

1 AN ACT concerning regulation.

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

4 ARTICLE 1.

5 Section 1-1. Short title. This Act may be cited as the  
6 Hydraulic Fracturing Regulatory Act.

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

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

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

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

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

1 horizontal hydraulic fracturing operation.

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

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

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

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

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

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

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

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

25 "Diesel" includes any additional substances regulated by the  
26 United States Environmental Protection Agency as diesel fuel

1 used in hydraulic fracturing activities under the federal Safe  
2 Drinking Water Act.

3 "Director" means the Director of Natural Resources.

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

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

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

23 "Fresh water" means surface and subsurface water in its  
24 natural state that is suitable for drinking water for human  
25 consumption, domestic livestock, irrigation, industrial,  
26 municipal and recreational purposes, that is capable of

1 supporting aquatic life, and contains less than 10,000 ppm  
2 total dissolved solids.

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

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

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

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

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

25 "High volume horizontal hydraulic fracturing treatment"  
26 shall have the same definition as "High volume horizontal

1 hydraulic fracturing operations".

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

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

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

19 "Hydraulic fracturing fluid" means the mixture of the base  
20 fluid and all the hydraulic fracturing additives, used to  
21 perform high volume horizontal hydraulic fracturing.

22 "Hydraulic fracturing string" means any pipe or casing  
23 string used for the transport of hydraulic fracturing fluids  
24 during the conduct of the high volume horizontal hydraulic  
25 fracturing operations.

26 "Intake" means a pipe or other means to withdraw raw water

1 from a water source.

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

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

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

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

21 "Operator" means the individual or entity controlling the  
22 right to drill or produce a horizontal well in accordance with  
23 the requirements of the Illinois Oil and Gas Act.

24 "Owner" shall have the same meaning as provided in Section  
25 1 of the Illinois Oil and Gas Act.

26 "Perennial stream" means a stream that has continuous flow

1 in its stream bed during all of the calendar year.

2 "Permit" means a high volume horizontal hydraulic  
3 fracturing permit.

4 "Permittee" means a person holding a high volume horizontal  
5 hydraulic fracturing permit under this Act.

6 "Person" means any individual, partnership,  
7 co-partnership, firm, company, limited liability company,  
8 corporation, association, joint stock company, trust, estate,  
9 political subdivision, state agency, or any other legal entity  
10 or their legal representative, agent, or assigns.

11 "Pollution or diminution" means:

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

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

15 (B) detection of any constituent in item (i) of  
16 subparagraph (A) of paragraph (3) of subsection (a) of  
17 35 Ill. Adm. Code 620.310 equal to or above the listed  
18 preventive response criteria in any Class I, Class II,  
19 or Class III groundwater;

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

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

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

4 (2) in surface water, exceeding any applicable numeric  
5 or narrative standard in 35 Ill. Adm. Code Part 302 or Part  
6 304.

7 "Produced water" means water, regardless of chloride and  
8 total dissolved solids content, that is produced in conjunction  
9 with oil or natural gas production or natural gas storage  
10 operations, but does not include hydraulic fracturing  
11 flowback.

12 "Proppant" means sand or any natural or man-made material  
13 that is used during high volume horizontal hydraulic fracturing  
14 operations to prop open the artificially created or enhanced  
15 fractures.

16 "Public water supply" means all mains, pipes, and  
17 structures through which water is obtained and distributed to  
18 the public, including wells and well structures, intakes and  
19 cribs, pumping stations, treatment plants, reservoirs, and  
20 storage tanks and appurtenances, collectively or severally,  
21 actually used or intended for use for the purpose of furnishing  
22 water for drinking or general domestic use, and which serves at  
23 least 15 service connections or which regularly serves at least  
24 25 persons at least 60 days per year.

25 "Register of Land and Water Reserves" means the list of  
26 areas registered in accordance with Section 16 of the Illinois



1 Natural Areas Preservation Act and Part 4010 of Title 17 of the  
2 Illinois Administrative Code.

3 "Release" means any spilling, leaking, pumping, pouring,  
4 emitting, emptying, discharging, injecting, escaping,  
5 leaching, dumping, or disposing into the environment.

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

8 "Service connection" means the opening, including all  
9 fittings and appurtenances, at the water main through which  
10 water is supplied to the user.

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

13 "Total water volume" means the total quantity of water from  
14 all sources used in the high volume horizontal hydraulic  
15 fracturing operations, including surface water, groundwater,  
16 produced water, or recycled water.

17 "True vertical depth" or "TVD" means the vertical distance  
18 from a depth in a planned or existing wellbore or well to a  
19 point at the surface.

20 "Water pollution" means any alteration of the physical,  
21 thermal, chemical, biological, or radioactive properties of  
22 any waters of the State, or the discharge of any contaminant  
23 into any water of the State, as will or is likely to create a  
24 nuisance or render the waters harmful, detrimental, or  
25 injurious to public health, safety, or welfare, or to domestic,  
26 commercial, industrial, agricultural, recreational, or other

1 legitimate uses, or to livestock, wild animals, birds, or fish  
2 or other aquatic life.

