



98TH GENERAL ASSEMBLY

State of Illinois

2013 and 2014

SB3483

Introduced 2/14/2014, by Sen. Ira I. Silverstein

SYNOPSIS AS INTRODUCED:

225 ILCS 732/1-5
225 ILCS 732/1-30
225 ILCS 732/1-35
225 ILCS 732/1-40
225 ILCS 732/1-55

Amends the Hydraulic Fracturing Regulatory Act. Adds regulation of horizontal drilling with fracturing operations to the Act. Defines "owner of real property" and deletes the definition of "landowner". Requires high volume horizontal hydraulic fracturing operations or horizontal drilling with fracturing operations to obtain the consent of all the owners of real property on which, under which, and through which a vertical or horizontal wellbore will be drilled, except where an interest in a parcel has been divided, in which case consent by those holding more than 50% of that interest shall be sufficient. Requires applications under the Act to submit the proposed subsurface location of any horizontal wellbore, the names and addresses of all owners of the surface under which a horizontal wellbore is planned, the names and addresses of all owners of the surface within 500 feet of an imaginary line on the surface directly over the subsurface trajectory of any horizontal wellbore, and the names and addresses of all owners of right to the subsurface through which a vertical or horizontal wellbore is planned. Adds notice requirements. Provides that when any change is made from the planned course of a horizontal wellbore and the change involves drilling on, under, or through real property that was not identified on the original permit application or for which notice was not given or consent not obtained and shown, the change shall be considered a significant deviation from the terms of the original application and permit approval shall not proceed until notice has been given and consent has been obtained and shown to the Department of Natural Resources' satisfaction. Makes other changes.

LRB098 19589 MGM 54781 b

1 AN ACT concerning regulation.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Hydraulic Fracturing Regulatory Act is
5 amended by changing Sections 1-5, 1-30, 1-35, 1-40, and 1-55 as
6 follows:

7 (225 ILCS 732/1-5)

8 Sec. 1-5. Definitions. For the purposes of this Act, unless
9 the context otherwise requires:

10 "Agency" means the Illinois Environmental Protection
11 Agency.

12 "Aquatic life" means all fish, reptiles, amphibians,
13 crayfish, and mussels.

14 "Aquifer" means saturated (with groundwater) soils and
15 geologic materials that are sufficiently permeable to readily
16 yield economically useful quantities (at least 70 gallons per
17 minute) of fresh water to wells, springs, or streams under
18 ordinary hydraulic gradients. "Aquifer" is limited to aquifers
19 identified as major sand and gravel aquifers in the Illinois
20 State Water Survey's Illinois Community Water Supply Wells map,
21 Map Series 2006-01.

22 "Base fluid" means the continuous phase fluid type,
23 including, but not limited to, water used in a high volume

1 horizontal hydraulic fracturing operation or horizontal
2 drilling with fracturing operations.

3 "BTEX" means benzene, toluene, ethylbenzene, and xylene.

4 "Chemical" means any element, chemical compound, or
5 mixture of elements or compounds that has its own specific name
6 or identity, such as a Chemical Abstracts Service number,
7 regardless of whether the chemical is subject to the
8 requirements of paragraph (2) of subsection (g) of 29 Code of
9 Federal Regulations §1910.1200.

10 "Chemical Abstracts Service" means the division of the
11 American Chemical Society that is the globally recognized
12 authority for information on chemical substances.

13 "Chemical Abstracts Service number" or "CAS number" means
14 the unique identification number assigned to a chemical by the
15 Chemical Abstracts Service.

16 "Completion combustion device" means any ignition device,
17 installed horizontally or vertically, used in exploration and
18 production operations to combust otherwise vented emissions.

19 "Delineation well" means a well drilled in order to
20 determine the boundary of a field or producing reservoir.

21 "Department" means the Illinois Department of Natural
22 Resources.

23 "Diesel" means a substance having any one of the following
24 Chemical Abstracts Service Registry numbers: 68334-30-5;
25 68476-34-6; 68476-30-2; 68476-31-3; 8008-20-6; or 68410-00-4.

26 "Diesel" includes any additional substances regulated by the

1 United States Environmental Protection Agency as diesel fuel
2 used in hydraulic fracturing or horizontal drilling with
3 fracturing activities under the federal Safe Drinking Water
4 Act.

5 "Director" means the Director of Natural Resources.

6 "Enhanced oil recovery operation" means any secondary or
7 tertiary recovery method used in an effort to recover
8 hydrocarbons from a pool by injection of fluids, gases or other
9 substances to maintain, restore, or augment natural reservoir
10 energy, or by introducing gases, chemicals, other substances,
11 or heat, or by in-situ combustion, or by any combination
12 thereof.

