

# **Texans First Fuel Program**

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## SECTION 1. EXECUTIVE STATEMENT

Texas has more energy resources than any state in the country, yet many Texans still struggle with fuel costs and watch thousands of inactive oil wells sit unused on land that could be productive again. These wells are not empty. Many can be repaired, brought back online, and made useful for the people who live and work here. The problem is that small operators cannot afford the high cost of reviving them, landowners do not benefit from wells that no longer produce, and the state carries the burden of eventually plugging wells that sit abandoned for too long.

The Texans First Fuel Program is a practical way to turn a problem into an opportunity. Instead of letting these wells remain idle, the state offers voluntary partnerships that help cover part of the cost to bring them back. In return, Texas receives a small share of the oil that comes out of these revived wells. That oil is refined in Texas and used to create a steady supply of discounted fuel for Texas drivers. Landowners keep full control of their mineral rights, operators remain in charge of their wells, and the state becomes a partner that helps reduce financial risk.

This approach does not replace the oil industry and does not interfere with the regular market. It builds a separate channel that grows naturally over time. The more wells that come back online, the more discounted fuel becomes available. Early on, Texans may receive a small weekly or monthly fuel allowance at a reduced price. As the program grows, that benefit increases. For many families, even a small amount of affordable fuel can make a real difference in their budget.

The goal is simple. Use what Texas already has to help Texans directly. Revive the wells that make sense, respect the people who own the land, support the operators who keep the industry moving, and give every driver in this state a chance to see real value from the resources beneath our feet. This program is built to work slowly, steadily, and responsibly. It is designed to strengthen the Texas energy economy while giving something back to the people who keep this state running.

## 2. The Texas Oil Well Problem

Texas is home to thousands of inactive and abandoned oil wells that could still provide value if properly evaluated and revived. These wells affect landowners, operators, and the state in different ways, and the underlying causes are tied to economics, aging equipment, and regulatory obligations. This section explains the conditions that created the problem and why a structured program is needed to address it responsibly.

### ***2.1 Inactive Wells Across the State***

Inactive wells are found in nearly every producing region of Texas, and many still contain recoverable oil that is not being brought to the surface. These wells were shut down for different reasons, ranging from mechanical failure to unstable prices. As they sit idle, they create no benefit for the people who own the land or for the communities around them.

- Thousands of inactive wells remain scattered across private and rural land.
- Many have not been assessed in years, leaving their true condition unknown.
- Valuable resources remain underground while the wells produce nothing.

### ***2.2 Why Operators Walk Away***

Smaller operators often face financial limitations that prevent them from repairing or reviving older wells. A single workover can be expensive, and operators must decide whether the potential return justifies the cost. When finances are tight, the safest choice for them is to shut the well in and focus on new projects.

- Repairing a well can cost tens of thousands of dollars or more.
- Multiple repairs are sometimes needed before production becomes steady.
- When cost exceeds expected revenue, the operator walks away.

### ***2.3 Landowner Concerns***

Landowners receive no benefit from wells that have stopped producing, yet these wells remain on their property indefinitely. Over time, inactive wells can reduce land value and increase worries about long-term liability. Without a clear path to revival, landowners often feel stuck with an unused and aging structure on their land.

- Property owners lose royalty income once wells stop producing.
- Inactive wells can lower the economic value of the surrounding property.
- Long-term liability concerns grow as wells sit untouched.

## ***2.4 Why Texans Still Pay Full Market Fuel Prices***

Texas produces large amounts of oil, but the fuel Texans buy is priced according to global markets. Oil from Texas enters national and international supply chains, so local abundance does not automatically translate into lower fuel costs. As a result, Texans bear the same price pressures as consumers in other states.

- Fuel prices are shaped by global events, not state production alone.
- Local oil is blended with national and international supply.
- Texas drivers do not receive a direct price advantage from in-state production.

## ***2.5 State Responsibility for Plugging***

When operators cannot afford to maintain or revive older wells, these wells risk becoming orphaned and eventually fall under state responsibility. Plugging wells is expensive and requires specialized service crews, which strains state resources. The longer wells remain inactive, the more likely they are to require public intervention.

- Plugging costs can reach tens of thousands of dollars per well.
- The state must act when wells are abandoned without a responsible operator.
- Each year of inactivity increases the likelihood of state-funded plugging.

