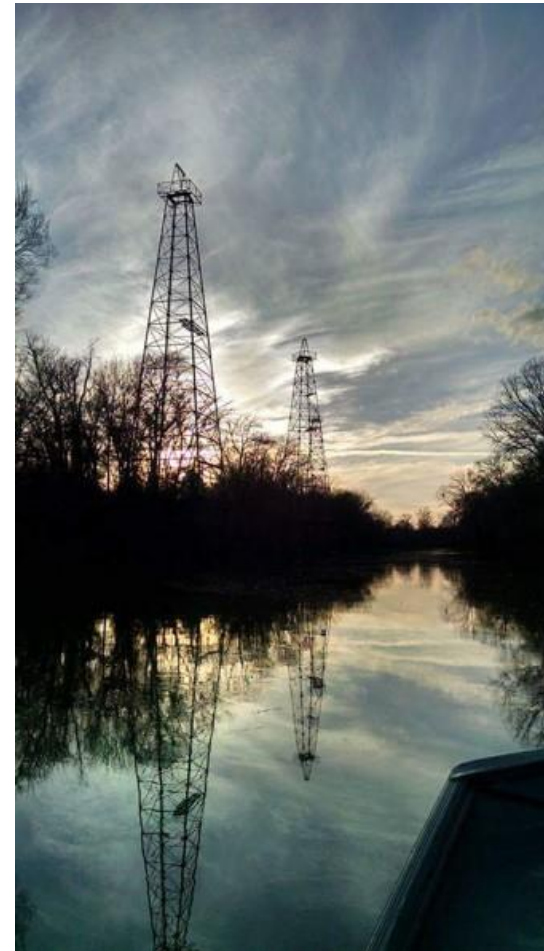
Current and Historical Producing Oil and Gas Wells and Other Permitted Well Locations Oct 2016

