

Program Report for the Railroad Commission
April 14, 2007

1. Staff is drafting amendments to the MOU between the RRC and the TCEQ concerning Radioactive Materials.
 - a. Include identification of equipment used in exploration, production or disposal operations that contains or is contaminated with oil and gas NORM waste.
 - b. Include the disposal of radioactive tracer materials.

Update since January 2007 Program Report: Meetings will resume when the legislative session ends.

2. Staff is drafting a new MOU between the RRC and the DSHS.
 - a. Implement and coordinate the requirements of the agencies in their licensing and permitting programs and clarify each agency's jurisdiction over radioactive materials and radioactive NORM wastes associated with oil and gas production.

Update since January 2007 Program Report: Meetings will resume when the legislative session ends.

3. Halliburton Energy Services, Inc.
 - a. Halliburton submitted a request to the NRC to grant an amendment to the NRC license to allow a new well logging technology that uses a radioactive marker consisting of a continuous length of radioactive wire. The irradiated wire would be permanently cemented into place during completion of the production well. The activity is not authorized by RRC rules. Because the well is regulated by the RRC staff believes Halliburton needs special authorization from the RRC for installation, use, maintenance and ultimate disposal when the well is plugged. Staff plans to work with Halliburton on this issue.

Update since January 2007 Program Report: Halliburton has not yet contacted the Commission.

4. D & G Well.
 - a. The Commissioner's approved up to \$510,000.00 to plug the well. Plugging operations were completed October 25, 2006. After the well is plugged cleanup will begin and could cost in the \$3 to \$4 million range.

Update since January 2007 Program Report: Staff is evaluating proposals to perform well site cleanup.

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