## ***2.6 Economic Pressures in 2025***

Texans face higher costs for transportation, groceries, and essential services, and fuel prices play a major role in these increases. When fuel becomes expensive, every part of daily life becomes more costly, especially for families who commute long distances.

Practical solutions that reduce these costs are needed across the state.

- Higher fuel prices increase the cost of goods and services.
- Families feel financial strain during periods of unstable gasoline prices.
- Rural Texans face longer driving distances and greater overall impact.

## ***2.7 Impact on Rural Communities***

Rural counties host a large share of inactive wells, and these wells represent missed economic opportunity. Reviving even a small number of wells can create local work and bring revenue back to landowners. For many rural regions, the ability to restore production has a direct economic benefit.

- Local service companies gain new work when wells are revived.
- Landowners receive income that supports their property and operations.
- Communities benefit from increased activity and stable production.

### **3.1 Protecting Emergency Services From Fuel Volatility**

Fire departments, police agencies, and ambulance services depend on constant fuel availability to respond to emergencies. Sudden price spikes or supply disruptions strain local budgets and can delay equipment replacement or staffing decisions. Prioritizing emergency service vehicles ensures fuel stability where lives and public safety are directly at stake.

### **3.2 Emergency Fleets Are the Most Efficient Starting Point**

Emergency service fleets consume a relatively small, predictable volume of fuel compared to the general public. This makes them ideal for an initial program that must operate within conservative production limits. By starting with fleets rather than individual consumers, the program can function effectively at smaller scale while maintaining reliability.

### **3.3 Supporting Cities and Towns Without Raising Local Taxes**

Many cities and rural communities face budget pressure from rising operating costs, including fuel. Stabilizing fuel costs for emergency fleets helps local governments redirect limited funds toward staffing, equipment, and training. This approach provides relief without requiring new local taxes or fees.

### **3.4 Aligning Fuel Use With Public Benefit**

Emergency service vehicles provide a clear and widely understood public benefit. Fuel allocated to fire, police, and ambulance fleets directly supports life-saving services rather than discretionary consumption. This alignment strengthens public trust and ensures that early program benefits serve the broadest community interest.

### **3.5 Reducing Risk While the Program Is Proven**

Launching with emergency fleets reduces operational and financial risk during the pilot phase. Fuel demand is known, usage is tracked, and oversight systems already exist within public agencies. This allows the state to evaluate performance using real data before considering any expansion.

### **3.6 Creating a Responsible Path Toward Future Expansion**

The program does not assume immediate expansion beyond emergency services. Any future extension to additional public fleets or individual Texans would depend on verified

production data, financial performance, and legislative approval. This phased approach ensures decisions are guided by results rather than assumptions.

### **3.7 Why This Approach Fits Texas in 2025**

Texas continues to manage thousands of inactive oil wells alongside increasing public safety demands. Using existing resources to stabilize emergency fuel access reflects current economic and infrastructure realities. The EMS-first model balances fiscal responsibility, public safety, and long-term planning without disrupting existing fuel markets.

## **4. How We Choose Which Wells to Revive**

Not every inactive well in Texas is suitable for revival. Some wells can be repaired and made productive, while others are too damaged or costly to restore. This section explains the evaluation process used to identify wells that can safely and responsibly return to production under the program.

#### ***4.1 Classifying Wells for Viability***

Each inactive well is placed into a category based on its current condition, history, and potential for safe production. This classification helps determine whether the well can be revived or if it should remain capped or plugged. The goal is to focus on wells with realistic potential that do not carry unnecessary risk.

- Category A wells have strong potential for quick revival.
- Category B wells require moderate repairs but can still be viable.
- Category C wells are too costly or unsafe to revive.

#### ***4.2 Engineering Review and Condition Checks***

A technical evaluation is performed to understand the mechanical state of each well. Engineers review tubing, casing, cement integrity, and past production records to determine whether the well can operate safely. This ensures only wells that meet basic structural standards move forward.

- Mechanical issues such as collapsed tubing are identified early.
- Casing and cement are checked for leaks or weak points.
- Engineers confirm whether the well can safely hold pressure and flow.

#### ***4.3 Safety and Environmental Considerations***

Some wells pose higher safety or environmental risks due to age, location, or structural problems. These wells require deeper evaluation to determine whether revival is responsible or if plugging is the safer option. Safety standards must be met before any repair work begins.