13 "Flare" means a thermal oxidation system using an open,
14 enclosed, or semi-enclosed flame. "Flare" does not include
15 completion combustion devices as defined in this Section.

16 "Flowback period" means the process of allowing fluids to
17 flow from a well following a treatment, either in preparation
18 for a subsequent phase of treatment or in preparation for
19 cleanup and returning the well to production. "Flowback period"
20 begins when ~~the material~~ the hydraulic fracturing fluid returns
21 to the surface following hydraulic fracturing or
22 re-fracturing. "Flowback period" ends with either well shut in
23 or when the well is producing continuously to the flow line or
24 to a storage vessel for collection, whichever occurs first.

25 "Fresh water" means surface and subsurface water in its
26 natural state that is suitable for drinking water for human

1 consumption, domestic livestock, irrigation, industrial,
2 municipal and recreational purposes, that is capable of
3 supporting aquatic life, and contains less than 10,000 ppm
4 total dissolved solids.

5 "Gas" means all natural gas, including casinghead gas, and
6 all other natural hydrocarbons not defined as oil.

7 "Groundwater" means any water below the land surface that
8 is within the saturated zone or geologic materials where the
9 fluid pressure in the pore space is equal to or greater than
10 atmospheric pressure.

11 "Health professional" means a physician, physician
12 assistant, nurse practitioner, a registered professional
13 nurse, emergency medical technician, or other individual
14 appropriately licensed or registered to provide health care
15 services.

16 "High volume horizontal hydraulic fracturing operations"
17 means all stages of a stimulation treatment of a horizontal
18 well as defined by this Act by the pressurized application of
19 more than 80,000 gallons per stage or more than 300,000 gallons
20 total of hydraulic fracturing fluid and proppant to initiate or
21 propagate fractures in a geologic formation to enhance
22 extraction or production of oil or gas.

23 "High volume horizontal hydraulic fracturing permit" means
24 the permit issued by the Department under this Act allowing
25 high volume horizontal hydraulic fracturing operations to
26 occur at a well site.

1 "High volume horizontal hydraulic fracturing treatment"
2 shall have the same definition as "High volume horizontal
3 hydraulic fracturing operations".

4 "Horizontal well" means a well with a wellbore drilled
5 laterally at an angle of at least 80 degrees to the vertical
6 and with a horizontal projection exceeding 100 feet measured
7 from the initial point of penetration into the productive
8 formation through the terminus of the lateral in the same
9 common source of hydrocarbon supply.

10 "Hydraulic fracturing additive" means any chemical
11 substance or combination of chemicals, including, but not
12 limited to, any chemical or proppant that is added to a base
13 fluid for the purposes of preparing a hydraulic fracturing
14 fluid for a high volume horizontal hydraulic fracturing
15 operation or horizontal drilling with fracturing operations.

16 "Hydraulic fracturing flowback" means all hydraulic
17 fracturing fluid and other fluids that return to the surface
18 after a stage of high volume horizontal hydraulic fracturing
19 operations has been completed and prior to the well being
20 placed in production.

21 "Hydraulic fracturing fluid" means the mixture of the base
22 fluid and all the hydraulic fracturing additives, used to
23 perform high volume horizontal hydraulic fracturing or
24 horizontal drilling with fracturing operations.

25 "Hydraulic fracturing string" means any pipe or casing
26 string used for the transport of hydraulic fracturing fluids

1 during the conduct of the high volume horizontal hydraulic
2 fracturing operations or horizontal drilling with fracturing
3 operations.

4 "Intake" means a pipe or other means to withdraw raw water
5 from a water source.

6 ~~"Landowner" means the legal title holder or owner of real~~
7 ~~property and includes an owner of an undivided interest, a life~~
8 ~~tenant, a remainderman, a public or private corporation, a~~
9 ~~trustee under an active trust, and the holder of the beneficial~~
10 ~~interest under a land trust. "Landowner" does not include a~~
11 ~~mortgagee, a trustee under a trust deed in the nature of a~~
12 ~~mortgage, a lien holder, or a lessee.~~

13 "Low pressure well" means a well with reservoir pressure
14 and vertical well depth such that 0.445 times the reservoir
15 pressure (in psia) minus 0.038 times the vertical well depth
16 (in feet) minus 67.578 psia is less than the flow line pressure
17 at the sales meter.

18 "Nature preserve" shall have the same meaning as provided
19 in Section 3.11 of the Illinois Natural Areas Preservation Act.

