Temporary Abandonment Status for Inactive Production Wells Frequently Asked Questions

On January 1, 2023, the amendments of the Temporary Abandonment (TA) regulations became effective. These regulations are codified at 62 Illinois Administrative Code 240.1130.

1. Which types of wells may be considered inactive production wells?

- Oil Production Wells
- o Gas Production Wells
- Water Supply Wells
- Coal Mine Gas Wells
- o Coal Bed Gas Wells

2. What does inactive production well mean?

Any idle production well (listed above) located on an active lease or unit that has not had commercial production during the last 24 consecutive months may be considered an inactive production well. Wells meeting these criteria may apply for temporary abandonment status under 62 III. Adm. Code 240.1130.

 "Commercial Production" – means oil and/or gas has been produced and sold from a well.

3. How do I apply for *Initial* Temporary Abandonment Status?

You are applying for initial TA status if the well is not currently in TA status. Therefore, TA status may be applied for by submitting a completed OG-15 Request for Temporary Abandonment form (select "initial request") with the \$100.00 fee. **The OG-15 form and check must be mailed to**:

Department of Natural Resources Office of Oil and Gas Resource Management One Natural Resources Way Springfield, IL 62702-1271 (217) 782-7756

Make check or money order payable to: Department of Natural Resources – Office of Oil and Gas Resource Management (or DNR OOGRM).

Please do not mail this form, check, or money order to the District Offices; this will delay the processing of your request and payment processing.

The OG-15 form may be obtained from the IDNR web page at this link: Oil and Gas Forms.

4. How do I apply for Renewal of TA Status?

If the well is currently in TA status, you are applying for *renewal* of TA status. There are two types of renewals:

a. TA status was obtained prior to January 1, 2023.

If your well was placed in TA status prior to January 1, 2023, renewal of TA status may be applied for by submitting a completed OG-15 Request for Temporary Abandonment form (select " renewal") via email to DNR.OOGRMTA@illinois.gov. You may also mail

the form to the address listed in Question 3. The \$100.00 fee is not required for renewals. Please note the requirements to qualify for TA status in Question 5.

b. TA status was obtained on or after January 1, 2023.

If your well was placed in TA status on or after January 1, 2023, renewal of TA status may be applied for by submitting a completed OG-15 Request for Temporary Abandonment form (select "renewal" ") via email to DNR.OOGRMTA@illinois.gov. You may also mail the form to the address listed in Question 3. The \$100.00 fee is not required for renewals.

In addition to the requirements to qualify for TA status listed in Question 5, you must submit detailed geological, engineering, or economic evidence that, based on industry standards, demonstrates the well remains viable for future oil and gas development purposes [62 III. Adm. Code 240.1130(k)]. The Department shall review the submission.

5. What are the requirements to qualify for TA status?

Permitted gas production wells with sustained gas pressure at the surface may be placed in TA status for a 5-year period if the well meets the following:

- A proper bond is in effect.
- The well is not in the Plugging and Restoration Fund.
- The well is equipped with an intact leak-free wellhead or capped with a valve and configured to monitor casing or annular pressure.
- The well is configured to include a one-quarter-inch female fitting with a shut-off valve to allow monitoring of the annulus.
- The wellhead shall be above ground level.

Other inactive production wells may be placed in TA status for a 5-year period if the well meets the following:

- A proper bond is in effect:
- The well is not in the Plugging and Restoration Fund;
- The well is equipped with an intact leak-free wellhead or capped with a valve and configured to monitor casing or annular pressure;
- The well is configured to include a one-quarter-inch female fitting with a shut-off valve to allow monitoring of the annulus;
- The wellhead shall be above ground level; and
- The well meets one of the three criteria defined in 62 III. Adm. Code 240.1130(d), relating to the static fluid level measurement of the well.

[Refer to 62 III. Adm. Code 240.1130(c) and (d).]

6. What happens if the well cannot meet the requirements to be placed in TA status?

If the well cannot meet the requirements, the operator will have 90 days to plug the well or address the deficiencies and secure a TA approval.

7. Can TA status be revoked?

Yes, failure to comply with the requirements of 62 III. Adm. Code 240.1130 may result in a revocation of TA status.

8. Is there a reporting requirement for a well in TA status?

Yes, in accordance with 62 III. Adm. Code 240.1130(f), an operator must monitor and submit an OG-15C Annual Temporary Abandonment Certification form to the Department certifying that there is no pressure on the casing or any annulus of the well. The twelvemonth monitoring period covered by the form is July 1 of the previous year to June 30 of the current year. The forms are due in the Department, along with the annual TA fee of \$100.00, by September 1 of the current year.

The OG-15C form may be obtained from the IDNR web page at this link: Oil and Gas Forms.

The OG-15C form and check or money order for the annual TA fee must be mailed to:

Office of Oil and Gas Resource Management One Natural Resources Way Springfield, IL 62702-1271 (217) 782-7756

Please do not mail this form, check, or money order to the District Offices; this will delay the processing of your annual certification and payment.

9. Is there a fee associated with a well TA status?

Yes, in accordance with <u>62 III. Adm. Code 240.1130(j)</u>, an annual fee of \$100.00 per well is owed for each inactive production well in TA status.

The Department will assess the annual fee of \$100 per well on July 1 of each year and send notices of the annual TA fee to the operators. The fee and OG-15C form are due at the Department by September 1 each year.

10. Are Inactive Class II Underground Injection Control (UIC) wells eligible for TA status?

Yes, in accordance with <u>62 III. Adm. Code 240.1132</u>, TA status may be applied for by submitting a completed OG-15 Request for Temporary Abandonment form. However, there is not a fee associated with TA status for Class II UIC wells.

The OG-15 form may be mailed to the address listed below or sent by email to DNR.OOGRMTA@illinois.gov.

Department of Natural Resources Office of Oil and Gas Resource Management One Natural Resources Way Springfield, IL 62702-1271 (217) 782-7756

Please do not mail this form to the District Offices; this will delay the processing of your request.

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