- Wells with significant corrosion or leakage are excluded from revival.
- Nearby water sources are reviewed to ensure no contamination risk.
- Environmental conditions are included in the final decision process.

#### ***4.4 Cost and Production Potential***

A well must have the potential to produce enough oil to justify the cost of repair. Engineers and operators estimate expected output based on reservoir data, pressure tests, and historical production. Wells that cannot reasonably produce enough oil are not selected for revival.

- Production estimates are based on verified field data.

- Repair costs are compared against projected output.
- Wells with minimal expected returns are removed from consideration.

#### ***4.5 Final Selection Criteria***

After technical, environmental, and economic reviews, wells that meet all requirements are placed into the program. This final screening ensures that each participating well is safe, viable, and capable of contributing to long-term fuel relief. Only wells that pass every step are approved.

- Wells must meet safety, engineering, and cost standards.
- Final approval is based on documented evaluations.
- Only wells with responsible production potential enter the program.

### **5. Working With Landowners and Operators**

The Texans First Fuel Program only works when landowners and operators participate willingly and understand the protections in place for both sides. This section explains how agreements are formed, how rights are respected, and what steps ensure that wells are managed responsibly from start to finish. The goal is to create simple, clear partnerships that work for everyone involved.

### ***5.1 Protection of Mineral Rights***

Mineral rights remain fully intact under this program, and the state does not take ownership of any minerals. Landowners continue to receive their share of royalties just as they would with any producing well. This structure keeps control in private hands while allowing the program to support well revival.

- The state receives only a small share of oil that comes from revived wells.
- Landowners retain full legal ownership of their minerals.
- Royalty agreements remain unchanged and follow standard Texas law.

### ***5.2 Voluntary Participation***

Participation in this program is entirely voluntary for both landowners and operators. No well can be revived unless all parties agree to the terms and understand their responsibilities. This approach ensures trust and avoids conflict between private stakeholders and the state.

- Wells cannot enter the program without written consent.
- Participation requires clear documentation for each property.
- Operators remain in control of their day-to-day operations.

### ***5.3 Royalty Safeguards***

Landowners depend on royalty income, and the program protects this revenue by keeping all existing royalty structures in place. The state's share comes only from the portion of oil tied to its financial support. This design ensures landowners do not lose income when wells return to production.

- Royalty percentages are not reduced by state involvement.
- Payments follow standard reporting and verification procedures.
- Landowners receive income based on actual production.

### ***5.4 Surface Use and Property Agreements***

Any revival work on a property must follow a surface use agreement that respects landowner rights. These agreements clarify access, work hours, and responsibilities if improvements or repairs are needed. Clear terms help maintain a positive relationship between landowners and operators.

- Surface agreements outline all expected activities.
- Property damage protections are included in the process.
- Landowners receive advance notice before work begins.

### ***5.5 Liability and Long-Term Responsibilities***

Both state and operator responsibilities must be clearly defined to avoid disputes. Operators remain responsible for well operation, safety, and compliance, while the state ensures its share of support is properly documented. Long-term obligations remain with the operator as required by Texas law.

- Operators continue to follow all safety and regulatory requirements.
- The state documents its role without assuming operational control.
- Long-term plugging responsibilities remain with the operator unless otherwise governed by existing law.

## **6. State Participation Options**

The Texans First Fuel Program uses tiered participation levels to match the needs of different wells and operators. Some wells require only minimal assistance, while others need more significant support to become productive again. These options allow the program to stay flexible, cost conscious, and compatible with a wide range of field conditions.

### ***6.1 Tier One: Light Assistance***

Tier One is designed for wells that need minor repairs or simple workovers to resume production. The state provides a small financial contribution that reduces the operator's upfront cost without altering the structure of the project. This tier helps revive wells that are close to being productive again.

- The state covers a small percentage of revival costs.
- Operators retain full operational control and responsibility.
- Wells in this tier typically return to production quickly.

### ***6.2 Tier Two: Moderate Assistance***

Tier Two supports wells that require more substantial repairs but still have strong production potential. The state shares a larger portion of the cost in exchange for a small share of the revived well's output. This option helps revive wells that otherwise would not be financially viable.

