

**Effect of Not Transferring \$400,000 SFG to the Abandoned Oil and Gas Well Plugging Well Program
FY 2004 - FY 2012, est.**

Part of the charge to the Joint Committee on Energy and Environmental Policy was to study the impact of not transferring \$400,000 from the State General Fund(SGF) into the Abandoned Oil and Gas Well Program each year. The table to the right shows that an estimated 904 additional abandoned wells could have been plugged if SGF payments were made from FY 2004 - FY 2012. The chart below compares the actual inventory at the end of each fiscal year (FY 2012 estimated) with the anticipated inventory if annual SGF payments had been made.

	Avg. cost to plug a well	No. wells plugged for \$400,000
FY 2004	\$3,013	133
FY 2005	\$3,350	119
FY 2006	\$3,681	109
FY 2007	\$4,062	98
FY 2008	\$4,939	81
FY 2009	\$3,950	101
FY 2010	\$4,250	94
FY 2011	\$4,500	89
FY 2012, est.	\$5,000	80
Total additional wells		904