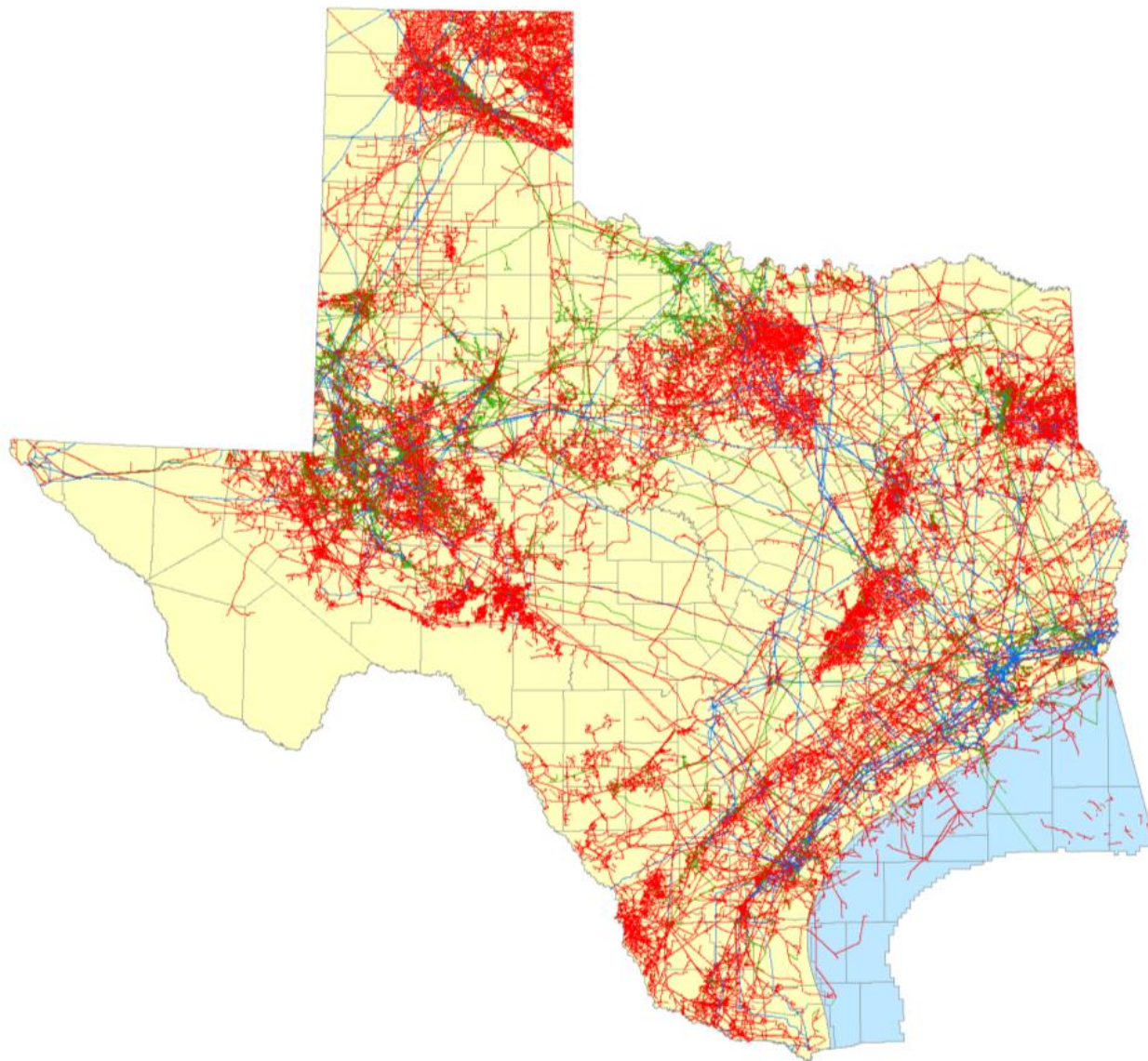


Oil and Gas Activity in Texas

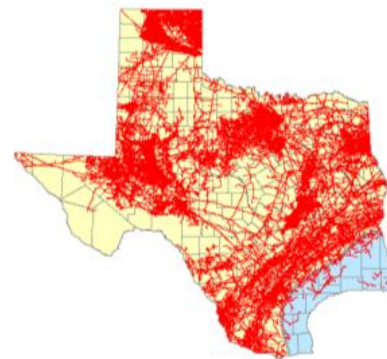


- Well inventory:
 - 433,926 total wells
 - 314,608 active wells
 - 179,660 producing oil wells
 - 90,530 producing gas wells
 - 44,418 service wells
 - 119,318 inactive wells
 - 5,712 “orphan” wells
- Daily production:
 - 2.7 million barrels of crude oil
 - 20 billion cubic feet of natural gas

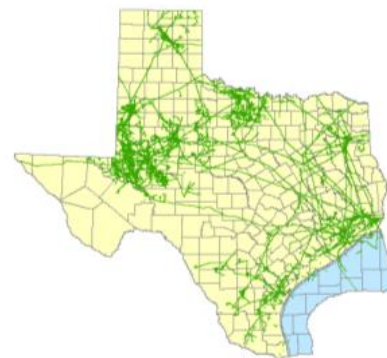




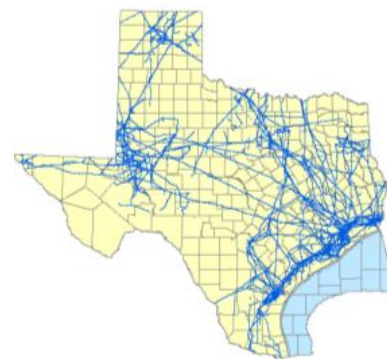
Natural Gas, Crude, and Hazardous Liquids Pipelines



Natural Gas Pipelines



Crude Pipelines



Hazardous Liquids Pipelines

Pipeline Safety



- 448,446 total pipeline miles in Texas
- 224,067 miles of pipeline under direct RRC **safety** oversight
 - RRC regulates intrastate pipeline in Texas
 - interstate pipeline regulated by Pipeline Hazardous Materials and Safety Administration (PHMSA)



Ecoregions of Texas



Life's better outside.™

Source: Grubb, J. W., Hoffman, G. O., and Reichenow, C. A. 1940. Vegetation Zones of Texas. Texas A & M University. Texas Agricultural Experiment Station. Laidley No. 400. (Here provided by the Texas Parks and Wildlife Department.)