- Moderate repairs such as tubing replacement or re-perforation may be required.
- The state receives a small, defined share of production.
- Operators gain access to resources that reduce financial risk.

### ***6.3 Tier Three: High Assistance***

Tier Three is reserved for wells that require significant investment before they can be safely revived. The state contributes a larger percentage of repair costs and receives a proportionate share of the oil produced. These wells carry more risk but can still provide long-term value if successful.

- Wells in this tier often need multiple forms of repair.
- State support helps offset the higher financial burden.
- Participation is voluntary and based on documented evaluation.

### ***6.4 Full-Cost Revival Option***

In limited cases, the state may assume the entire cost of reviving a well when the operator is unable to fund repairs. This option is used only when evaluations confirm that the well can produce enough to justify full support. The arrangement keeps the operator responsible for operation while allowing the state to recover its investment over time.

- Full-cost support is offered only after thorough review.
- The state receives a larger share of production to recover expenses.
- Operators continue managing daily operations under regulatory rules.

### ***6.5 How Tiers Are Selected***

The tier assigned to each well is based on engineering evaluations, cost estimates, and the expected production potential. This ensures that state resources are used responsibly and that wells selected for revival have realistic pathways to success. The process is transparent and documented for all participating stakeholders.

- Cost and production data determine the appropriate tier.
- Engineers assess the level of repairs needed.
- Operators and landowners agree before a tier is finalized.

## **7. Transport and Midstream Logistics**

Bringing revived wells back into production requires access to reliable transport systems that move oil from the well site to refineries. Texas already has extensive pipelines, gathering systems, and trucking operations that support the energy industry. This section outlines how these existing logistics networks are used to handle production from wells participating in the program. These ‘midstream’ companies handle the pipelines, tanks, and trucking that move oil between the well and the refinery.

### ***7.1 Using Existing Transport Systems***

Texas has a mature transportation network that includes pipelines, trucking fleets, and storage facilities capable of handling small and moderate volumes of crude. The program relies on these existing systems rather than building new infrastructure. This reduces cost and makes implementation faster and more efficient.

- Current pipeline routes already serve most producing regions.
- Trucking services can move oil where pipeline access is limited.
- Existing storage tanks allow flexible scheduling of shipments.

### ***7.2 Gathering Line Access***

Gathering lines are essential for delivering crude from individual wells to larger pipeline systems. Wells that qualify for revival often sit near gathering infrastructure, simplifying the process. Access agreements are made between operators and midstream companies to keep flow consistent and safe.

- Operators negotiate standard access terms with gathering companies.
- Lines must meet safety and pressure requirements before use.
- Flow rates are scheduled to match production from revived wells.

### ***7.3 Trucking Small-Volume Production***

Not every revived well sits close to pipeline or gathering lines, and trucking becomes the practical solution in these areas. Modern trucking fleets are capable of handling smaller, periodic loads without requiring major changes to local infrastructure. This provides flexibility for both operators and midstream companies.

- Trucks can transport oil directly to nearby storage or pipelines.
- Production volumes are tracked for accurate reporting and payment.
- Trucking ensures rural or remote wells can still participate in the program.

### ***7.4 Storage and Blending Needs***

Storage tanks and blending facilities help manage the flow of crude from different wells and ensure that the oil delivered to refineries meets required specifications. The program uses existing storage points to avoid new construction and keep costs stable. Coordination between operators and facility managers ensures consistent quality.

- Storage tanks help balance production fluctuations.
- Blending improves compatibility with refinery requirements.
- Facilities are selected based on proximity and existing capacity.

### ***7.5 Coordinating Midstream Support***

Midstream companies play a key role in ensuring that revived wells integrate smoothly into the logistics network. Coordination focuses on scheduling, safety, and efficiency, allowing production to move at a steady pace. This cooperation helps keep the program reliable and predictable for all participants.

- Midstream companies verify that all safety standards are met.
- Scheduling ensures steady movement of product from wells to refineries.
- Operators and midstream companies share data to keep reporting accurate.

## **8. Refining and Cost-Plus Agreements**

Texas has a strong network of refineries that are capable of processing crude from revived wells without new construction or major changes to existing operations. The program uses a cost-plus model to ensure refineries receive fair compensation while the state obtains a stable supply of fuel for the credit system. This approach keeps operations predictable and gives refineries a straightforward incentive to participate.