20 "Oil" means natural crude oil or petroleum and other
21 hydrocarbons, regardless of gravity, which are produced at the
22 well in liquid form by ordinary production methods or by the
23 use of an oil and gas separator and which are not the result of
24 condensation of gas after it leaves the underground reservoir.

25 "Operator" means the individual or entity controlling the
26 right to drill or produce a horizontal well in accordance with

1 the requirements of the Illinois Oil and Gas Act.

2 "Owner", with reference to the ownership of a well, shall
3 have the same meaning as provided in Section 1 of the Illinois
4 Oil and Gas Act.

5 "Owner of real property" means the legal title holder or
6 owner of real property and includes an owner of an undivided
7 interest, an owner of a divided interest, a life tenant, a
8 remainderman, a public or private corporation, a trustee under
9 an active trust, and the holder of the beneficial interest
10 under a land trust. "Owner of real property" includes those who
11 own surface rights, those who own subsurface rights, and those
12 who own mineral rights. "Owner of real property" does not
13 include a mortgagee, a trustee under a trust deed in the nature
14 of a mortgage, a lien holder, or a lessee.

15 "Perennial stream" means a stream that has continuous flow
16 in its stream bed during all of the calendar year.

17 "Permit" means a high volume horizontal hydraulic
18 fracturing or horizontal drilling with fracturing permit.

19 "Permittee" means a person holding a high volume horizontal
20 hydraulic fracturing or horizontal drilling with fracturing
21 permit under this Act.

22 "Person" means any individual, partnership,
23 co-partnership, firm, company, limited liability company,
24 corporation, association, joint stock company, trust, estate,
25 political subdivision, state agency, or any other legal entity
26 or their legal representative, agent, or assigns.

1 "Pollution or diminution" means:

2 (1) in groundwater, any of the following:

3 (A) detection of benzene or any other carcinogen in
4 any Class I, Class II, or Class III groundwater;

5 (B) detection of any constituent in item (i) of
6 subparagraph (A) of paragraph (3) of subsection (a) of
7 35 Ill. Adm. Code 620.310 equal to or above the listed
8 preventive response criteria in any Class I, Class II,
9 or Class III groundwater;

10 (C) detection of any constituent in 35 Ill. Adm.
11 Code 620.410 (a), (b), (c), (d) or (e) equal to or
12 above the listed standard in any Class I, Class II, or
13 Class III groundwater;

14 (D) detection of any constituent in Class III
15 groundwater equal to or above a standard established
16 under 35 Ill. Adm. Code 620.260; or

17 (E) detection of any constituent in Class I, Class
18 II, or Class III groundwater equal to or above a
19 cleanup objective listed in 35 Ill. Adm. Code 742.

20 (2) in surface water, exceeding any applicable numeric
21 or narrative standard in 35 Ill. Adm. Code Part 302 or Part
22 304.

23 "Produced water" means water, regardless of chloride and
24 total dissolved solids content, that is produced in conjunction
25 with oil or natural gas production or natural gas storage
26 operations, but does not include hydraulic fracturing

1 flowback.

2 "Proppant" means sand or any natural or man-made material
3 that is used during high volume horizontal hydraulic fracturing
4 operations or horizontal drilling with fracturing operations
5 to prop open the artificially created or enhanced fractures.

6 "Public water supply" means all mains, pipes, and
7 structures through which water is obtained and distributed to
8 the public, including wells and well structures, intakes and
9 cribs, pumping stations, treatment plants, reservoirs, and
10 storage tanks and appurtenances, collectively or severally,
11 actually used or intended for use for the purpose of furnishing
12 water for drinking or general domestic use, and which serves at
13 least 15 service connections or which regularly serves at least
14 25 persons at least 60 days per year.

15 "Register of Land and Water Reserves" means the list of
16 areas registered in accordance with Section 16 of the Illinois
17 Natural Areas Preservation Act and Part 4010 of Title 17 of the
18 Illinois Administrative Code.

19 "Release" means any spilling, leaking, pumping, pouring,
20 emitting, emptying, discharging, injecting, escaping,
21 leaching, dumping, or disposing into the environment.

22 "Serious violation" means any violation set forth in 62
23 Ill. Adm. Code 240.140(c).

24 "Service connection" means the opening, including all
25 fittings and appurtenances, at the water main through which
26 water is supplied to the user.

1 "Surface water" means all water that is open to the
2 atmosphere and subject to surface runoff.

3 "Total water volume" means the total quantity of water from
4 all sources used in the high volume horizontal hydraulic
5 fracturing operations or horizontal drilling with fracturing
6 operations, including surface water, groundwater, produced
7 water, or recycled water.

