TITLE 62: MINING CHAPTER I: DEPARTMENT OF NATURAL RESOURCES PART 240 THE ILLINOIS OIL AND GAS ACT SECTION 240.210 APPLICATION FOR PERMIT TO DRILL, DEEPEN OR CONVERT TO A PRODUCTION WELL

Section 240.210 Application for Permit to Drill, Deepen or Convert to a Production Well

- a) No person shall drill, deepen or convert any well to a production well without a permit from the Department.
- b) Application for a permit to drill, deepen or convert to a production well shall be made on forms prescribed by the Department. The application shall be executed under penalties of perjury, and accompanied by the non-refundable fee of \$300 and the required bond under Subpart O.
- c) If the application does not contain all of the required information or documents, the Department shall notify the applicant in writing. The notification shall specify the additional information or documents necessary to an evaluation of the application, and shall advise the applicant that the application will be deemed denied unless the information or documents are submitted within 60 days following the date of notification.
- d) Any well for which a permit is required under the Act, other than a plugged well, which was drilled prior to the effective date of the Act and for which no permit has previously been issued, is required to be permitted. Application for a permit shall be made on forms prescribed by the Department. The application shall be executed under penalties of perjury, and accompanied by the required bond under Subpart O and existing well construction information reported on Department forms. If application is made on or before August 14, 1991, no permit fee is required. An application made after that date shall be accompanied by the non-refundable fee of \$300. Spacing requirements and provisions of the Act and these rules pertaining to well construction shall not apply. After August 14, 1991, any unpermitted well to which this Subpart applies will be deemed to be operating without a permit and subject to the penalties set forth in the Act. (Section 12 of the Act)

(Source: Amended at 38 Ill. Reg. 18717, effective August 29, 2014)

TITLE 62: MINING CHAPTER I: DEPARTMENT OF NATURAL RESOURCES PART 240 THE ILLINOIS OIL AND GAS ACT SECTION 240.310 APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR CONVERT OR AMEND TO A CLASS II UIC WELL

Section 240.310 Application for Permit to Drill, Deepen, or Convert or Amend to a Class II UIC Well

- a) No person shall drill, deepen or convert any well for use as a Class II UIC well without a permit from the Department.
- b) No person shall inject into a freshwater aquifer or be issued a permit to inject into a freshwater aquifer unless:
 - 1) the freshwater aquifer into which injection is proposed has been excepted as specified in Section 240.312; or
 - 2) a completed application requesting an aquifer exemption was submitted to the Department prior to February 1, 1998 and USEPA Region V has completed a technical review, determined that the application meets the relevant criteria, and intends to put the application forward for final approval by the USEPA under 40 CFR 146.4; or
 - 3) a request for an aquifer exemption is submitted to the Department in accordance with Section 240.311 and approved by the USEPA under 40 CFR 146.4.
- c) Application for a permit to drill, deepen or convert to a Class II UIC well or amend existing Class II UIC well permit in accordance with Section 240.390(a) shall be made on forms prescribed by the Department. The application shall be executed under penalties of perjury and accompanied by the non-refundable fee of \$300 and the required bond under Subpart L.
- d) At the time of application they must specify the type of Class II well being permitted as an injection, disposal or commercial disposal well.
- e) If the application does not contain all of the required information or documents, the Department shall notify the applicant in writing. The notification shall specify the additional information or documents necessary to an evaluation of the application and shall advise the applicant that the application will be deemed denied unless the information or documents are submitted within 60 days following the date of notification.

f)

Section 240

Any well for which a permit is required under the Act, other than a plugged well, which was drilled prior to the effective date of the Act and for which no permit has previously been issued, is required to be permitted. Application for a permit shall be made on forms prescribed by the Department. The application shall be executed under penalties of perjury and accompanied by the required bond under Subpart O. If application is made on or before August 14, 1991, no permit fee is required, but all other requirements of this Subpart shall apply. An application made after that date shall be accompanied by the non-refundable fee of \$300. After August 14, 1991, any unpermitted well to which this Subpart applies will be deemed to be operating without a permit and subject to the penalties set forth in the Act. (Section 12 of the Act)

(Source: Amended at 38 Ill. Reg. 18717, effective August 29, 2014)