### ***8.1 Why We Rely on Existing Refineries***

Texas refineries already handle a wide range of crude types and have the capacity to absorb production from revived wells. Using existing infrastructure avoids unnecessary expenses and reduces the time needed to begin refining. This makes the program more efficient and easier to scale.

- No new refineries or expansions are required.
- Existing facilities already meet safety and regulatory standards.
- Refineries can process small additional volumes without disruption.

### ***8.2 How Cost-Plus Pricing Works***

A cost-plus model pays refineries for the cost of processing crude plus a small, fixed margin. In simple terms, the refinery is paid back for its costs plus a small, fixed profit. This structure provides predictable revenue for the refinery and a stable fuel supply for the state. It also prevents major price fluctuations that would affect the program.

- Refineries recover all processing costs through the agreement.
- A fixed margin ensures fair compensation for participation.
- The model creates price stability for the fuel credit system.

### ***8.3 Matching Crude Quality***

Different refineries are built to handle specific types of crude, and not all crude is processed the same way. Production from revived wells is matched to refineries based on quality, ensuring efficient processing. This step reduces compatibility issues and keeps refining operations smooth.

- Engineers evaluate crude characteristics such as gravity and sulfur content.
- Crude is directed to facilities equipped to handle similar grades.
- Matching reduces operational strain and prevents unnecessary blending.

### ***8.4 Incentives for Refineries***

Refineries benefit from the program through guaranteed processing arrangements and predictable volumes. The cost-plus structure provides steady compensation, making participation consistent and low-risk. This keeps refineries engaged and ensures long-term supply for the program.

- Refineries gain stable processing contracts.
- Predictable volumes support scheduling and planning.
- Participation involves minimal operational changes.

### ***8.5 Ensuring Long-Term Refining Stability***

As more wells join the program, refining demand will gradually increase. The cost-plus model ensures that this growth remains manageable and does not strain facility capacity. Long-term stability helps maintain a reliable supply for the fuel credit system without disrupting the broader energy market.

- Growth is gradual and based on revived well output.
- Agreements are structured to avoid overwhelming refineries.
- Capacity planning is coordinated with refinery operators.

## **Section 9. Emergency Service Fuel Allocation System**

The Texans First Fuel Program uses a controlled fuel allocation system designed specifically for emergency service vehicles operated by cities, counties, and other public safety entities. This system prioritizes reliability, accountability, and fiscal discipline while limiting administrative complexity during the initial phase.

### **9.1 Eligible Emergency Service Fleets**

Participation in the initial phase is limited to public safety fleets, including fire departments, police departments, and ambulance or emergency medical service providers. Eligible fleets must be operated by a public entity or under contract with a public entity and used primarily for emergency response or public safety operations.

### **9.2 Fleet-Based Fuel Accounts**

Rather than issuing individual fuel credits, the program operates through fleet-based fuel accounts. Each participating agency is assigned an account that tracks fuel usage, allocations, and cost offsets. This approach builds on existing fleet management practices already used by cities and counties.

### **9.3 Fuel Distribution Methods**

Fuel may be supplied through existing municipal fuel depots, contracted fuel vendors, or fleet fueling cards, depending on local infrastructure. The program does not require agencies to change their fueling locations, only the method by which fuel costs are partially offset through the program.

### **9.4 Production-Linked Fuel Limits**

Fuel allocations are directly tied to verified oil production from participating wells. Monthly limits are established to ensure that fuel support does not exceed actual program revenue. This prevents overextension and ensures the system remains financially sustainable.

### **9.5 Priority Access During Emergencies**

During declared emergencies, natural disasters, or major incidents, participating emergency fleets may receive priority access within the program's allocation limits. This ensures continuity of response when fuel supply disruptions are most likely to occur.

## **9.6 Financial Flow and Accountability**

Fuel cost offsets are reimbursed through the program's funding sources, including the state's share of revived well production and approved budgetary mechanisms. All transactions are documented, auditable, and subject to standard state financial oversight.

## **9.7 Fraud Prevention and Oversight**

Because fuel is allocated at the fleet level rather than the individual level, the risk of fraud is reduced. Usage data, vehicle counts, and fuel volumes are regularly reviewed to ensure compliance with program rules and to identify irregular patterns.