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

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

10 "Well site" means surface areas, including the well,  
11 occupied by all equipment or facilities necessary for or  
12 incidental to high volume horizontal hydraulic fracturing  
13 operations, drilling, production, or plugging a well.

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

17 "Wildlife" means any bird or mammal that are by nature wild  
18 by way of distinction from those that are naturally tame and  
19 are ordinarily living unconfined in a state of nature without  
20 the care of man.

21 Section 1-10. Intergovernmental cooperation. The  
22 Department shall have the primary authority to administer the  
23 provisions of this Act. The Illinois State Geological Survey,  
24 the Illinois State Water Survey, the Office of the State Fire  
25 Marshal, and the Agency shall be advised of high volume

1 horizontal hydraulic fracturing permit applications received  
2 by the Department and lend assistance as required by the  
3 provisions of this Act.

4 Section 1-15. Powers and duties.

5 (a) Except as otherwise provided, the Department shall  
6 enforce this Act and all rules and orders adopted in accordance  
7 with this Act.

8 (b) Except as otherwise provided, the Department shall have  
9 jurisdiction and authority over all persons and property  
10 necessary to enforce the provisions of this Act effectively. In  
11 aid of this jurisdiction, the Director, or anyone designated in  
12 writing by the Director, shall have the authority to administer  
13 oaths and to issue subpoenas for the production of records or  
14 other documents and for the attendance of witnesses at any  
15 proceedings of the Department.

16 (c) The Department may authorize any employee of the  
17 Department, qualified by training and experience, to perform  
18 the powers and duties set forth in this Act.

19 (d) For the purpose of determining compliance with the  
20 provisions of this Act and any orders or rules entered or  
21 adopted under this Act, the Department shall have the right at  
22 all times to go upon and inspect properties where high volume  
23 horizontal hydraulic fracturing operations are being or have  
24 been conducted.

25 (e) The Department shall make any inquiries as it may deem

1 proper to determine whether a violation of this Act or any  
2 orders or rules entered or adopted under this Act exists or is  
3 imminent. In the exercise of these powers, the Department shall  
4 have the authority to collect data; require testing and  
5 sampling; to make investigation and inspections; to examine  
6 properties, including records and logs; to examine, check, and  
7 test hydrocarbon wells; to hold hearings; to adopt  
8 administrative rules; and to take any action as may be  
9 reasonably necessary to enforce this Act.

10 (f) Except as otherwise provided, the Department may  
11 specify the manner in which all information required to be  
12 submitted under this Act is submitted.

13 Section 1-20. Applicability. Except as provided in Section  
14 1-98 of this Act, this Act applies to all wells where high  
15 volume horizontal hydraulic fracturing operations are planned,  
16 have occurred, or are occurring in this State. The provisions  
17 of this Act shall be in addition to the provisions of the  
18 Illinois Oil and Gas Act. However, if there is a conflict, the  
19 provisions of the Illinois Oil and Gas Act are superseded by  
20 this Act.

21 Section 1-25. Setbacks and prohibitions.

22 (a) Except as otherwise provided in this Section, no well  
23 site where high volume horizontal hydraulic fracturing  
24 operations are proposed, planned, or occurring may be located

1 as follows. Unless specified otherwise, all distances shall be  
2 measured from the closest edge of the well site:

3 (1) within 500 feet measured horizontally from any  
4 residence or place of worship unless the owner of the  
5 residence or the governing body of the place of worship  
6 otherwise expressly agrees in writing to a closer well  
7 location;

8 (2) within 500 feet measured horizontally from the edge  
9 of the property line from any school, hospital, or licensed  
10 nursing home facility;

11 (3) within 500 feet measured horizontally from the  
12 surface location of any existing water well or developed  
13 spring used for human or domestic animal consumption,  
14 unless the owner or owners of the well or developed spring  
15 otherwise expressly agrees or agree in writing to a closer  
16 well location;

17 (4) within 300 feet measured horizontally from the  
18 center of a perennial stream or from the ordinary high  
19 water mark of any river, natural or artificial lake, pond,  
20 or reservoir;

21 (5) within 750 feet of a nature preserve or a site on  
22 the Register of Land and Water Reserves;

23 (6) within 1,500 feet of a surface water or groundwater  
24 intake of a public water supply; the distance from the  
25 public water supply as identified by the Department shall  
26 be measured as follows:

1           (A) For a surface water intake on a lake or  
2           reservoir, the distance shall be measured from the  
3           intake point on the lake or reservoir.

4           (B) For a surface water intake on a flowing stream,  
5           the distance shall be measured from a semicircular  
6           radius extending upstream of the surface water intake.

7           (C) For a groundwater source, the distance shall be  
8           measured from the surface location of the wellhead or  
9           the ordinary high water mark of the spring.

10          The distance restrictions under this subsection (a) shall  
11          be determined as conditions exist at the time of the submission  
12          of the permit application under this Act.

13          (b) Notwithstanding any other provision of this Section,  
14          the owner of a water source identified in paragraph (4) of  
15          subsection (a) of this Section that is wholly contained within  
16          the owner's property may expressly agree in writing to a closer  
17          well location.