8 "True vertical depth" or "TVD" means the vertical distance
9 from a depth in a planned or existing wellbore or well to a
10 point at the surface.

11 "Water pollution" means any alteration of the physical,
12 thermal, chemical, biological, or radioactive properties of
13 any waters of the State, or the discharge of any contaminant
14 into any water of the State, as will or is likely to create a
15 nuisance or render the waters harmful, detrimental, or
16 injurious to public health, safety, or welfare, or to domestic,
17 commercial, industrial, agricultural, recreational, or other
18 legitimate uses, or to livestock, wild animals, birds, or fish
19 or other aquatic life.

20 "Water source" means (1) any existing water well or
21 developed spring used for human or domestic animal consumption,
22 or (2) any river, perennial stream, aquifer, natural or
23 artificial lake, pond, wetland listed on the Register of Land
24 and Water Reserves, or reservoir.

25 "Well" means any drill hole required to be permitted under
26 the Illinois Oil and Gas Act.

1 "Well site" means surface areas, including the well,
2 occupied by all equipment or facilities necessary for or
3 incidental to high volume horizontal hydraulic fracturing
4 operations, drilling, production, or plugging a well.

5 "Wildcat well" means a well outside known fields or the
6 first well drilled in an oil or gas field where no other oil
7 and gas production exists.

8 "Wildlife" means any bird or mammal that are by nature wild
9 by way of distinction from those that are naturally tame and
10 are ordinarily living unconfined in a state of nature without
11 the care of man.

12 (Source: P.A. 98-22, eff. 6-17-13.)

13 (225 ILCS 732/1-30)

14 Sec. 1-30. High volume horizontal hydraulic fracturing or
15 horizontal drilling with fracturing operations permit
16 required.

17 (a) Notwithstanding any other provision of law, a person
18 may not drill, deepen, or convert a horizontal well where high
19 volume horizontal hydraulic fracturing operations or
20 horizontal drilling with fracturing operations are planned or
21 occurring or convert a vertical well into a horizontal well
22 where high volume horizontal hydraulic fracturing operations
23 or horizontal drilling with fracturing operations are planned
24 in this State, unless:

25 (1) the person has obtained the consent of all the

1 owners of real property on which, under which, and through
2 which a vertical or horizontal wellbore will be drilled,
3 except when an interest in a parcel has been divided, in
4 which case consent by those holding more than 50% of that
5 interest shall be sufficient;

6 (2) the person has been issued a permit by the
7 Department under this Act; and

8 (3) the person has obtained all applicable
9 authorizations required by the Illinois Oil and Gas Act.

10 (b) If multiple wells are to be stimulated using high
11 volume horizontal hydraulic fracturing operations or
12 horizontal drilling with fracturing operations from a single
13 well site, then a separate permit shall be obtained for each
14 well at the site.

15 (Source: P.A. 98-22, eff. 6-17-13.)

16 (225 ILCS 732/1-35)

17 Sec. 1-35. High volume horizontal hydraulic fracturing or
18 horizontal drilling with fracturing operations permit
19 application.

20 (a) Every applicant for a permit under this Act shall first
21 register with the Department at least 30 days before applying
22 for a permit. The Department shall make available a
23 registration form within 90 days after the effective date of
24 this Act. The registration form shall require the following
25 information:

1 (1) the name and address of the registrant and any
2 parent, subsidiary, or affiliate thereof;

3 (2) disclosure of all findings of a serious violation
4 or an equivalent violation under federal or state laws or
5 regulations in the development or operation of an oil or
6 gas exploration or production site via ~~hydraulic~~
7 fracturing by the applicant or any parent, subsidiary, or
8 affiliate thereof within the previous 5 years; and

9 (3) proof of insurance to cover injuries, damages, or
10 loss related to pollution or diminution in the amount of at
11 least \$5,000,000, from an insurance carrier authorized,
12 licensed, or permitted to do this insurance business in
13 this State that holds at least an A- rating by A.M. Best &
14 Co. or any comparable rating service.

15 A registrant must notify the Department of any change in
16 the information identified in paragraphs (1), (2), or (3) of
17 this subsection (a) at least annually or upon request of the
18 Department.