## **9.8 Performance Review and Adjustment**

Program performance is reviewed on a recurring basis to assess production levels, fuel usage, and financial balance. Allocation levels may be adjusted based on real-world results, ensuring that the system remains aligned with actual capacity.

## **9.9 Pathway to Future Expansion**

The emergency service fuel allocation system is intentionally limited in scope during the initial phase. Any future consideration of expansion to additional public fleets or individual Texans would require demonstrated program performance, updated financial analysis, and legislative approval.

## 10. Funding the Program Without New Taxes

The Texans First Fuel Program is designed so that it can operate without new taxes or additional financial burdens on Texans, by using existing revenue streams and production from revived wells. Instead, it relies on existing revenue streams, production shares from revived wells, and savings from reduced plugging obligations. This funding model allows the program to grow responsibly while keeping costs predictable and controlled.

### ***10.1 Using a Portion of Severance Tax Revenue***

Texas already collects severance taxes on oil production, and a small portion of this revenue can be directed to support the program. A severance tax is a state tax on oil and gas when they are taken out of the ground. Only a limited share is needed to help revive wells that have clear production potential. This approach uses existing funds without increasing tax rates.

- Severance tax allocations remain within the energy sector.
- Only a small portion is redirected to program support.
- Overall tax levels stay the same for the public.

### ***10.2 Recycling Part of the State Fuel Tax***

A small fraction of the fuel tax collected at the pump can be used to help reimburse stations that provide discounted fuel. This keeps retail operations fully funded while maintaining stability in the credit system. The redirection is limited and remains within existing tax structures.

- Fuel taxes continue to be collected at normal rates.
- A controlled portion supports credit reimbursements.
- Retailers maintain consistent revenue.

### ***10.3 State Share of Revived Well Production***

When the state helps fund well revival, it receives a small share of the oil produced. This production is refined and used to support the fuel credit system, reducing the need for external funding. As more wells participate, this share becomes the main financial engine of the program.

- Production shares come only from wells in the program.
- The share increases as participation grows.
- Fuel produced from these wells helps fund the credit system.

#### ***10.4 Savings From Avoided Plugging Costs***

Reviving suitable wells reduces the number of wells that must be plugged using state resources. Plugging is expensive, and each successful revival prevents significant long-term costs. These savings can be redirected into the program to support additional well evaluations and repairs.

- Plugging costs often exceed tens of thousands per well.
- Each revived well reduces long-term public expenses.
- Savings help support future program stages.

#### ***10.5 Reinvestment Cycle and Sustainability***

The program is designed to reinvest a portion of its own output into expanding operations. As revived wells produce oil, the resulting fuel credits support more interest and participation. This creates a sustainable cycle without requiring new taxes or long-term public subsidies.

- Growth comes from increased well participation.
- Reinvestment keeps the program self-sustaining.
- No new taxes or fees are required to continue expansion.

## **11. Environmental and Safety Standards**

Reviving an inactive well requires careful attention to environmental protection and safety. Each well must meet strict standards before, during, and after the revival process. These requirements ensure that production remains safe, responsible, and fully compliant with Texas regulations while maintaining public confidence in the program.

### ***11.1 Methane Inspection and Monitoring***

Methane leaks pose both environmental and safety risks, and every well in the program must undergo a full inspection before revival can begin. Monitoring continues throughout the well's operation to ensure emissions remain within acceptable limits. These steps help prevent avoidable releases and maintain safe conditions.

- Inspections identify leaks or pressure issues before repairs begin.
- Ongoing monitoring ensures compliance with state requirements.
- Problem wells are removed from the program if methane cannot be controlled.

### ***11.2 Casing and Cement Integrity***

The structural integrity of casing and cement is essential for safe production. Engineers examine the condition of these components to determine whether the well can safely handle pressure and fluid movement. Wells with compromised integrity cannot proceed until repairs are completed.

- Integrity tests confirm that the wellbore is structurally sound.
- Repairs are required if casing or cement shows signs of weakness.
- Unsafe wells are excluded from the program until they meet standards.

### ***11.3 Spill Prevention at the Surface***

Surface spills are a preventable risk when proper procedures and equipment are used. Operators must follow updated spill prevention practices to manage fluids and prevent contamination of soil or water. These precautions protect both landowners and the surrounding environment.