TITLE 62: MINING CHAPTER I: DEPARTMENT OF NATURAL RESOURCES PART 240 THE ILLINOIS OIL AND GAS ACT SECTION 240.906 APPLICATION FOR A LIQUID OILFIELD WASTE TRANSPORTATION VEHICLE PERMIT

Section 240.906 Application for a Liquid Oilfield Waste Transportation Vehicle Permit

- a) Each liquid oilfield waste transportation vehicle (tank) requires a permit from the Department and shall not be operated until such permit is obtained.
- b) Application for a vehicle permit under this Section shall be made on forms prescribed by the Department. The application shall be executed under penalties of perjury, and accompanied by the non-refundable vehicle permit fee of \$100 for each vehicle (tank).
- c) If the application does not contain all of the required information or documents, the Department shall notify the applicant in writing. The notification shall specify the additional information or documents necessary to process the application, and shall advise the applicant that the application will be deemed denied unless the information or documents are submitted within 60 days following the date of notification.
- d) The application shall include:
 - 1) The name and system permit number of the liquid oilfield waste transportation system under which this vehicle (tank) will be operated.
 - 2) A description of the construction of the tank, valve, and associated piping (including materials each is made of), capacity of tank and manufacturers serial number or other vehicle (tank) identifying number.
- e) The application for a vehicle (tank) permit shall be signed by the holder of the liquid oilfield waste transportation system permit under which the vehicle (tank) will operate.

(Source: Amended at 21 Ill. Reg. 7164, effective June 3, 1997)

TITLE 62: MINING CHAPTER I: DEPARTMENT OF NATURAL RESOURCES PART 240 THE ILLINOIS OIL AND GAS ACT SECTION 240.945 LEASE ROAD OILING

Section 240.945 Lease Road Oiling

- a) Lease road oiling shall not be allowed without receiving a permit from the Department.
- b) The permittee shall apply for and receive a lease road oiling permit for each lease or unit from the Department on a form prescribed by the Department prior to oiling any lease road.
- c) Application for a lease road oiling permit shall include:
 - 1) the location of the lease or unit;
 - 2) the permittee's name and address;
 - 3) the method to be used for application of the bottom sediments;
 - 4) a map showing the lease roads to be oiled and the location of any surface drainage features on or immediately adjacent to the lease or unit; and
 - 5) written consent from the current surface owner or owners allowing the crude oil bottom sediment application.
- Upon approval, crude oil bottom sediment shall be applied to lease roads in such a fashion as to avoid run-off during application onto immediately adjacent land areas. Immediately following completion of the application, all liquids shall be incorporated or otherwise absorbed into the soil with no visible freestanding oil.
- e) No lease road shall be oiled more than twice yearly.
- f) Lease road oiling shall not be conducted when the ground is frozen or during precipitation events and is prohibited in areas subject to frequent flooding.
- g) Crude oil bottom sediments used for lease road oiling shall not have a produced water content of greater than 10% free water by volume.
- h) Lease road oiling permits are not transferable and are required for each lease or unit. The permit shall be valid for as long as the lease or unit is actively operating under the current permittee. The permit shall become invalid upon a change of the

Section 240

surface owner or if the surface owner withdraws consent to apply crude oil bottom sediment. A withdrawal of consent shall be made in writing to the Department.

- i) Lease road oiling material applied without a permit shall be removed from the road and properly disposed of.
- j) Lease road oiling permits are subject to revocation in accordance with Section 240.251.

(Source: Amended at 35 Ill. Reg. 13281, effective July 26, 2011)

Section 240.1130 Plugging and Temporary Abandonment of Inactive Production Wells

- a) Any idle production well on an active lease or unit that has not had commercial production during the last 24 consecutive months shall be deemed abandoned; in accordance with Section 240.16190(c), and plugged in accordance with Section 240.1140 unless the well has been approved for Temporary Abandonment status in accordance with subsection (c).
- b) Any idle production well on an inactive lease or unit, if the lease or unit has not had commercial production during the last 24 consecutive months, shall be deemed abandoned and not eligible for Temporary Abandonment status, pending a hearing held in accordance with Section 240.1610.
- c) The permittee shall apply for Temporary Abandonment status by making written application on forms provided by the Department. The Department <u>shallmay</u> place the well on Temporary Abandonment status, if the following conditions (which shall be continuing requirements) are met:
 - 1) The well:

A)

shall have proper bond in effect in accordance with the Act, if applicable; and

- B) <u>is not-can be in the Plugging and Restoration Fund</u>the subject of any final administrative decision for abandonment.
- 2) The well shall have an intact leak free wellhead, or be capped with a valve, and configured to monitor casing or annular pressure. The well shall be configured to include a one quarter inch female fitting, with shut-off valve, to allow monitoring of the annulus.
- 3) If the well is a permitted gas well and the well has a sustained gas pressure at the surface, the requirements of subsection (e) do not apply.