18          (c) It is unlawful to inject or discharge hydraulic  
19          fracturing fluid, produced water, BTEX, diesel, or petroleum  
20          distillates into fresh water.

21          (d) It is unlawful to perform any high volume horizontal  
22          hydraulic fracturing operations by knowingly or recklessly  
23          injecting diesel.

24          Section 1-30. High volume horizontal hydraulic fracturing  
25          permit required.

1           (a) Notwithstanding any other provision of law, a person  
2 may not drill, deepen, or convert a horizontal well where high  
3 volume horizontal hydraulic fracturing operations are planned  
4 or occurring or convert a vertical well into a horizontal well  
5 where high volume horizontal hydraulic fracturing operations  
6 are planned in this State, unless the person has been issued a  
7 permit by the Department under this Act and has obtained all  
8 applicable authorizations required by the Illinois Oil and Gas  
9 Act.

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

14           Section 1-35. High volume horizontal hydraulic fracturing  
15 permit application.

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

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

24                 (2) disclosure of all findings of a serious violation  
25 or an equivalent violation under federal or state laws or

1 regulations in the development or operation of an oil or  
2 gas exploration or production site via hydraulic  
3 fracturing by the applicant or any parent, subsidiary, or  
4 affiliate thereof within the previous 5 years; and

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

11 A registrant must notify the Department of any change in  
12 the information identified in paragraphs (1), (2), or (3) of  
13 this subsection (a) at least annually or upon request of the  
14 Department.

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

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

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

22 (3) a statement whether the proposed location of the  
23 well site is in compliance with the requirements of Section  
24 1-25 of this Act and a plat, which shows the proposed  
25 surface location of the well site, providing the distance  
26 in feet, from the surface location of the well site to the



1 features described in subsection (a) of Section 1-25 of  
2 this Act;

3 (4) a detailed description of the proposed well to be  
4 used for the high volume horizontal hydraulic fracturing  
5 operations including, but not limited to, the following  
6 information:

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

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

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

12 (D) the angle and direction of any nonvertical  
13 portion of the wellbore until the well reaches its  
14 total target depth or its actual final depth; and

15 (E) the estimated length and direction of the  
16 proposed horizontal lateral or wellbore;

17 (5) the estimated depth and elevation, according to the  
18 most recent publication of the Illinois State Geological  
19 Survey of Groundwater for the location of the well, of the  
20 lowest potential fresh water along the entire length of the  
21 proposed wellbore;

22 (6) a detailed description of the proposed high volume  
23 horizontal hydraulic fracturing operations, including, but  
24 not limited to, the following:

25 (A) the formation affected by the high volume  
26 horizontal hydraulic fracturing operations, including,

1 but not limited to, geologic name and geologic  
2 description of the formation that will be stimulated by  
3 the operation;

4 (B) the anticipated surface treating pressure  
5 range;

6 (C) the maximum anticipated injection treating  
7 pressure;

8 (D) the estimated or calculated fracture pressure  
9 of the producing and confining zones; and

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

12 (7) plat showing all known previous well bores within  
13 750 feet of any part of the horizontal well bore that  
14 penetrated within 400 vertical feet of the formation that  
15 will be stimulated as part of the high volume horizontal  
16 hydraulic fracturing operations;

17 (8) unless the applicant documents why the information  
18 is not available at the time the application is submitted,  
19 a chemical disclosure report identifying each chemical and  
20 proppant anticipated to be used in hydraulic fracturing  
21 fluid for each stage of the hydraulic fracturing operations  
22 including the following:

23 (A) the total volume of water anticipated to be  
24 used in the hydraulic fracturing treatment of the well  
25 or the type and total volume of the base fluid  
26 anticipated to be used in the hydraulic fracturing

1 treatment, if something other than water;

2 (B) each hydraulic fracturing additive anticipated  
3 to be used in the hydraulic fracturing fluid, including  
4 the trade name, vendor, a brief descriptor of the  
5 intended use or function of each hydraulic fracturing  
6 additive, and the Material Safety Data Sheet (MSDS), if  
7 applicable;

8 (C) each chemical anticipated to be intentionally  
9 added to the base fluid, including for each chemical,  
10 the Chemical Abstracts Service number, if applicable;  
11 and

12 (D) the anticipated concentration in the base  
13 fluid, in percent by mass, of each chemical to be  
14 intentionally added to the base fluid;

15 (9) a certification of compliance with the Water Use  
16 Act of 1983 and applicable regional water supply plans;

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

19 (A) the source of the water, such as surface or  
20 groundwater, anticipated to be used for water  
21 withdrawals, and the anticipated withdrawal location;

22 (B) the anticipated volume and rate of each water  
23 withdrawal from each withdrawal location;

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

26 (D) the methods to be used to minimize water

1           withdrawals as much as feasible; and

2           (E) the methods to be used for surface water  
3           withdrawals to minimize adverse impact to aquatic  
4           life.