- Equipment must meet modern containment and handling standards.
- Operators must follow documented spill prevention procedures.
- Any spill event is reported and addressed immediately.

## **11.4 Water Disposal and SWD Access**

Safe water disposal is an important part of well operation, especially for older wells. Disposal routes must comply with Texas injection standards, and operators must demonstrate access to approved saltwater disposal facilities. Saltwater disposal wells are where the used water from oil production is injected safely back underground. These steps keep operations clean and maintain regulatory compliance.

- Produced water must be routed to permitted disposal sites.
- Operators verify disposal capacity before revival begins.
- Wells lacking a compliant disposal path cannot participate.

## **11.5 Plugging Wells That Cannot Be Saved**

Some wells are too costly or too damaged to be revived, and plugging them is the most responsible option. If evaluations show that a well cannot meet safety or environmental standards, it is flagged for plugging instead of revival. This prevents long-term risks to landowners and the state.

- Wells with severe structural issues are removed from consideration.
- Engineering data determines when plugging is the safest choice.
- The program does not attempt to revive wells that cannot meet requirements.

## **11.6 Safety Checks Before Production Begins**

Before any revived well is turned back on, it must pass a final series of safety tests. These tests confirm that repairs were completed properly and that the well can operate without risk to people or property. Only wells that pass all requirements may resume production.

- Final pressure and flow tests verify operational readiness.
- Safety reviews confirm compliance with updated standards.
- Wells may not produce until all tests are complete and documented.

# **Section 12. Implementation Timeline**

The Texans First Fuel Program is structured as a phased rollout to manage risk, ensure accountability, and allow real-world performance data to guide expansion decisions. Each phase builds on verified results from the prior stage rather than assumed outcomes.

## **12.1 Phase One: Program Setup and Well Evaluation**

The initial phase focuses on administrative setup, interagency coordination, and technical screening of candidate wells. During this period, the state establishes program rules, standard agreements, and oversight processes. Engineering, environmental, and economic reviews determine which wells are suitable for revival and which should proceed directly to plugging.

## **12.2 Phase Two: Pilot Well Revival and Production Verification**

Approved wells enter a limited revival phase where repairs, workovers, and compliance upgrades are completed. Production is monitored closely to verify output, decline rates, and operational stability. No fuel allocation commitments exceed verified production during this phase.

## **12.3 Phase Three: Emergency Service Fleet Fuel Allocation**

Once sufficient production is confirmed, the program begins supplying fuel cost support exclusively to emergency service vehicles operated by participating cities, counties, and public safety entities. Fuel allocations are tied directly to verified production levels and are adjusted monthly to remain within program capacity.

## **12.4 Phase Four: Performance Review and Program Stabilization**

Program performance is reviewed across multiple criteria, including production consistency, financial balance, administrative cost, and public safety impact. Adjustments may be made to allocation levels, participation criteria, or operational procedures to improve efficiency and reliability.

## **12.5 Phase Five: Consideration of Expansion**

Only after sustained performance is demonstrated does the program consider expansion beyond emergency service fleets. Any proposed expansion to additional public fleets or individual Texans requires updated financial analysis, production data, and legislative approval. Expansion is not automatic and is contingent on documented results.

## **12.6 Ongoing Oversight and Reporting**

Throughout all phases, the program operates under continuous oversight. Regular reports summarize production volumes, expenditures, and program outcomes. This transparency ensures that policymakers and the public can evaluate whether the program is meeting its stated goals.

## Section 13. Final Message

The Texans First Fuel Program is built on a simple principle: public safety must come first. Texas has thousands of inactive oil wells, rising fuel costs, and growing demands on emergency services. Rather than treating these as separate problems, this program brings them together in a responsible, practical way.

By starting with fire departments, police agencies, and ambulance services, the program focuses on fuel where reliability matters most. Emergency vehicles must be ready at all times, regardless of market volatility, supply disruptions, or budget pressure at the local level. Stabilizing fuel access for these fleets protects communities, supports first responders, and strengthens disaster readiness across the state.

This program is intentionally cautious. It does not assume best case outcomes or promise immediate benefits to everyone. Wells are evaluated carefully. Participation by landowners and operators is voluntary. Fuel allocations are tied directly to verified production. If the data supports expansion, the Legislature can consider it. If it does not, the program remains limited and focused on its core mission.