19 (b) Every applicant for a permit under this Act must submit
20 the following information to the Department on an application
21 form provided by the Department:

22 (1) the name and address of the applicant and any
23 parent, subsidiary, or affiliate thereof;

24 (2) the proposed well name and address and legal
25 description of the well site and its unit area;

26 (3) a statement whether the proposed location of the

1 well site is in compliance with the requirements of Section
2 1-25 of this Act and a plat, which shows:

3 (A) the proposed surface location of the well site,
4 providing the distance in feet, from the surface
5 location of the well site to the features described in
6 subsection (a) of Section 1-25 of this Act; and

7 (B) the proposed subsurface location of any
8 horizontal wellbore;

9 (4) a detailed description of the proposed well to be
10 used for the high volume horizontal hydraulic fracturing
11 operations or horizontal drilling with fracturing
12 operations including, but not limited to, the following
13 information:

14 (A) the approximate total depth to which the well
15 is to be drilled or deepened;

16 (B) the proposed angle and direction of the well;

17 (C) the actual depth or the approximate depth at
18 which the well to be drilled deviates from vertical;

19 (D) the angle and direction of any nonvertical
20 portion of the wellbore until the well reaches its
21 total target depth or its actual final depth; and

22 (E) the estimated length and direction of the
23 proposed horizontal lateral or wellbore;

24 (5) the estimated depth and elevation, according to the
25 most recent publication of the Illinois State Geological
26 Survey of Groundwater for the location of the well, of the

1 lowest potential fresh water along the entire length of the
2 proposed wellbore;

3 (6) a detailed description of the proposed high volume
4 horizontal hydraulic fracturing operations or horizontal
5 drilling with fracturing operations, including, but not
6 limited to, the following:

7 (A) the formation affected by the high volume
8 horizontal hydraulic fracturing operations or
9 horizontal drilling with fracturing operations,
10 including, but not limited to, geologic name and
11 geologic description of the formation that will be
12 stimulated by the operation;

13 (B) the anticipated surface treating pressure
14 range;

15 (C) the maximum anticipated injection treating
16 pressure;

17 (D) the estimated or calculated fracture pressure
18 of the producing and confining zones; and

19 (E) the planned depth of all proposed perforations
20 or depth to the top of the open hole section;

21 (7) a plat showing all known previous wellbores ~~well~~
22 ~~bores~~ within 750 feet of any part of the horizontal
23 wellbore ~~well bore~~ that penetrated within 400 vertical feet
24 of the formation that will be stimulated as part of the
25 high volume horizontal hydraulic fracturing operations or
26 horizontal drilling with fracturing operations;

1 (8) unless the applicant documents why the information
2 is not available at the time the application is submitted,
3 a chemical disclosure report identifying each chemical and
4 proppant anticipated to be used in ~~hydraulic~~ fracturing
5 fluid for each stage of the ~~hydraulic~~ fracturing operations
6 including the following:

7 (A) the total volume of water anticipated to be
8 used in the ~~hydraulic~~ fracturing treatment of the well
9 or the type and total volume of the base fluid
10 anticipated to be used in the hydraulic fracturing or
11 fracturing treatment, if something other than water;

12 (B) each hydraulic fracturing or fracturing
13 additive anticipated to be used in the hydraulic
14 fracturing or fracturing fluid, including the trade
15 name, vendor, a brief descriptor of the intended use or
16 function of each hydraulic fracturing or fracturing
17 additive, and the Material Safety Data Sheet (MSDS), if
18 applicable;

19 (C) each chemical anticipated to be intentionally
20 added to the base fluid, including for each chemical,
21 the Chemical Abstracts Service number, if applicable;
22 and

23 (D) the anticipated concentration in the base
24 fluid, in percent by mass, of each chemical to be
25 intentionally added to the base fluid;

26 (9) a certification of compliance with the Water Use

1 Act of 1983 and applicable regional water supply plans;

2 (10) a fresh water withdrawal and management plan that
3 shall include the following information:

4 (A) the source of the water, such as surface or
5 groundwater, anticipated to be used for water
6 withdrawals, and the anticipated withdrawal location;

7 (B) the anticipated volume and rate of each water
8 withdrawal from each withdrawal location;

9 (C) the anticipated months when water withdrawals
10 shall be made from each withdrawal location;

11 (D) the methods to be used to minimize water
12 withdrawals as much as feasible; and

13 (E) the methods to be used for surface water
14 withdrawals to minimize adverse impact to aquatic
15 life.

