

Illinois Oil and Gas Advisory Board

April 24, 2025, Meeting Minutes

Board members in attendance: Ross Basnett, Matt Davis, Malcolm Booth, Brandi Stennett, Justin Gesell, Brad Daugherty

Non-voting members in attendance: Dan Brennan (DNR)

IOGA Representatives: Ed Cross

DNR – OOGRM in attendance: Vanasa Brittin-Orr, Jessica Donnelly, Kendra Brockamp, Kyle Fitzpatrick, Ron Hutmacher

Guests: Craig Hedin, Bryan Dicus, Bert Farrara, Seth Whitehead, Casey Lampley, Jared Tines, Alex Macina, Rusty Desormeaux, Peyton Breedlove, Donnie Busscher, Mike Payne, Ed Cross, Bert Ferrara, Ashley Alldredge, Brad Richards, Brian Dicus, Stephanie Storckman, Partick Dee, R J Rains, Eric Rariden, Nelson Wood

1) Chair Ross Basnett called the meeting to order at 10:06 AM

2) Approval of Minutes of 01/23/2025 Meeting

Motion to approve minutes as presented by Matt Davis. Second, by Justin Gesell.

3) Round Table Discussion

A. Update on Plugging of Orphan Wells (Infrastructure Investment and Jobs Act Grant with U.S. Department of Interior)

Dan Brennan provided the update on behalf of Illinois Department of Natural Resources regarding progress to the plugging of Orphan wells in the State of Illinois utilizing Infrastructure Investment and Jobs Grant money. During the last meeting the Department reported a pause in the program, this pause has now been lifted. Two plugging projects are completed in Gallatin and Wabash Counties. Plugging operations are beginning in Crawford and three leaking wells have been submitted for Hamilton County for emergency consideration. The Department is still working with various sections to gain the necessary sign-off for the Department of Interior grant funding approval of the 25 Million. The question of the time to dawn down the money was asked and Mr Brennan responded it is a two-year draw period, but the grant does allow the Department to roll the funds up to a four-year total period. The clock started for those funds in August 2024. If the Department rolls the money over there is an \$11 Million formula grant Illinois could apply for out of the original \$36 Million. Of this money less than 10% can be used for administration, but the Department has stayed well under this number.

B. Update on Mitigating Emissions from Marginal Conventional Wells Grant with U.S. Department of Energy and U.S. Environmental Protection Agency

<https://publish.illinois.edu/methane-wells-project/volunteer-your-well/>

Mr Brennan stated the Illinois State Geological survey is the head of this program and has completed the testing phase and are analyzing the results now. They have not put out the bid for the project because they have not met with the US Dept of Energy since January. The survey is still looking for wells to be plugged under these grants. This grant has \$14 Million for plugging and has been put in a similar specific account as the orphan well program.

C. Update on application processing time for UIC Permits and Temporary Abandonment status.

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The State said that Kyle F. and John have been working hard to bring the permits and TA process into their 20-day response period. He noted that both programs are well within that period and have been getting good response from operators once those deficiency letters go out. Operators commented it was nice to see they were getting responses to the TA's they were submitting now. The Department has also established a dedicated email for these permits, so they are received directly by their team.

4) **New Business**

A. Discussion of Notice requirement under 62 IL Admin Code 240.370 and 240.1040.

Chair Ross Basnett asked about the UIC permit green card update similar to the third-party delivery service for notification of the coal owners. Staff is working on verbiage for this change but did not have language available to date to present at the meeting. The Advisory Board members were strongly encouraging this language to be developed. No objections were stated. A discussion regarding the obsolete newspaper publications followed, but Illinois DNR legal would need to research and develop an approved alternative form publication.

B. Discussion of possible changes to 62 IL Admin Code Subpart L: Requirements for Other Types of Wells

Dan Brennan addressed the Board regarding the increased number of structure test hole permits and other types of wells in regard to the eventually intent to permit carbon sequestration wells.

5) **Public Participation (moved up in the agenda)**

Dan Brennan introduced Alex Macina a public policy consultant with Lapis Carbon Solutions based out of Dallas to discuss the need for a commonsense solution on permitting and completing strat test wells or preliminary carbon sequestration wells in Illinois. Rusty Desormeaux, Lapis Chief Operating Officer, shared a power point presentation regarding their strat test well that has been currently permitted by the Illinois Department of Natural Resources in Henry County. Lapis is a consulting team hired by Big River to address pipeline issues and surface use of carbon projects. They are currently assessing the stratigraphic well data process. Lapis is asking the Department to consider an amendment to the plugging policy in regard to the permitting timeframe and the completion schedule of the project. According to the current regulations, Lapis would be required to P & A the well 30 days after the completion of the well. The class six permit review process would not be completed by EPA for a significantly longer period of time, such as two and a half years, therefore keeping the well in active or TA status is the proposed outcome versus plugging a well that is intended to be completed upon securing the class six permit. The plugging of this well created two issues for Lapis. First, the project will need a monitoring well, which to drill another will be approximately \$2M and second it would put another artificial penetration in the area of review which is unnecessary and counterproductive to the EPA objectives and guidance. It was suggested that discussions need to continue with the Department on how to proceed and that a policy be developed to specifically address drilling and completed wells for this purpose to ensure the policy meets the permitting, drilling and completion needs. This was the first introduction of the

policy change to the Department. Dan Brennan explained the reason for bringing this before the Advisory Board at this time was to make the Board aware of the issue in the event that language is available for the next meeting.

C. Senate Bill 2463

<https://www.ilga.gov/legislation/BillStatus.asp?DocTypeID=SB&DocNum=2463&GAID=18&SessionID=114&LegID=162550>

Earlier this year the Senate bill was introduced in regard to bonding requirements. It is now with the judiciary committee in the house. The link on the website provided outlines the requirements. Dan stated he believed it is increased from \$5000 to \$10,000 for an individual well and then 1-10 well is \$25,000; 26-50 is \$50,000 and 51-100 is \$100,000. As wells increase the bond is increased. They are eliminating the unlimited blanket bond structure. The proposed time period the Department will hold these bonds will increase from two years to five years. If the operator is in good standing the bond will be returned at the end of the five-year period.

Matt Davis asked if there had been any additional discussion in the Department regarding a ten-acre drilling unit concerns with the redundancy from the correlative rights and the well to well spacing, similar to Kansas. Dan Brennan said he is not sure how excited they are about the change, but they are willing to listen. Matt Davis explained there are well that do not fit into the square boxes, at times geographic features have made area undrillable. This rule change would allow you to allocate a different shape so that you can drill the well. The special drilling unit and modified drilling unit modifications are time consuming and cumbersome. Dan Brennan said in regard to those hearings the Department is trying to make sure those hearings are done in-house now with our own department attorneys and those are going through more quickly.

6) Next Meeting

The following date is for the next meeting in Mt. Vernon, IL at 10:00 AM CST:
09/28/2025*

Motion to adjourn by Brandi Stennett. Second by Justin Gesell Meeting adjourned.

Minutes Respectfully Submitted by Brandi Stennett – Secretary, IOGA Advisory Board

*(Correct date for the next Illinois Advisory Meeting will be **September 18, 2025** at 10:00 CST)