

Energy APRIL 2024 POSSIBLE STATEMENT OF THE PRIL 2024 CONTRACTOR OF THE



"Diamond Ring" effect during eclipse NW of Austin Photo from David King



Contents

- RRC Seeks Stakeholder Suggestions to
 Help Develop the Annual Oil & Gas Division
 Monitoring and Enforcement Plan
- The RRC Spreads Awareness for Safe Digging Month
- Oil and Gas Production Reached Record Numbers Last Year
- _{P.} 8 Commissioners' Corner

Upcoming Events

RRC Open Meeting.....Tuesday, May 14, 2024

VIEW OPEN MEETING WEBCASTS

2

ENERGY NEWS

RRC Seeks Stakeholder Suggestions to Help Develop the Annual Oil & Gas Division Monitoring and Enforcement Plan

An important document that RRC utilizes to inform the public about our important oil and gas regulatory activities is the annual Oil and Gas Division Monitoring and Enforcement Strategic Plan. The Commission is required to develop an annual plan to use oil and gas monitoring and enforcement resources strategically to protect the environment and ensure public safety.

Previous versions of this plan focused on monitoring and enforcement activities occurring within the Commission's budget structure under Strategy C.1.1: Oil and Gas Monitor and Inspections, and Strategy C.2.1: Oil and Gas Well Plugging and Remediation.

For the Fiscal Year 2025 Plan, the Commission seeks feedback from stakeholders in the development of action items that will address the totality of oil and gas monitoring and enforcement activities, inclusive of technical permit monitoring and administrative compliance enforcement.

The deadline for feedback is 5 p.m. on Saturday, May 4, 2024.

SUBMIT INPUT ONLINE

Alternatively, please send written comments to:

Oil and Gas Strategic Plan Stakeholder Input/Oil and Gas Division Railroad Commission of Texas P.O. Box 12967 Austin, Texas 78711-2967

Comments received by mail after May 4 may not be incorporated into the fiscal year 2025 iteration of the plan but will be reviewed.



April is National Safe Digging Month and the RRC took this time to remind the public to call 8-1-1 before digging to ensure safety and damage prevention.

It's a message that is spread throughout the year, especially with more and more people moving to Texas.

When digging more than 16 inches in depth, Texas law requires residents to call 8-1-1 at least 2 days before digging and to mark underground utilities as a precaution. Examples of when homeowners should call include planting trees, installing sprinklers, putting up a fence, or other projects that involve digging.



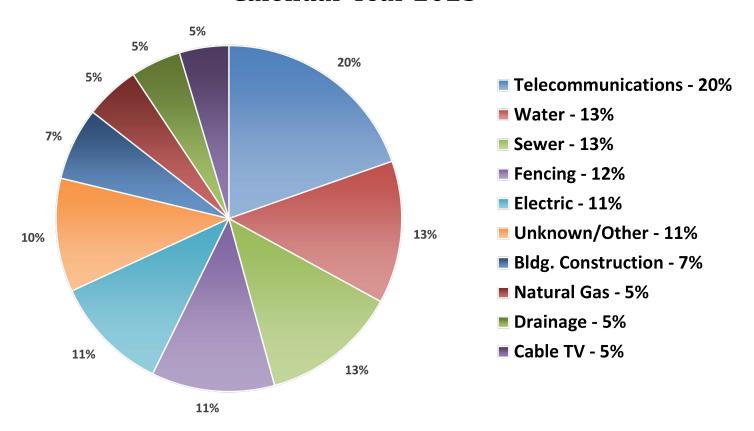
The RRC tracks annual damage statistics, and there was a positive trend over the past couple of years with telecommunications work. In 2022, almost a quarter of all damages to pipelines were from telecommunications-related excavations. But in 2023, that dropped to 20%.

The Commission's Damage Prevention staff travels across Texas to emphasize the importance of safe digging.

"We will attend expos that involve excavation or construction and we also partner with Texas 811, they have damage prevention managers that are on the boards of damage prevention councils of Texas," said Ricardo Gamez, RRC's Compliance Analyst for Pipeline Safety Damage Prevention.