16 Where a surface water source is wholly contained within
17 a single property, and the owner of the property expressly
18 agrees in writing to its use for water withdrawals, the
19 applicant is not required to include this surface water
20 source in the fresh water withdrawal and management plan;

21 (11) a plan for the handling, storage, transportation,
22 and disposal or reuse of hydraulic fracturing or fracturing
23 fluids and hydraulic fracturing or fracturing flowback.
24 The plan shall identify the specific Class II injection
25 well or wells that will be used to dispose of the hydraulic
26 fracturing or fracturing flowback. The plan shall describe

1 the capacity of the tanks to be used for the capture and
2 storage of flowback and of the lined reserve pit to be
3 used, if necessary, to temporarily store any flowback in
4 excess of the capacity of the tanks. Identification of the
5 Class II injection well or wells shall be by name,
6 identification number, and specific location and shall
7 include the date of the most recent mechanical integrity
8 test for each Class II injection well;

9 (12) a well site safety plan to address proper safety
10 measures to be employed during high volume horizontal
11 hydraulic fracturing operations or horizontal drilling
12 with fracturing operations for the protection of persons on
13 the site as well as the general public. Within 15 calendar
14 days after submitting the permit application to the
15 Department, the applicant must provide a copy of the plan
16 to the county or counties in which hydraulic fracturing
17 operations or horizontal drilling with fracturing
18 operations will occur. Within 5 calendar days of its
19 receipt, the Department shall provide a copy of the well
20 site safety plan to the Office of the State Fire Marshal;

21 (13) a containment plan describing the containment
22 practices and equipment to be used and the area of the well
23 site where containment systems will be employed, and within
24 5 calendar days of its receipt, the Department shall
25 provide a copy of the containment plan to the Office of the
26 State Fire Marshal;

1 (14) a casing and cementing plan that describes the
2 casing and cementing practices to be employed, including
3 the size of each string of pipe, the starting point, and
4 depth to which each string is to be set and the extent to
5 which each string is to be cemented;

6 (15) a traffic management plan that identifies the
7 anticipated roads, streets, and highways that will be used
8 for access to and egress from the well site. The traffic
9 management plan will include a point of contact to discuss
10 issues related to traffic management. Within 15 calendar
11 days after submitting the permit application to the
12 Department, the applicant must provide a copy of the
13 traffic management plan to the county or counties in which
14 the well site is located, and within 5 calendar days of its
15 receipt, the Department shall provide a copy of the traffic
16 management plan to the Office of the State Fire Marshal;

17 (16) the names and addresses of all owners of any real
18 property within 1,500 feet of the proposed well site, as
19 disclosed by the records in the office of the recorder of
20 the county or counties;

21 (16.5) the names and addresses of all owners of the
22 surface under which a horizontal wellbore is planned and
23 the names and addresses of all owners of the surface within
24 500 feet of an imaginary line on the surface directly over
25 the subsurface trajectory of any horizontal wellbore, with
26 ownership as disclosed by the records in the office of the

1 recorder of the county or counties;

2 (16.10) the names and addresses of all owners of right
3 to the subsurface through which a vertical or horizontal
4 wellbore is planned, with ownership as disclosed by the
5 records in the office of the recorder of the county or
6 counties;

7 (17) drafts of the specific public notice and general
8 public notice as required by Section 1-40 of this Act;

9 (18) statement that the well site at which the high
10 volume horizontal hydraulic fracturing operation or
11 horizontal drilling with fracturing operations will be
12 conducted will be restored in compliance with Section
13 240.1181 of Title 62 of the Illinois Administrative Code
14 and Section 1-95 of this Act;

15 (19) proof of insurance to cover injuries, damages, or
16 loss related to pollution in the amount of at least
17 \$5,000,000; and

18 (20) any other relevant information which the
19 Department may, by rule, require.

20 (c) Where an application is made to conduct high volume
21 horizontal fracturing operations at a well site located within
22 the limits of any city, village, or incorporated town, the
23 application shall state the name of the city, village, or
24 incorporated town and be accompanied with a certified copy of
25 the official consent for the hydraulic fracturing operations or
26 horizontal drilling with fracturing operations to occur from

1 the municipal authorities where the well site is proposed to be
2 located. No permit shall be issued unless consent is secured
3 and filed with the permit application. In the event that an
4 amended location is selected, the original permit shall not be
5 valid unless a new certified consent is filed for the amended
6 location.

7 (d) The hydraulic fracturing or horizontal drilling with
8 fracturing operations permit application shall be accompanied
9 by a bond as required by subsection (a) of Section 1-65 of this
10 Act.

11 (e) Each application for a permit under this Act shall
12 include payment of a non-refundable fee of \$13,500. Of this
13 fee, \$11,000 shall be deposited into the Mines and Minerals
14 Regulatory Fund for the Department to use to administer and
15 enforce this Act and otherwise support the operations and
16 programs of the Office of Mines and Minerals. The remaining
17 \$2,500 shall be deposited into the Illinois Clean Water Fund
18 for the Agency to use to carry out its functions under this
19 Act. The Department shall not initiate its review of the permit
20 application until the applicable fee under this subsection (e)
21 has been submitted to and received by the Department.

