



Texas Inactive Well Monitor

Inaugural Issue · June 2026

120,322

Inactive Wells

3,607

Operators

\$16.7B

Est. Plugging Liability

21,621

SB 1150-Exposed

29,231

Denied Extensions

6,690

Past Compliance Deadline

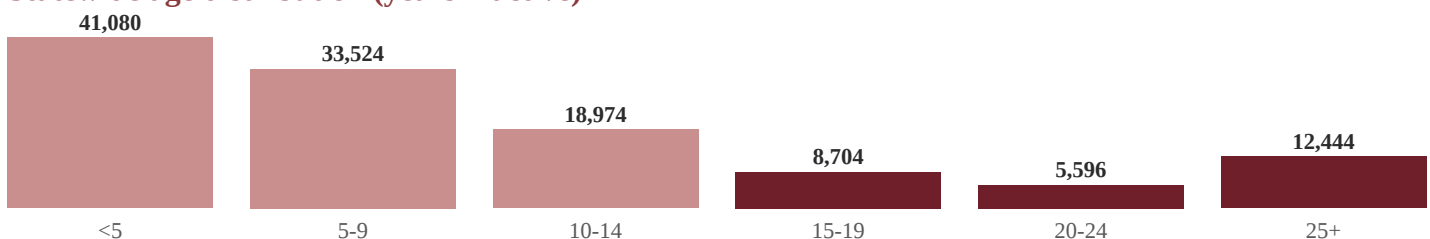
Executive Summary

Texas carries 120,322 inactive wells across 3,607 operators, representing an estimated \$16.7B in eventual plugging liability. Under Senate Bill 1150, roughly 21,621 of those wells — inactive more than 15 years and completed over 25 years ago — face a hard plug-or-reactivate decision when enforcement begins in September 2027, and about 29,231 already carry denied plugging-extension status. This inaugural issue establishes the baseline; future issues will track month-over-month movement as each new RRC report is released on the 10th.

What stands out

- Exposure is concentrated in West Texas: the Permian districts (08 Midland, 8A Lubbock) plus North Texas (09) and the Panhandle (10) hold the largest inactive inventories.
- About 18% of inactive wells (21,621) are already SB 1150-exposed, and another 18,974 sit in the 10–15-year pipeline that crosses the cap next.
- Roughly 24% of inactive wells (29,231) carry denied extensions — a leading indicator of near-term enforcement pressure.
- Some 6,690 wells are already past a compliance deadline, and the statewide average inactivity is 9.6 years.

Statewide age distribution (years inactive)

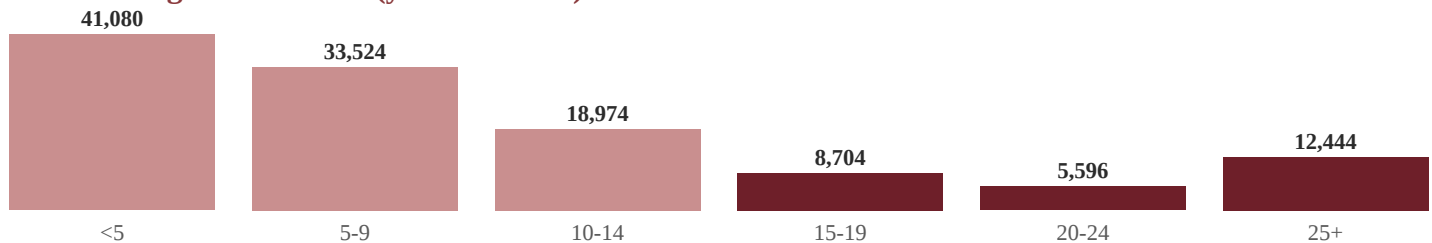




The Landscape — Inactive Wells by RRC District

RRC District	Operators	Inactive	SB 1150	Denied	Past Due	Avg Yr	Est. Liability
08 Midland — Permian	661	29,957	4,667	5,429	1,792	8.6	\$8.9B
09 North TX (Wichita Falls)	555	12,953	1,796	2,393	563	8.8	\$345M
10 Panhandle	264	11,296	1,819	3,021	510	10.0	\$1.1B
7C San Angelo	339	9,310	1,349	1,254	309	8.4	\$696M
8A Lubbock — Permian NW	353	9,035	1,901	1,645	658	10.1	\$749M
04 Deep South TX	362	8,416	2,127	2,791	458	12.1	\$1.2B
03 Southeast TX	585	8,281	2,758	2,245	469	13.2	\$1.3B
06 East TX (Pittsburg)	358	7,977	1,119	1,500	226	9.2	\$1.0B
7B West Central TX	621	7,568	1,425	3,761	699	9.4	\$271M
01 San Antonio	566	7,489	1,010	3,173	452	7.9	\$378M
02 Refugio	444	5,153	1,085	1,281	340	10.6	\$487M
05 East TX (Kilgore)	185	2,099	354	584	195	9.8	\$187M
6E East TX (Overton)	36	788	211	154	19	11.0	\$35M
Statewide	3,607	120,322	21,621	29,231	6,690	9.6	\$16.7B

Statewide age distribution (years inactive)



Burgundy bands (15+ years) are exposed to the SB 1150 15-year cap.



Operators in Focus

Highest-exposure operators (statewide)

#	Operator	Inactive	SB 1150	Denied	Past Due	Avg Yr	Est. Liability
1	Hilcorp Energy Company	6,248	1,713	201	125	11.6	\$1.1B
2	Merit Energy Company	1,090	236	1,056	0	11.4	\$207M
3	Occidental Permian Ltd.	1,748	646	29	0	13.9	\$303M
4	D10 Energy Llc	464	286	464	0	18.7	\$24M
5	Burk Royalty Co., Ltd.	1,673	335	77	0	9.7	\$164M
6	Kinder Morgan Production Co Llc	1,212	362	50	0	13.8	\$127M
7	Crescent Energy Operating, Llc	2,337	257	34	0	7.8	\$569M
8	Dara Operating Company, Llc	1,153	555	25	0	15.5	\$13M
9	Bjg Operating Company	449	374	101	0	23.1	\$16M
10	Upp Operating, Llc	1,577	270	33	0	9.4	\$114M
11	Large Operating Llc	1,148	143	43	0	10.3	\$58M
12	84 Energy Llc	641	256	102	0	13.7	\$45M
13	Atlas Operating Llc	768	179	98	4	10.7	\$86M
14	Dfg Energy Company Llc	236	130	236	0	19.5	\$9M
15	Bce-Mach Iii Llc	1,679	154	24	0	8.5	\$204M
16	Maverick Energy Group, Inc.	337	98	337	0	11.5	\$13M

Ranked by a blended exposure score across all 3,607 operators. Full ranked list and per-operator detail available on request.

Methodology

Figures are drawn from the Texas Railroad Commission's monthly Inactive Well Aging Report (IWAR), excluding wells already plugged. 'SB 1150-exposed' counts wells inactive more than 15 years and completed over 25 years ago. 'Denied' reflects the report's Extension Status. Plugging-liability figures are the RRC's standardized per-well estimates, not Schaper engineering estimates.

About Schaper Energy

Schaper Energy Consulting is a licensed Texas professional engineering firm. We are not a P&A company. Instead, we help operators evaluate whether inactive wellbores have credible future utility by developing the reserves-grade, PE/PG-certified technical case supporting their potential future use, including opportunities that may add reserves or asset value. We also assist with abeyance filings and the ongoing management of SB 1150 compliance requirements and deadlines. To discuss your portfolio, contact inactivewells@schaperintl.com.