

Christi Craddick, Chairman * Ryan Sitton, Commissioner * Wayne Christian, Commissioner

NEWS**RELEAS**

from the RAILROAD COMMISSION OF TEXAS

Railroad Commission of Texas: A Century of Oil and Gas

By Chairman Christi Craddick Word Count: 615

When the Railroad Commission was given oversight of the energy industry in March 1919, Texas was awash in wildcatters, speculators and roughnecks drilling oil and gas wells under virtually no regulation. The Commissioners and staff set to work literally writing the book on safe, responsible energy production. Today, our rules reflect a century of regulatory expertise and experience; from well spacing and groundwater protection requirements, to seismicity rules, water recycling guidelines and much more.

As we hit the century mark in energy regulation it's not our past we're most excited about, it's our future and the future of Texas.

Last year, the U.S. Geological Survey announced the largest continuous oil assessment in Texas and New Mexico totaling 46.3 billion barrels of oil, 281 trillion cubic feet of natural gas, and 20 billion barrels of natural gas liquids. Texas leads the nation in energy production and plays a critical role in our energy independence. If Texas was a country, we would be the third largest producer in the world, and our nation is poised to surpass Saudi Arabia in energy exports. As the global leader in energy regulation, the Railroad Commission is at the forefront of this renaissance.

The Commission has more inspectors than this agency has ever had with more than 160 trained professionals, staffing nine district offices. By growing our inspector ranks we are now on track to inspect every oil and gas well a minimum of every five years. Each inspector conducts thousands of inspections every year to make sure operators are complying with our rules to protect the public, the environment and the economy of our state, driving more than 5.3 million miles in Fiscal Year 2018.

The RRC's state-managed well-plugging program is hitting historic numbers. In fiscal years 2018-2019 the Texas Legislature set a performance goal for our agency, to plug 1,958 abandoned wells. The Commission is on track to shatter that goal by plugging approximately 3,000 abandoned wells. The funds come from fees paid by the energy industry not from Texas taxpayers.

The Commission is making progress modernizing our Information Technology systems and processes. 2019 marks a huge step forward for the Commission, and for Texas, with the launch of our <u>Online Inspection Lookup (RRC OIL) system</u>. For the first time, anyone, anywhere, anytime can use the Commission's website to search the inspection and violation history of oil and gas wells in Texas. Critical information is now available to the public with just the click of a mouse.

My fellow commissioners Ryan Sitton and Wayne Christian, along with our dedicated staff, are not stopping there. Our bold IT modernization plan will transition the Commission out of the decade-old mainframe technology completely in the next few years. The plan includes further automation of many key processes oil and gas operators must follow in permitting and reporting. It reduces the administrative burden on operators saving them time and money, and reduces processing time for Commission staff, saving us time and taxpayers' money.

And we are investing more than ever in our workforce. We are creating and implementing innovative training programs for staff, defining career tracks and working to ensure pay equity with other agencies. These initiatives are essential to attracting and retaining employees who share our commitment to public service and building the best agency in Texas.

As the energy industry has grown and evolved in Texas, so too has the Commission. We're proud to stand on the shoulders of the generations of Commissioners and staff who built this agency into the global leader in energy regulation, and we recognize the standard of excellence they have set. It is the standard we are proud to carry forward, on behalf of all Texans.

Craddick is the chairman of the three-member Railroad Commission of Texas.

About the Railroad Commission

Our mission is to serve Texas by our stewardship of natural resources and the environment, our concern for personal and community safety, and our support of enhanced development and economic vitality for the benefit of Texans. The Commission has a long and proud history of service to both Texas and to the nation, including almost 100 years regulating the oil and gas industry. The Commission also has jurisdiction over alternative fuels safety, natural gas utilities, surface mining and intrastate pipelines. Established in 1891, the Railroad Commission of Texas is the oldest regulatory agency in the state. To learn more, please visit <u>http://www.rrc.texas.gov</u>.