22 (f) Each application submitted under this Act shall be
23 signed, under the penalty of perjury, by the applicant or the
24 applicant's designee who has been vested with the authority to
25 act on behalf of the applicant and has direct knowledge of the
26 information contained in the application and its attachments.

1 Any person signing an application shall also sign an affidavit
2 with the following certification:

3 "I certify, under penalty of perjury as provided by law
4 and under penalty of refusal, suspension, or revocation of
5 a high volume horizontal hydraulic fracturing or
6 horizontal drilling with fracturing operations permit,
7 that this application and all attachments are true,
8 accurate, and complete to the best of my knowledge.".

9 (g) The permit application shall be submitted to the
10 Department in both electronic and hard copy format. The
11 electronic format shall be searchable.

12 (h) The application for a high volume horizontal hydraulic
13 fracturing or horizontal drilling with fracturing operations
14 permit may be submitted as a combined permit application with
15 the operator's application to drill on a form as the Department
16 shall prescribe. The combined application must include the
17 information required in this Section. If the operator elects to
18 submit a combined permit application, information required by
19 this Section that is duplicative of information required for an
20 application to drill is only required to be provided once as
21 part of the combined application. The submission of a combined
22 permit application under this subsection shall not be
23 interpreted to relieve the applicant or the Department from
24 complying with the requirements of this Act or the Illinois Oil
25 and Gas Act.

26 (i) Upon receipt of a permit application, the Department

1 shall have no more than 60 calendar days from the date it
2 receives the permit application to approve, with any conditions
3 the Department may find necessary, or reject the application
4 for the high volume horizontal hydraulic fracturing or
5 horizontal drilling with fracturing operations permit. The
6 applicant may waive, in writing, the 60-day deadline upon its
7 own initiative or in response to a request by the Department.

8 (j) If at any time during the review period the Department
9 determines that the permit application is not complete under
10 this Act, does not meet the requirements of this Section, or
11 requires additional information, the Department shall notify
12 the applicant in writing of the application's deficiencies and
13 allow the applicant to correct the deficiencies and provide the
14 Department any information requested to complete the
15 application. If the applicant fails to provide adequate
16 supplemental information within the review period, the
17 Department may reject the application.

18 (Source: P.A. 98-22, eff. 6-17-13; revised 11-12-13.)

19 (225 ILCS 732/1-40)

20 Sec. 1-40. Public notice.

21 (a) Within 5 calendar days after the Department's receipt
22 of the high volume horizontal hydraulic fracturing or
23 horizontal drilling with fracturing operations application,
24 the Department shall post notice of its receipt and a copy of
25 the permit application on its website. The notice shall include

1 the dates of the public comment period and directions for
2 interested parties to submit comments.

3 (b) Within 5 calendar days after the Department's receipt
4 of the permit application and notice to the applicant that the
5 high volume horizontal hydraulic fracturing or horizontal
6 drilling with fracturing operations permit application was
7 received, the Department shall provide the Agency, the Office
8 of the State Fire Marshal, Illinois State Water Survey, and
9 Illinois State Geological Survey with notice of the
10 application.

11 (c) The applicant shall provide the following public
12 notice:

13 (1) Applicants shall mail specific public notice by
14 U.S. Postal Service certified mail, return receipt
15 requested, within 3 calendar days after submittal of the
16 high volume horizontal hydraulic fracturing or horizontal
17 drilling with fracturing operations permit application to
18 the Department, to:

19 (A) all persons identified as owners of real
20 property within 1,500 feet of the proposed well site,
21 as disclosed by the records in the office of the
22 recorder of the county or counties, and to each
23 municipality and county in which the well site is
24 proposed to be located; -

25 (B) all owners of the surface under which a
26 horizontal wellbore is planned and all owners of the

1 surface within 500 feet of an imaginary line on the
2 surface directly over the subsurface trajectory of any
3 horizontal wellbore, with ownership as disclosed by
4 the records in the office of the recorder of the county
5 or counties; and

6 (C) all owners of right to the subsurface through
7 which a vertical or horizontal wellbore is planned,
8 with ownership as disclosed by the records in the
9 office of the recorder of the county or counties.

10 (2) Except as otherwise provided in this paragraph (2)
11 of subsection (c), applicants shall provide general public
12 notice by publication, once each week for 2 consecutive
13 weeks, beginning no later than 3 calendar days after
14 submittal of the high volume horizontal hydraulic
15 fracturing or horizontal drilling with fracturing
16 operations permit application to the Department, in a
17 newspaper of general circulation published in each county
18 where the well proposed for high volume hydraulic
19 fracturing operations or horizontal drilling with
20 fracturing operations is proposed to be located.