5           Where a surface water source is wholly contained  
6           within a single property, and the owner of the property  
7           expressly agrees in writing to its use for water  
8           withdrawals, the applicant is not required to include  
9           this surface water source in the fresh water withdrawal  
10          and management plan.

11          (11) a plan for the handling, storage, transportation,  
12          and disposal or reuse of hydraulic fracturing fluids and  
13          hydraulic fracturing flowback. The plan shall identify the  
14          specific Class II injection well or wells that will be used  
15          to dispose of the hydraulic fracturing flowback. The plan  
16          shall describe the capacity of the tanks to be used for the  
17          capture and storage of flowback and of the lined reserve  
18          pit to be used, if necessary, to temporarily store any  
19          flowback in excess of the capacity of the tanks.  
20          Identification of the Class II injection well or wells  
21          shall be by name, identification number, and specific  
22          location and shall include the date of the most recent  
23          mechanical integrity test for each Class II injection well;

24          (12) a well site safety plan to address proper safety  
25          measures to be employed during high volume horizontal  
26          hydraulic fracturing operations for the protection of

1 persons on the site as well as the general public. Within  
2 15 calendar days after submitting the permit application to  
3 the Department, the applicant must provide a copy of the  
4 plan to the county or counties in which hydraulic  
5 fracturing operations will occur. Within 5 calendar days of  
6 its receipt, the Department shall provide a copy of the  
7 well site safety plan to the Office of the State Fire  
8 Marshal;

9 (13) a containment plan describing the containment  
10 practices and equipment to be used and the area of the well  
11 site where containment systems will be employed, and within  
12 5 calendar days of its receipt, the Department shall  
13 provide a copy of the containment plan to the Office of the  
14 State Fire Marshal;

15 (14) a casing and cementing plan that describes the  
16 casing and cementing practices to be employed, including  
17 the size of each string of pipe, the starting point, and  
18 depth to which each string is to be set and the extent to  
19 which each string is to be cemented;

20 (15) a traffic management plan that identifies the  
21 anticipated roads, streets, and highways that will be used  
22 for access to and egress from the well site. The traffic  
23 management plan will include a point of contact to discuss  
24 issues related to traffic management. Within 15 calendar  
25 days after submitting the permit application to the  
26 Department, the applicant must provide a copy of the

1 traffic management plan to the county or counties in which  
2 the well site is located, and within 5 calendar days of its  
3 receipt, the Department shall provide a copy of the traffic  
4 management plan to the Office of the State Fire Marshal;

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

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

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

16 (19) proof of insurance to cover injuries, damages, or  
17 loss related to pollution in the amount of at least  
18 \$5,000,000; and

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

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

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

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

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

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

1 with the following certification:

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

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

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

23 (i) Upon receipt of a permit application, the Department  
24 shall have no more than 60 calendar days from the date it  
25 receives the permit application to approve, with any conditions  
26 the Department may find necessary, or reject the application



1 for the high volume horizontal hydraulic fracturing permit. The  
2 applicant may waive, in writing, the 60-day deadline upon its  
3 own initiative or in response to a request by the Department.

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

14 Section 1-40. Public notice.

15 (a) Within 5 calendar days after the Department's receipt  
16 of the high volume horizontal hydraulic fracturing  
17 application, the Department shall post notice of its receipt  
18 and a copy of the permit application on its website. The notice  
19 shall include the dates of the public comment period and  
20 directions for interested parties to submit comments.

21 (b) Within 5 calendar days after the Department's receipt  
22 of the permit application and notice to the applicant that the  
23 high volume horizontal hydraulic fracturing permit application  
24 was received, the Department shall provide the Agency, the  
25 Office of the State Fire Marshal, Illinois State Water Survey,

1 and Illinois State Geological Survey with notice of the  
2 application.

3 (c) The applicant shall provide the following public  
4 notice:

5 (1) Applicants shall mail specific public notice by  
6 U.S. Postal Service certified mail, return receipt  
7 requested, within 3 calendar days after submittal of the  
8 high volume horizontal hydraulic fracturing permit  
9 application to the Department, to all persons identified as  
10 owners of real property within 1,500 feet of the proposed  
11 well site, as disclosed by the records in the office of the  
12 recorder of the county or counties, and to each  
13 municipality and county in which the well site is proposed  
14 to be located.

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

24 If a well is proposed for high volume hydraulic  
25 fracturing operations in a county where there is no daily  
26 newspaper of general circulation, applicant shall provide

1 general public notice, by publication, once each week for 2  
2 consecutive weeks, in a weekly newspaper of general  
3 circulation in that county beginning as soon as the  
4 publication schedule of the weekly newspaper permits, but  
5 in no case later than 10 days after submittal of the high  
6 volume hydraulic fracturing permit application to the  
7 Department.

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

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

12 (B) the date the application for a high volume  
13 horizontal hydraulic fracturing 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 permit application  
18 with the Department during the public comment period;

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

22 (E) a statement that the information filed by the  
23 applicant in their application for a high volume  
24 horizontal hydraulic fracturing permit is available  
25 from the Department through its website;

26 (F) the Department's website and the address and

1 telephone number for the Department's Oil and Gas  
2 Division;

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

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

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

25 Section 1-45. Public comment periods.

1           (a) The public comment period shall begin 7 calendar days  
2 after the Department's receipt of the permit application and  
3 last for 30 calendar days.