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Revised: Department of Management

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Recent Developments



- Inactive wells
- Hydraulic fracturing
- Recycling
- Well construction
- Seismicity
- IT enhancements
- Regulatory relief



Inactive Wells



- September 2010-July 2012: New and amended provisions of Statewide Rule 15
 - Surface equipment removal requirements
 - Inactive well plugging requirements
 - Financial assurance requirements



Inactive Well Program Elements

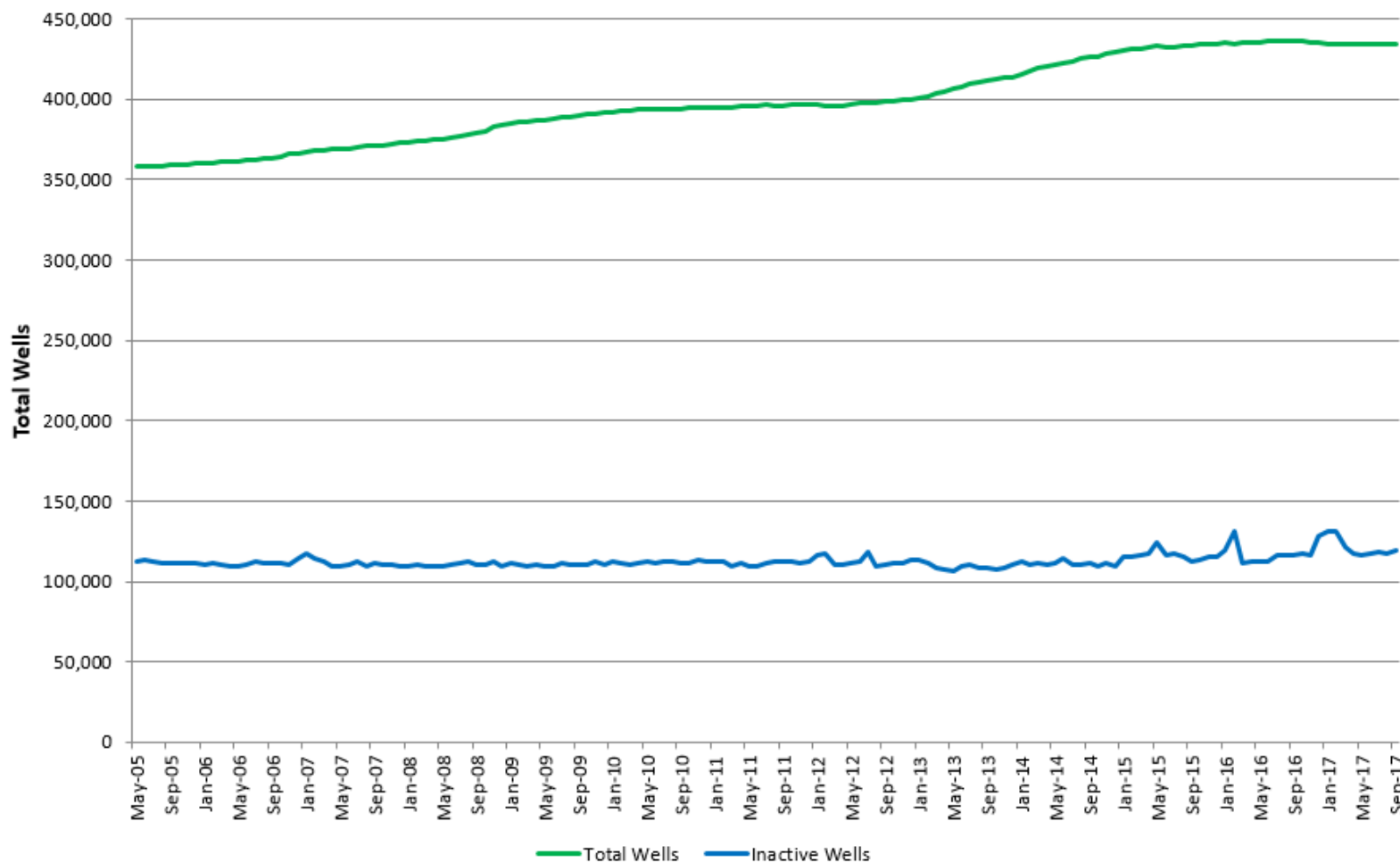


- Statewide Rules 1 and 78
 - Annual organization report
 - Financial security requirements
 - Inactive wells must be in compliance for renewal
- Statewide Rule 14 well plugging requirements
- Statewide Rule 15 inactive well requirements
 - Surface clean-up requirements based on length of well inactivity
 - W-3X plugging extension requirements
- Oil Field Cleanup Program
 - State-managed well plugging and site remediation
 - Industry funded