21 If a well is proposed for high volume hydraulic
22 fracturing operations or horizontal drilling with
23 fracturing operations in a county where there is no daily
24 newspaper of general circulation, applicant shall provide
25 general public notice, by publication, once each week for 2
26 consecutive weeks, in a weekly newspaper of general

1 circulation in that county beginning as soon as the
2 publication schedule of the weekly newspaper permits, but
3 in no case later than 10 days after submittal of the high
4 volume hydraulic fracturing or horizontal drilling with
5 fracturing operations permit application to the
6 Department.

7 (3) The specific and general public notices required
8 under this subsection shall contain the following
9 information:

10 (A) the name and address of the applicant;

11 (B) the date the application for a high volume
12 horizontal hydraulic fracturing or horizontal drilling
13 with fracturing operations permit was filed;

14 (C) the dates for the public comment period and a
15 statement that anyone may file written comments about
16 any portion of the applicant's submitted high volume
17 horizontal hydraulic fracturing or horizontal drilling
18 with fracturing operations permit application with the
19 Department during the public comment period;

20 (D) the proposed well name, reference number
21 assigned by the Department, and the address and legal
22 description of the well site and its unit area;

23 (E) a statement that the information filed by the
24 applicant in their application for a high volume
25 horizontal hydraulic fracturing or horizontal drilling
26 with fracturing operations permit is available from

1 the Department through its website;

2 (F) the Department's website and the address and
3 telephone number for the Department's Oil and Gas
4 Division;

5 (G) a statement that any person having an interest
6 that is or may be adversely affected, any government
7 agency that is or may be affected, or the county board
8 of a county to be affected under a proposed permit, may
9 file written objections to a permit application and may
10 request a public hearing.

11 (d) After providing the public notice as required under
12 paragraph (2) of subsection (c) of this Section, the applicant
13 shall supplement its permit application by providing the
14 Department with a certification and documentation that the
15 applicant fulfilled the public notice requirements of this
16 Section. The Department shall not issue a permit until the
17 applicant has provided the supplemental material required
18 under this subsection.

19 (e) If multiple applications are submitted at the same time
20 for wells located on the same well site, the applicant may use
21 one public notice for all applications provided the notice is
22 clear that it pertains to multiple applications and conforms to
23 the requirements of this Section. Notice shall not constitute
24 standing for purposes of requesting a public hearing or for
25 standing to appeal the decision of the Department in accordance
26 with the Administrative Review Law.

1 (Source: P.A. 98-22, eff. 6-17-13.)

2 (225 ILCS 732/1-55)

3 Sec. 1-55. High volume horizontal hydraulic fracturing or
4 horizontal drilling with fracturing operations permit;
5 conditions; restriction; modifications.

6 (a) Each permit issued by the Department under this Act
7 shall require the permittee to comply with all provisions of
8 this Act and all other applicable local, State, and federal
9 laws, rules, and regulations in effect at the time the permit
10 is issued. All plans submitted with the application under
11 Section 1-35 shall be conditions of the permit.

12 (b) A permit issued under this Act shall continue in effect
13 until plugging and restoration in compliance with this Act and
14 the Illinois Oil and Gas Act are completed to the Department's
15 satisfaction. No permit may be transferred to another person
16 without approval of the Department.

17 (c) No permit issued under this Act may be modified without
18 approval of the Department. If the Department determines that
19 the proposed modifications constitute a significant deviation
20 from the terms of the original application and permit approval,
21 or presents a serious risk to public health, life, property,
22 aquatic life, or wildlife, the Department shall provide the
23 opportunities for notice, comment, and hearing required under
24 Sections 1-45 and 1-50 of this Act. The Department shall
25 provide notice of the proposed modification and opportunity for

1 comment and hearing to the persons who received specific public
2 notice under Section 1-40 of this Act and shall publish the
3 notice and the proposed modification on its website. The
4 Department shall adopt rules regarding procedures for a permit
5 modification. When any change is made from the planned course
6 of a horizontal wellbore and the change involves drilling on,
7 under, or through real property that was not identified on the
8 original permit application or for which notice was not given
9 or consent not obtained and shown, the change shall be
10 considered a significant deviation from the terms of the
11 original application and permit approval shall not proceed
12 until notice has been given and consent has been obtained and
13 shown to the Department's satisfaction.

14 (Source: P.A. 98-22, eff. 6-17-13.)