4           (b) Where a public hearing is conducted under Section 1-50  
5 of this Act, the Department may provide for an additional  
6 public comment period of 15 days as necessary to allow for  
7 comments in response to evidence and testimony presented at the  
8 hearing. The additional public comment period shall begin on  
9 the day after the public hearing.

10          (c) During any public comment period, any person may file  
11 written comments to the Department concerning any portion of  
12 the permit application and any issue relating to the  
13 applicant's compliance with the requirements of the Act and any  
14 other applicable laws.

15          (d) The Department may request that the applicant respond  
16 to any substantive public comments obtained during the public  
17 comment period.

18           Section 1-50. High volume horizontal hydraulic fracturing  
19 permit; hearing.

20          (a) When a permit application is submitted to conduct high  
21 volume horizontal hydraulic fracturing operations for the  
22 first time at a particular well site, any person having an  
23 interest that is or may be adversely affected, any government  
24 agency that is or may be affected, or the county board of a  
25 county to be affected under a proposed permit, may file written

1 objections to the permit application and may request a public  
2 hearing during the public comment period established under  
3 subsection (a) of Section 1-45 of this Act. The request for  
4 hearing shall contain a short and plain statement identifying  
5 the person and stating facts demonstrating that the person has  
6 an interest that is or may be adversely affected. The  
7 Department shall hold a public hearing upon a request under  
8 this subsection, unless the request is determined by the  
9 Department to (i) lack an adequate factual statement that the  
10 person is or may be adversely affected or (ii) be frivolous.

11 (b) Prior to the commencement of a public hearing under  
12 this Section, any person who could have requested the hearing  
13 under subsection (a) of this Section may petition the  
14 Department to participate in the hearing in the same manner as  
15 the party requesting the hearing. The petition shall contain a  
16 short and plain statement identifying the petitioner and  
17 stating facts demonstrating that the petitioner is a person  
18 having an interest that is or may be adversely affected. The  
19 petitioner shall serve the petition upon the Department. Unless  
20 the Department determines that the petition is frivolous, or  
21 that the petitioner has failed to allege facts in support of an  
22 interest that is or may be adversely affected, the petitioner  
23 shall be allowed to participate in the hearing in the same  
24 manner as the party requesting the hearing.

25 (c) The public hearing to be conducted under this Section  
26 shall comply with the contested case requirements of the

1 Illinois Administrative Procedure Act. The Department shall  
2 establish rules and procedures to determine whether any request  
3 for a public hearing may be granted in accordance with  
4 subsection (a) of this Section, and for the notice and conduct  
5 of the public hearing. These procedural rules shall include  
6 provisions for reasonable notice to (i) the public and (ii) all  
7 parties to the proceeding, which include the applicant, the  
8 persons requesting the hearing, and the persons granted the  
9 right to participate in the hearing pursuant to subsection (b)  
10 of this Section, for the qualifications, powers, and  
11 obligations of the hearing officer, and for reasonable  
12 opportunity for all the parties to provide evidence and  
13 argument, to respond by oral or written testimony to statements  
14 and objections made at the public hearing, and for reasonable  
15 cross-examination of witnesses. County boards and the public  
16 may present their written objections or recommendations at the  
17 public hearing. A complete record of the hearings and all  
18 testimony shall be made by the Department and recorded  
19 stenographically or electronically. The complete record shall  
20 be maintained and shall be accessible to the public on the  
21 Department's website until final release of the applicant's  
22 performance bond.

23 (d) At least 10 calendar days before the date of the public  
24 hearing, the Department shall publish notice of the public  
25 hearing in a newspaper of general circulation published in the  
26 county where the proposed well site will be located.

1 Section 1-53. High volume horizontal hydraulic fracturing  
2 permit; determination; judicial review.

3 (a) The Department shall issue a high volume horizontal  
4 hydraulic fracturing permit, with any conditions the  
5 Department may find necessary, only if the record of decision  
6 demonstrates that:

7 (1) the well location restrictions of Section 1-25 of  
8 this Act have been satisfied;

9 (2) the application meets the requirements of Section  
10 1-35 of this Act;

11 (3) the plans required to be submitted with the  
12 application under Section 1-35 of this Act are adequate and  
13 effective;

14 (4) the proposed hydraulic fracturing operations will  
15 be conducted in a manner that will protect the public  
16 health and safety and prevent pollution or diminution of  
17 any water source;

18 (5) the work plan required under Section 1-80 of this  
19 Act has been submitted to the Department;

20 (6) the applicant or any parent, subsidiary, or  
21 affiliate thereof has not failed to abate a violation of  
22 this Act or the Illinois Oil and Gas Act;

23 (7) the Class II injection wells to be used for  
24 disposal of hydraulic fracturing flowback comply with all  
25 applicable requirements for mechanical integrity testing,



1 including that the well has been tested within the previous  
2 5 years; and

3 (8) there is no good cause to deny the permit under  
4 subsection (a) of Section 1-60 of this Act.