Trends



**Texas Well Counts
Total and Inactive
05/2005 to 09/2017**



Hydraulic Fracturing



- January 2012: New hydraulic fracturing fluid disclosure requirements (Statewide Rule 29)
 - Information must be listed on FracFocus website:
<http://fracfocus.org/>
 - Texas among the first states in the nation to require disclosure



Looking for information about a
well site near you?



Recycling



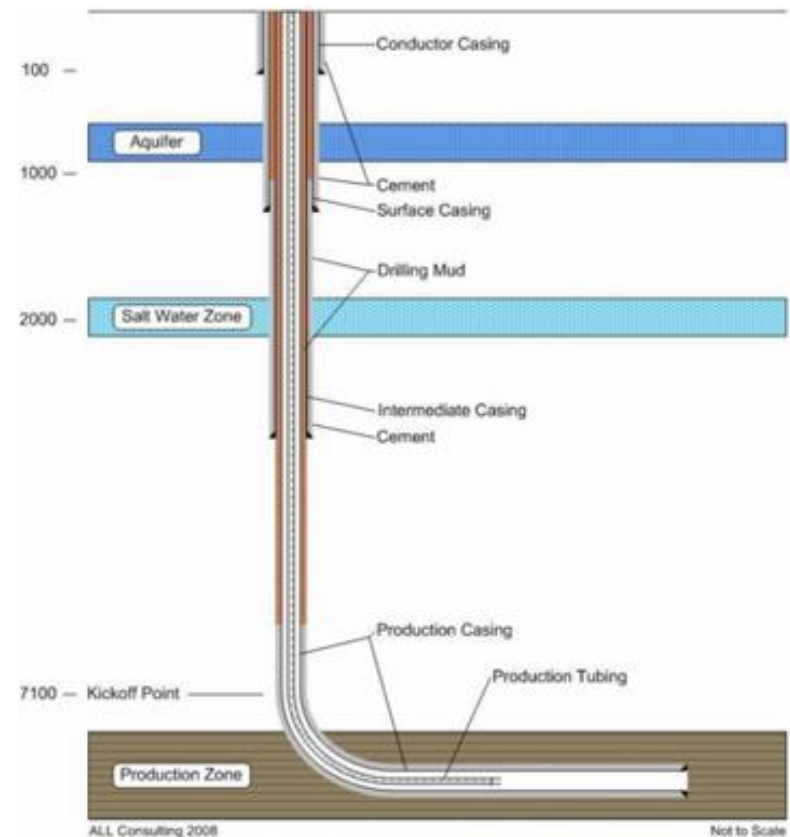
- April 2013: Amended recycling rules (incl. Statewide Rule 8)
 - Encourage recycling in the oil field
 - Reduce water use
 - Create rules for authorized fluid recycling
 - Streamline recycling permits