Top Ten Types of Work Performed Calendar Year 2023



Oil and Gas Production Reached Record Numbers Last Year

The state's major energy industry reached new peaks last year with records set for both oil and gas production.

Oil production hit a record 1.92 billion barrels in 2023, which was 51 million barrels more than the previous record. Operators produced 12.01 trillion cubic feet of natural gas in 2023, beating the previous record by more than 13%.

"These production records are beyond impressive and reflect how Texas continues to provide reliable domestic production for the nation," said Wei Wang, RRC Executive Director. "As the state's oil and gas regulator, the RRC is committed to our critical mission supporting Texas' economic growth that benefits Texans. Production taxes collected from the oil and gas industry pay for our schools, highways and the state's Rainy Day Fund. The Commission will continue its hard work to ensure the state remains at the forefront of the energy sector."

Top 5 Oil Production Years

(crude oil and condensate)

Year	Production
2023	1.92 billion barrels
2019	1.86 billion barrels
2020	1.77 billion barrels
2021	1.75 billion barrels
2022	1.71 billion barrels

Top 5 Gas Production Years

(gas well and casinghead gas)

Year	Production
2023	12.01 trillion cubic feet
2021	10.61 trillion cubic feet
2022	10.51 trillion cubic feet
2020	10.23 trillion cubic feet
2019	10.21 trillion cubic feet



A large portion of taxes paid on oil and gas production are earmarked for major components of the state budget: public education, the state highway fund, and the Rainy Day Fund.

Production tax revenue that has benefited those three areas over the last five years is shown below.

Oil & Gas Production Taxes

School Funding

\$8.7 billion



Fiscal Year 2019-2023 revenue

State Highway Fund

\$10.9 billion __



Nov. 2019-2023 deposits

Rainy Day Fund

\$10.9 billion



Nov. 2019-2023 deposits



In April, Chairman Christi Craddick spoke to the Society of Petroleum Engineers about the current state of industry regulation at the state and federal level. These individuals are the innovators of the oil and gas industry, and spending time discussing the advancements they make is always an honor.

Additionally, Chairman Craddick participated in National Petroleum Council's adoption of a subcommittee report on Greenhouse Gas Emissions. The report is a well-rounded, data-driven approach to reasonable regulation related to air emissions in the oil and gas industry. The rollout took place in Washington DC and will serve as a valuable resource to legislators and regulators alike.



In April, Commissioner Wayne Christian sent a letter to Senator Brandon Creighton and Representative John Kuempel, higher education committees chairs in the Texas Legisature, highlighting concerns of radical environmentalists' materials being taught in universities and colleges. The Commissioner said the following about the issue:

"Safeguarding America's energy infrastructure is paramount, and we cannot overlook the looming threat of eco-terrorism aimed at pipelines, refineries, and processing plants," said Christian. "The teaching of 'How to Blow Up a Pipeline' in colleges is deeply troubling. We must prevent radical agendas from indoctrinating future generations with anti-American propaganda with our tax dollars. I want to encourage the legislature to look into whether any Texas universities or colleges are teaching 'How to Blow Up a Pipeline' or other related eco-terrorism-based materials."

LISTEN TO WAYNES WORLD: ENERGIZING TEXAS



In April, Commissioner Wright attended the H2@Scale ribbon cutting ceremony to celebrate the opening of the new Hydrogen Research and Demonstration Facility at the University of Texas.

During the event, Commissioner Wright delivered remarks to those in attendance, noting that further expanding the Texas energy mix will further cement our state's status as an energy leader, energy exporter, and a place for energy innovation.

Commissioner Wright went on to detail some of the significant hydrogen infrastructure already in place in our state, including production, storage, and over 1,000 miles of dedicated hydrogen pipelines, and that the legislature and the Railroad Commission stand ready to ensure the safe and successful rollout of new hydrogen resources to benefit the Texas economy and future energy needs.





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 >