5 (b) For the purpose of determining whether to issue a  
6 permit, the Department shall consider and the Department's  
7 record of decision shall include:

8 (1) the application for the high volume horizontal  
9 hydraulic fracturing permit, including all documentation  
10 required by Section 1-35 of this Act;

11 (2) all written comments received during the public  
12 comment periods and, if applicable, the complete record  
13 from the public hearing held under Section 1-50 of this  
14 Act;

15 (3) all information provided by the applicant in  
16 response to any public comments; and

17 (4) any information known to the Department as the  
18 public entity responsible for regulating high volume  
19 horizontal hydraulic fracturing operations, including, but  
20 not limited to, inspections of the proposed well site as  
21 necessary to ensure adequate review of the application.

22 (c) The Department shall, by U.S. Mail and electronic  
23 transmission, provide the applicant with a copy of the high  
24 volume horizontal hydraulic fracturing permit as issued or its  
25 final administrative decision denying the permit to the  
26 applicant and shall, by U.S. Mail or electronic transmission,

1 provide a copy of the permit as issued or the final  
2 administrative decision to any person or unit of local  
3 government who received specific public notice under Section  
4 1-40 of this Act or submitted comments or participated in any  
5 public hearing under Section 1-50 of this Act.

6 (d) The Department's decision to approve or deny a high  
7 volume horizontal hydraulic fracturing permit shall be  
8 considered a final administrative decision subject to judicial  
9 review under the Administrative Review Law and the rules  
10 adopted under that Law.

11 (e) Following completion of the Department's review and  
12 approval process, the Department's website shall indicate  
13 whether an individual high volume horizontal hydraulic  
14 fracturing permit was approved or denied and provide a copy of  
15 the approval or denial.

16 Section 1-55. High volume horizontal hydraulic fracturing  
17 permit; conditions; restriction; modifications.

18 (a) Each permit issued by the Department under this Act  
19 shall require the permittee to comply with all provisions of  
20 this Act and all other applicable local, State, and federal  
21 laws, rules, and regulations in effect at the time the permit  
22 is issued. All plans submitted with the application under  
23 Section 1-35 shall be conditions of the permit.

24 (b) A permit issued under this Act shall continue in effect  
25 until plugging and restoration in compliance with this Act and

1 the Illinois Oil and Gas Act are completed to the Department's  
2 satisfaction. No permit may be transferred to another person  
3 without approval of the Department.

4 (c) No permit issued under this Act may be modified without  
5 approval of the Department. If the Department determines that  
6 the proposed modifications constitute a significant deviation  
7 from the terms of the original application and permit approval,  
8 or presents a serious risk to public health, life, property,  
9 aquatic life, or wildlife, the Department shall provide the  
10 opportunities for notice, comment, and hearing required under  
11 Sections 1-45 and 1-50 of this Act. The Department shall  
12 provide notice of the proposed modification and opportunity for  
13 comment and hearing to the persons who received specific public  
14 notice under Section 1-40 of this Act and shall publish the  
15 notice and the proposed modification on its website. The  
16 Department shall adopt rules regarding procedures for a permit  
17 modification.

18 Section 1-60. High volume horizontal hydraulic fracturing  
19 permit; denial, suspension, or revocation.

20 (a) The Department may suspend, revoke, or refuse to issue  
21 a high volume horizontal hydraulic fracturing permit under this  
22 Act for one or more of the following causes:

23 (1) providing incorrect, misleading, incomplete, or  
24 materially untrue information in a permit application or  
25 any document required to be filed with the Department;

- 1 (2) violating any condition of the permit;
- 2 (3) violating any provision of or any regulation  
3 adopted under this Act or the Illinois Oil and Gas Act;
- 4 (4) using fraudulent, coercive, or dishonest  
5 practices, or demonstrating incompetence,  
6 untrustworthiness, or financial irresponsibility in the  
7 conduct of business in this State or elsewhere;
- 8 (5) having a high volume horizontal hydraulic  
9 fracturing permit, or its equivalent, revoked in any other  
10 state, province, district, or territory for incurring a  
11 material or major violation or using fraudulent or  
12 dishonest practices; or
- 13 (6) an emergency condition exists under which conduct  
14 of the high volume horizontal hydraulic fracturing  
15 operations would pose a significant hazard to public  
16 health, aquatic life, wildlife, or the environment.
- 17 (b) In every case in which a permit is suspended or  
18 revoked, the Department shall serve notice of its action,  
19 including a statement of the reasons for the action, either  
20 personally or by certified mail, receipt return requested, to  
21 the permittee.
- 22 (c) The order of suspension or revocation of a permit shall  
23 take effect upon issuance of the order. The permittee may  
24 request, in writing, within 30 days after the date of receiving  
25 the notice, a hearing. Except as provided under subsection (d)  
26 of this Section, in the event a hearing is requested, the order

1 shall remain in effect until a final order is entered pursuant  
2 to the hearing.