Well Construction



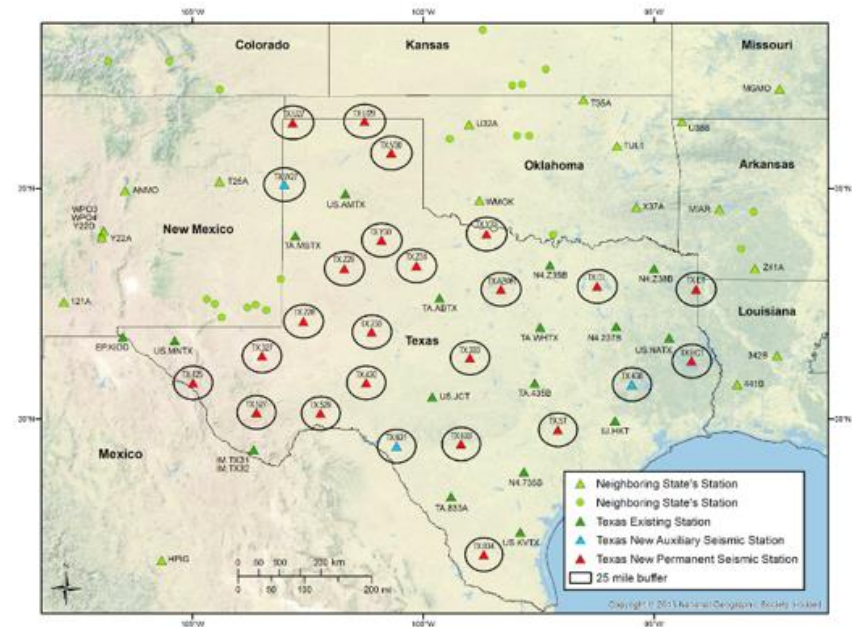
- May 2013: Amended casing/ cementing requirements (Statewide Rule 13)
 - Provide consistent and clear well construction regulations
 - Update requirements for:
 - cement quality, cementing, well equipment and well casing centralizers
 - well control and blowout preventers



Seismicity



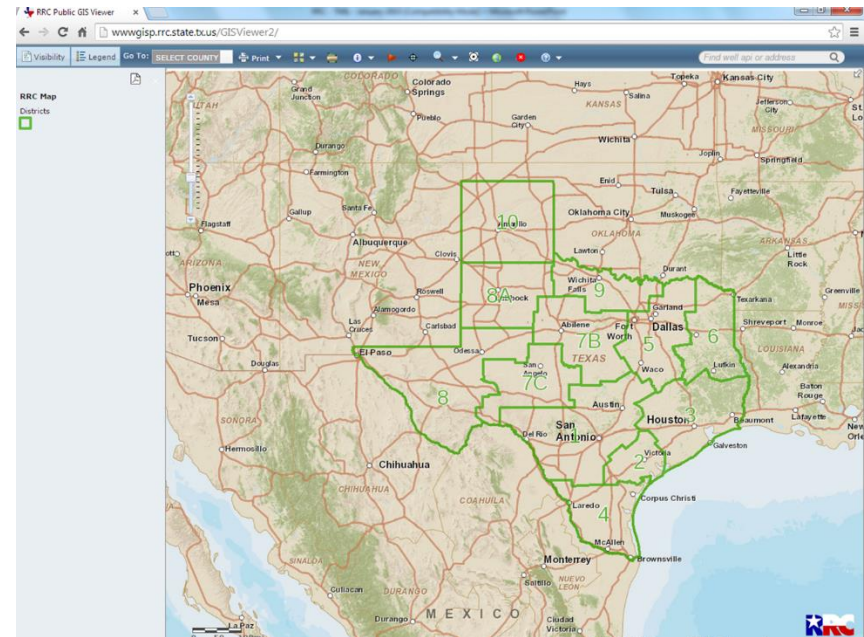
- Oct. 2014: Amended disposal well rules to address operations in areas of seismic activity
 - Require permit applicants to provide additional data
 - Clarify RRC authority to modify, suspend, or terminate a disposal well permit
- Bureau of Economic Geology and partners
 - TexNet Seismic Network
 - Research projects
 - Technical Advisory Committee



IT Enhancements



- Website redesign
- GIS enhancements
- Inspection, Compliance, and Enforcement (ICE) System for inspectors
- RRC Online expansion
 - Request for groundwater protection determination (GW-1)
 - Request for surface-casing exceptions
 - Well logs



Regulatory Relief



- Ongoing efforts to reduce regulatory burdens while ensuring personal and community safety
- Recent examples:
 - Amended Statewide Rule 15 to accurately reflect when inactive wells are returned to active production status
 - Issued guidance for implementing the Texas Environmental, Health, and Safety Audit Privilege Act

Year-in-Review Publication



- 2016 Year in Review
 - milestones
 - accomplishments
 - video
 - photos
 - infographics



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