Texas has always balanced private enterprise with public responsibility. The Texans First Fuel Program respects property rights, avoids state ownership of oil, and works alongside existing markets rather than replacing them. It uses resources that already exist, reduces long-term environmental and financial liabilities, and applies the benefits where they serve the public interest most clearly.

This is not a short-term fix or a campaign promise. It is a measured infrastructure strategy designed to be tested, evaluated, and adjusted based on real results. If it works, Texas gains a stronger, more resilient emergency response system. If it does not, Texans will know that the decision was guided by data, not assumption.

That is the standard this program is built to meet.

## Frequently Asked Questions (FAQ)

## **What is the Texans First Fuel Program?**

The Texans First Fuel Program is a state initiative designed to responsibly revive eligible inactive oil wells and use a portion of the resulting production to stabilize fuel access for emergency service vehicles. The program prioritizes public safety, fiscal responsibility, and long-term risk reduction.

## **Which vehicles are included in the initial phase of the program?**

The initial phase is limited to emergency service vehicles operated by public entities. This includes fire departments, police departments, and ambulance or emergency medical service fleets.

## **Why does the program start with emergency service vehicles instead of the general public?**

Emergency vehicles require constant fuel availability to protect lives and respond to disasters. Their fuel demand is predictable and easier to manage at small scale, which makes them the most responsible starting point while the program is tested and evaluated.

## **Will individual Texans receive fuel discounts or credits under this program?**

No. The initial phase does not provide fuel discounts or credits to individual drivers. Any future consideration of public participation would depend on verified production data, financial performance, and legislative approval.

## **How does the program supply fuel to emergency fleets?**

Fuel is supplied through existing municipal fuel depots, contracted fuel vendors, or fleet fueling systems already used by cities and counties. The program offsets part of the fuel cost rather than changing where fleets refuel.

## **Does the state take ownership of oil wells or mineral rights?**

No. All participation is voluntary. Landowners retain mineral rights, operators retain control of operations, and the state does not own oil or wells under this program.

## **How are wells selected for revival?**

Wells are evaluated using engineering, environmental, and economic criteria. Wells that do not meet safety or viability standards are directed toward proper plugging rather than revival.

### **What happens if a revived well produces less oil than expected?**

Fuel support is tied directly to verified production. If production is lower than expected, fuel allocations are reduced accordingly. The program does not rely on assumed or projected output.

### **How is the program funded without new taxes?**

Funding comes from a combination of the state's limited share of production from revived wells, existing severance tax revenue, and avoided long-term plugging costs. The program operates within capped budgets approved by the Legislature.

### **Which state agencies are involved in administering the program?**

The Railroad Commission oversees well eligibility and technical compliance. The Texas Commission on Environmental Quality oversees environmental standards. The Comptroller manages financial flows and reimbursements. Other agencies may support oversight as needed.

### **How does the program prevent fraud or misuse?**

Fuel support is provided at the fleet level rather than to individuals. Usage data, vehicle counts, and fuel volumes are reviewed regularly, and all transactions are subject to audit and oversight.

### **Will the program interfere with private fuel markets?**

No. The program uses small, targeted volumes and operates alongside existing markets. It does not set fuel prices, mandate participation, or restrict private sales.

### **Can private oil operators choose not to participate?**

Yes. Participation by landowners and operators is entirely voluntary. Wells are included only if the owner and operator agree to the program's terms.

### **What happens if an operator stops participating or defaults?**

Existing bonding, liability, and regulatory requirements remain in place. If a well becomes nonviable, it may transition to proper plugging under existing state rules.

### **Will the program publish public reports?**

Yes. Regular reports will summarize production levels, expenditures, and program performance so policymakers and the public can evaluate results.

### **How will the state decide whether to expand the program in the future?**

Expansion decisions will be based on verified production data, financial sustainability, administrative performance, and public safety impact. Expansion is not automatic and requires legislative approval.

### **What is the long-term goal of the program?**

The long-term goal is to reduce environmental and financial liabilities from inactive wells while strengthening fuel resilience for critical public services. Any broader benefits are considered only after the program proves effective at its initial scale.

### **Final Note**

The Texans First Fuel Program is designed to be tested, measured, and adjusted. Its success is defined by real-world performance, not promises. Public safety comes first, and every decision follows that principle.