3 (d) The order of suspension or revocation of a permit may  
4 be stayed if requested by the permittee and evidence is  
5 submitted demonstrating that there is no significant threat to  
6 the public health, aquatic life, wildlife, or the environment  
7 if the operation is allowed to continue.

8 (e) The hearing shall be held at a time and place  
9 designated by the Department. The Director of the Department or  
10 any administrative law judge designated by him or her have the  
11 power to administer oaths and affirmations, subpoena witnesses  
12 and compel their attendance, take evidence, and require the  
13 production of books, papers, correspondence, and other records  
14 or information that he or she considers relevant or material.

15 (f) The costs of the administrative hearing shall be set by  
16 rule and shall be borne by the permittee.

17 (g) The Department's decision to suspend or revoke a high  
18 volume horizontal hydraulic fracturing permit is subject to  
19 judicial review under the Administrative Review Law.

20 Section 1-65. Hydraulic fracturing permit; bonds.

21 (a) An applicant for a high volume horizontal hydraulic  
22 fracturing permit under this Act shall provide a bond, executed  
23 by a surety authorized to transact business in this State. The  
24 bond shall be in the amount of \$50,000 per permit or a blanket  
25 bond of \$500,000 for all permits. If the applicant is required

1 to submit a bond to the Department under the Illinois Oil and  
2 Gas Act, the applicant's submission of a bond under this  
3 Section shall satisfy the bonding requirements provided for in  
4 the Illinois Oil and Gas Act. In lieu of a bond, the applicant  
5 may provide other collateral securities such as cash,  
6 certificates of deposit, or irrevocable letters of credit under  
7 the terms and conditions as the Department may provide by rule.

8 (b) The bond or other collateral securities shall remain in  
9 force until the well is plugged and abandoned. Upon abandoning  
10 a well to the satisfaction of the Department and in accordance  
11 with the Illinois Oil and Gas Act, the bond or other collateral  
12 securities shall be promptly released by the Department. Upon  
13 the release by the Department of the bond or other collateral  
14 securities, any cash or collateral securities deposited shall  
15 be returned by the Department to the applicant who deposited  
16 it.

17 (c) If, after notice and hearing, the Department determines  
18 that any of the requirements of this Act or rules adopted under  
19 this Act or the orders of the Department have not been complied  
20 with within the time limit set by any notice of violation  
21 issued under this Act, the permittee's bond or other collateral  
22 securities shall be forfeited. Forfeiture under this  
23 subsection shall not limit any duty of the permittee to  
24 mitigate or remediate harms or foreclose enforcement by the  
25 Department or the Agency. In no way will payment under this  
26 bond exceed the aggregate penalty as specified.

1           (d) When any bond or other collateral security is forfeited  
2 under the provisions of this Act or rules adopted under this  
3 Act, the Department shall collect the forfeiture without delay.  
4 The surety shall have 30 days to submit payment for the bond  
5 after receipt of notice by the permittee of the forfeiture.

6           (e) All forfeitures shall be deposited in the Mines and  
7 Minerals Regulatory Fund to be used, as necessary, to mitigate  
8 or remediate violations of this Act or rules adopted under this  
9 Act.

10           Section 1-70. Well preparation, construction, and  
11 drilling.

12           (a) This Section shall apply to all horizontal wells that  
13 are to be completed using high volume horizontal hydraulic  
14 fracturing operations under a high volume horizontal hydraulic  
15 fracturing permit. The requirements of this Section shall be in  
16 addition to any other laws or rules regarding wells and well  
17 sites.

18           (b) Site preparation standards shall be as follows:

19               (1) The access road to the well site must be located in  
20 accordance with access rights identified in the Illinois  
21 Oil and Gas Act and located as far as practical from  
22 occupied structures, places of assembly, and property  
23 lines of unleased property.

24               (2) Unless otherwise approved or directed by the  
25 Department, all topsoil stripped to facilitate the

1 construction of the well pad and access roads must be  
2 stockpiled, stabilized, and remain on site for use in  
3 either partial or final reclamation. In the event it is  
4 anticipated that the final reclamation shall take place in  
5 excess of one year from drilling the well the topsoil may  
6 be disposed of in any lawful manner provided the operator  
7 reclaims the site with topsoil of similar characteristics  
8 of the topsoil removed.

9 (3) Piping, conveyances, valves, and tanks in contact  
10 with hydraulic fracturing fluid, hydraulic fracturing  
11 flowback, or produced water must be constructed of  
12 materials compatible with the composition of the hydraulic  
13 fracturing fluid, hydraulic fracturing flowback, and  
14 produced water.

15 (4) The improvement, construction, or repair of a  
16 publicly owned highway or roadway, if undertaken by the  
17 owner, operator, permittee, or any other private entity,  
18 shall be performed using bidding procedures outlined in the  
19 Illinois Department of Transportation rules governing  
20 local roads and streets or applicable bidding requirements  
21 outlined in the Illinois Procurement Code as though the  
22 project were publicly funded.

