15/25 Options Report (sample)

Example Operating

12
15/25 wells on September 1, 2027

$503,761
RRC cost calculation, all wells

$33,584
average a year to September 1, 2042

This report gives you every affected well with RRC's cost calculation, what each of the four extension routes in RRC's proposed rule would require of you (in dollars wherever the rule gives a basis), and a draft schedule for the 2042 compliance plan, ready to file once the rule is final.

> **This is a proposed rule.** The Railroad Commission of Texas proposed amendments to 16 TAC 3.15 and 3.58 (Senate Bill 1150) on October 6, 2026; they are not final and may change. Enforcement for 15/25 wells starts September 1, 2027. A "15/25 well" is a land well inactive more than 15 years and completed more than 25 years ago.

We list every well that will be a 15/25 well on September 1, 2027 if it reports no qualifying production before then (inactive months today plus 10 months; completed more than 25 years before that date), with the cost RRC itself calculates for it: RRC's per-foot plugging cost for the well's district (as used in RRC's Inactive Well Aging Report) times the depth on RRC records. The proposed rule also defines a *full cost calculation* that adds well-specific costs (well construction or mechanics, access and brush clearing, H2S fields, RRC staff time and indirect cost). Those extras are not in any public file, so the figures below are a baseline and the full cost calculation can be higher.

1. Your 15/25 wells and RRC's cost calculation

WELL	COUNTY	DISTRICT	DEPTH, FT	YEARS INACTIVE ON SEPT 1, 2027	COMPLETED	RRC COST CALCULATION
Well 01	Nolan	7B	5,725	26.8	1983	$54,903
Well 02	Nolan	7B	6,155	25.1	1991	$59,026
Well 03	Jones	7B	4,755	22.8	1959	$45,600
Well 04	Nolan	7B	3,210	22.8	1975	$30,784
Well 05	Nolan	7B	5,922	21.8	1990	$56,792
Well 06	Jones	7B	2,565	21.7	1992	$24,598
Well 07	Taylor	7B	2,985	20.8	1991	$28,626
Well 08	Jones	7B	3,600	20.7	1971	$34,524
Well 09	Taylor	7B	2,951	20.7	1999	$28,300

WELL	COUNTY	DISTRICT	DEPTH, FT	YEARS INACTIVE ON SEPT 1, 2027	COMPLETED	RRC COST CALCULATION
Well 10	Reagan	7C	8,000	19.8	1985	$91,440
Well 11	Jones	7B	2,614	17.5	1967	$25,068
Well 12	Jones	7B	2,513	17.5	1967	$24,100

2. The four extension routes in RRC's proposed rule

Each extension lasts one year and is renewed annually. Routes 1 and 2 do not transfer to a new operator.

Route 1: compliance plan to September 1, 2042. You commit to plug or restore wells each year so that all 12 are done by the deadline, at least the total number divided by the years remaining: 12 ÷ 15 = 0.8 wells a year (round up to 1). At RRC's cost calculation that is about $33,584 a year, $503,761 in all. You must prioritise by age, length of inactivity and hazards. A draft schedule (oldest inactivity first) is in section 3.

Route 2: individual performance bond. A bond not less than the full cost calculation for the well, running with and covering the lifetime of the well. On RRC's baseline the face amount is $503,761 for these 12 wells. What the bond costs you (premium or collateral) depends on a surety's underwriting; ask a surety for a quote. We do not price it.

Route 3: financial hardship. The proposed rule treats hardship as shown if any one of these differences is negative. Complete your own side of each line from your financial statements; we do not have them.

YOUR FIGURE		RRC BASELINE FOR THESE WELLS
Total annual revenue	minus	$503,761
Total assets	minus	$503,761
Earnings before interest, taxes, depreciation and amortization	minus one-fifteenth of	$33,584
Paying one-fifteenth of the cost each year	would push the operator into bankruptcy relief	$33,584

Route 4: history of restoring inactive wells to active operation. You ask the Commission to find that your record of returning inactive wells to service warrants the extension. There is no dollar price for this route; it depends on your own restoration history, which public RRC files do not show, so we do not assess it.

3. Draft plan schedule for Route 1

YEAR	WELLS	RRC COST CALCULATION
Sept 2027 to Aug 2028	1	$54,903
Sept 2028 to Aug 2029	1	$59,026

YEAR	WELLS	RRC COST CALCULATION
Sept 2029 to Aug 2030	1	$45,600
Sept 2030 to Aug 2031	1	$30,784
Sept 2031 to Aug 2032	1	$56,792
Sept 2032 to Aug 2033	1	$24,598
Sept 2033 to Aug 2034	1	$28,626
Sept 2034 to Aug 2035	1	$34,524
Sept 2035 to Aug 2036	1	$28,300
Sept 2036 to Aug 2037	1	$91,440
Sept 2037 to Aug 2038	1	$25,068
Sept 2038 to Aug 2039	1	$24,100

An illustration, oldest inactivity first, spread evenly. It is not a filing; a filed plan must meet the final rule. Once the rule is final we can turn this into the plan for filing.

Sources and limits

RRC Inactive Well Aging Report as of November 10, 2026 (operator, depth, inactivity, original completion date, RRC cost calculation); RRC proposed amendments to 16 TAC 3.15 and 3.58, memo of October 6, 2026. Estimates from public RRC data and a proposed rule that may change; not legal advice; not a quote; Plugging Index is not affiliated with the Railroad Commission of Texas. We do not confirm that a well is still inactive: check RRC's records before you file. Wells with no original completion date on RRC records cannot be tested against the 25-year rule and are not listed.