4) The wellhead shall be above ground level.

5) The permittee complies with the requirements of subsection (d).

d) Prior to the Department placing the well on Temporary Abandonment status, the permittee shall conduct a fluid level test upon the fluid in the well bore, after notice to and under the supervision of a Department representative, using acoustical, or wire line or string line measuring methods. If the Department authorizes the permittee to conduct a fluid level test without the presence of a Department representative, the permittee shall report the fluid level test on a form prescribed by the Department.

 If the fluid level in the wellbore is no higher than 100 feet below the base of the fresh water, the Department may grant Temporary Abandonment status if the conditions in subsections (c)(1) through (4) are met. Unless the permittee elects to satisfy the conditions of subsections (d)(3)(A) or (B), the permittee shall perform additional fluid level tests, as prescribed in subsection (d), every 52 years or until the well is removed from Temporary Abandoned status.

2) If the fluid level, as tested, is higher than 100 feet below the base of the fresh water and, at the time of the Temporary Abandonment request, the well is listed in Active status in the Department's records, the permittee may:

A) After notice to and under the supervision of a Department representative, remove any fluid to a level 100 feet below the base of the fresh water. At least 48 hours, but not more than 96 hours after the fluid has been removed, the permittee shall measure the fluid level as prescribed in subsection (d).

i) If the fluid level is higher than 100 feet below the base of fresh water, the permittee shall follow the requirements in subsection (d)(3)(A) or (B); or

_

ii) If the fluid level remains more than 100 feet below the base of fresh water, at least 9, but no longer than 12 months from the date that fluid was removed from the well bore, the permittee shall measure the fluid level in accordance with subsection (d). If, after the subsequent fluid level test, the fluid level within the wellbore has remained at least 100 feet below the base of fresh water, and the conditions in subsections (c)(1) through (4) continue to be met, the Department shall grant temporary abandonment status for 52 years from the date of the subsequent fluid level test. Thereafter, the permittee shall perform additional fluid level tests, as prescribed in subsection (d), every 52 years or until the well is removed from Temporary Abandonment status.

I

-

B) Elect to follow the requirements of subsections (d)(3)(A) or (B).

3) If the fluid level, as tested, is higher than 100 feet below the base of fresh water and, at the time of the Temporary Abandonment request, the well is listed in Temporary Abandonment status in the Department's records, the permittee may, after notice to, and under the supervision of, a Department representative:

A) set a cast iron plug within 200 feet above the uppermost perforated or open hole interval in the cemented portion of the production casing, but no less than 100 feet below the base of the fresh water, remove any fluid to a level at least 100 feet below the base of the freshwater zone, and monitor the fluid level every 52 years in accordance with subsection (d); or

B) set a cast iron plug within 200 feet above the uppermost perforated or open hole interval in the cemented portion of the production casing, but no less than 100 feet below the base of the fresh water, and pressure test the casing by maintaining a pressure of 300 PSIG (which may vary no more than 5%) for a period of 30 minutes. Subsequent pressure tests shall be conducted every 5 years or until the well is removed from Temporary Abandonment status. e) If the Department finds that a well that is in Temporary Abandonment status is in violation of the operational requirements set forth in (c) or (d), the Department shall issue a Director's Decision requiring that the well be properly plugged, re-plugged, or repaired. If the permittee has not complied with a Director's Decision issued by the Department pursuant to this subsection (e) and after a final administrative decision, the well is found to be in violation of subsection (c) or (d), the Temporary Abandonment status for the well shall be revoked, and the well will not be eligible for Temporary Abandonment status until the violation has been remediated and the well is in compliance with this Section.

f) The permittee shall monitor the well and certify annually, on a form provided by the Department, that there is no pressure on the casing or any annulus of a well that has been granted Temporary Abandonment status.

g) If a Temporary Abandonment request is denied, the permittee shall, within 90 days, plug the well or correct the deficiency that caused the denial and secure an approved Temporary Abandonment permit.

hf) Effective January 1, 2023. Temporary Abandonment status for production wells shall not be terminated five years from the date that Temporary Abandonment status was granted unless the permittee complies with the requirements of subsection (d) for each five-year period that a well is in Temporary Abandonment status. Temporary Abandonment status may be terminated upon application for termination of Temporary Abandonment status by the permittee and a Temporary Abandonment termination request is approved by the Department following a well inspection by a Department well inspector. Temporary Abandonment termination requests shall be on a form prescribed by the Department. until

> 1) the well has been inspected by an Office well inspector and a Temporary Abandonment termination request is approved by the Department. Temporary Abandonment termination requests shall be on a form prescribed by the Department.

 <u>Effective January 1st, 2023. Temporary Abandonment status shall be</u> granted for an additional period of five years upon the expiration of the original term of the Temporary Abandonment status for each well that was in Temporary Abandonment status in effect on January 1st, 2023, provided;

1. the well remains in compliance with subsections (c) and (d),

2. the lease or unit on which the wells are located remains active, and 3. the permittee submits an application pursuant to subsection (c) -and

that application is approved by the Department.

Temporary abandonment status may be renewed for successive five-year periods if the well remains in compliance with this Section.

i) <u>The Department shall assess and collect annual fees of \$100 per well for</u> each well that is in temporary abandonment status.

k) The Department shall grant Temporary Abandonment status for successive five (5) year periods if a well remains in compliance with this Section and upon the permittee's submission of legitimate geological, engineering, or economical evidence that, based on industry standards, the well remains viable for future oil and gas development purposes.

g) Temporary Abandonment status will be granted every 2 years provided the wells remain in compliance with subsections (c) and (d) and the lease or unit on which the wells are located remains active, except for wells that fulfill the requirements of subsection (d)(3)(B), which will be granted every 5 years. Formatted: Font: (Default) Times New Roman, 13.5 pt Formatted: Font: (Default) Times New Roman, 13.5 pt

TITLE 62: MINING CHAPTER I: DEPARTMENT OF NATURAL RESOURCES PART 240 THE ILLINOIS OIL AND GAS ACT SECTION 240.1440 RESPONSIBILITIES OF NEW PERMITTEE

Section 240.1440 Responsibilities of New Permittee

Prior to the Department giving effect to the transfer, the new permittee shall:

- a) Confirm with the Department and the current permittee the acceptance of the transfer or sale on a form prescribed by the Department. The form shall include an Ownership Certification Statement as defined in Section 240.1400. A form shall be completed for each lease, well or unit assigned, transferred or sold. The notification of acceptance shall be signed, under penalty of perjury, by the new permittee or the permittee's authorized representatives.
- b) pay the required non-refundable transfer fee as follows: *A fee of \$50 per well shall be paid by the new owner for each transfer of well ownership* [225 ILCS 725/14];
- c) provide the required bond, if applicable, in accordance with Subpart O;
- d) if a corporation, provide evidence that the corporation is incorporated or authorized to do business in the State of Illinois, and authorized under its charter to engage in the permitted activity;
- e) if an individual, partnership or other unincorporated entity that is not a resident of Illinois provides an irrevocable consent to be sued in Illinois;
- f) if issued, submit an FEIN number;
- g) if the transfer request is for a PRF well, the new permittee shall comply with Section 240.1465.

(Source: Amended at 42 Ill. Reg. 5811, effective March 14, 2018)

TITLE 62: MINING CHAPTER I: DEPARTMENT OF NATURAL RESOURCES PART 240 THE ILLINOIS OIL AND GAS ACT SECTION 240.1705 AMOUNT OF ASSESSMENT

Section 240.1705 Amount of Assessment

Well fees shall be assessed for total permits issued to the permittee as of July 1 of each year as follows:

- a) \$75 per well for the first 100 wells attributed to each permittee;
- b) \$50 per well for any wells in excess of 100 wells attributed to each permittee.

(Source: Amended at 38 Ill. Reg. 18717, effective August 29, 2014)