23 (c) Site maintenance standards shall be as follows:

24 (1) Secondary containment is required for all fueling  
25 tanks.

26 (2) Fueling tanks shall be subject to Section 1-25 of



1           this Act.

2           (3) Fueling tank filling operations shall be  
3 supervised at the fueling truck and at the tank if the tank  
4 is not visible to the fueling operator from the truck.

5           (4) Troughs, drip pads, or drip pans are required  
6 beneath the fill port of a fueling tank during filling  
7 operations if the fill port is not within the secondary  
8 containment required by paragraph (1) of this subsection.

9           (d) All wells shall be constructed, and casing and  
10 cementing activities shall be conducted, in a manner that shall  
11 provide for control of the well at all times, prevent the  
12 migration of oil, gas, and other fluids into the fresh water  
13 and coal seams, and prevent pollution or diminution of fresh  
14 water. In addition to any of the Department's casing and  
15 cementing requirements, the following shall apply:

16           (1) All casings must conform to the current industry  
17 standards published by the American Petroleum Institute.

18           (2) Casing thread compound and its use must conform to  
19 the current industry standards published by the American  
20 Petroleum Institute.

21           (3) Surface casing shall be centralized at the shoe,  
22 above and below a stage collar or diverting tool, if run,  
23 and through usable-quality water zones. In non-deviated  
24 holes, pipe centralization as follows is required: a  
25 centralizer shall be placed every fourth joint from the  
26 cement shoe to the ground surface or to the bottom of the

1 cellar. All centralizers shall meet specifications in, or  
2 equivalent to, API spec 10D, Specification for Bow-Spring  
3 Casing Centralizers; API Spec 10 TR4, Technical Report on  
4 Considerations Regarding Selection of Centralizers for  
5 Primary Cementing Operations; and API RP 10D-2,  
6 Recommended Practice for Centralizer Placement and Stop  
7 Collar Testing. The Department may require additional  
8 centralization as necessary to ensure the integrity of the  
9 well design is adequate. All centralizers must conform to  
10 the current industry standards published by the American  
11 Petroleum Institute.

12 (4) Cement must conform to current industry standards  
13 published by the American Petroleum Institute and the  
14 cement slurry must be prepared to minimize its free water  
15 content in accordance with the current industry standards  
16 published by the American Petroleum Institute; the cement  
17 must also:

18 (A) secure the casing in the wellbore;

19 (B) isolate and protect fresh groundwater;

20 (C) isolate abnormally pressured zones, lost  
21 circulation zones, and any potential flow zones  
22 including hydrocarbon and fluid-bearing zones;

23 (D) properly control formation pressure and any  
24 pressure from drilling, completion and production;

25 (E) protect the casing from corrosion and  
26 degradation; and

1 (F) prevent gas flow in the annulus.

2 (5) Prior to cementing any casing string, the borehole  
3 must be circulated and conditioned to ensure an adequate  
4 cement bond.

5 (6) A pre-flush or spacer must be pumped ahead of the  
6 cement.

7 (7) The cement must be pumped at a rate and in a flow  
8 regime that inhibits channeling of the cement in the  
9 annulus.

10 (8) Cement compressive strength tests must be  
11 performed on all surface, intermediate, and production  
12 casing strings; after the cement is placed behind the  
13 casing, the operator shall wait on cement to set until the  
14 cement achieves a calculated compressive strength of at  
15 least 500 pounds per square inch, and a minimum of 8 hours  
16 before the casing is disturbed in any way, including  
17 installation of a blowout preventer. The cement shall have  
18 a 72-hour compressive strength of at least 1,200 psi, and  
19 the free water separation shall be no more than 6  
20 milliliters per 250 milliliters of cement, tested in  
21 accordance with current American petroleum Institute  
22 standards.

23 (9) A copy of the cement job log for any cemented  
24 casing string in the well shall be maintained in the well  
25 file and available to the Department upon request.

26 (10) Surface casing shall be used and set to a depth of

1 at least 200 feet, or 100 feet below the base of the  
2 deepest fresh water, whichever is deeper, but no more than  
3 200 feet below the base of the deepest fresh water and  
4 prior to encountering any hydrocarbon-bearing zones. The  
5 surface casing must be run and cemented as soon as  
6 practicable after the hole has been adequately circulated  
7 and conditioned.

8 (11) The Department must be notified at least 24 hours  
9 prior to surface casing cementing operations. Surface  
10 casing must be fully cemented to the surface with excess  
11 cements. Cementing must be by the pump and plug method with  
12 a minimum of 25% excess cement with appropriate lost  
13 circulation material, unless another amount of excess  
14 cement is approved by the Department. If cement returns are  
15 not observed at the surface, the operator must perform  
16 remedial actions as appropriate.

17 (12) Intermediate casing must be installed when  
18 necessary to isolate fresh water not isolated by surface  
19 casing and to seal off potential flow zones, anomalous  
20 pressure zones, lost circulation zones and other drilling  
21 hazards.

22 Intermediate casing must be set to protect fresh water  
23 if surface casing was set above the base of the deepest  
24 fresh water, if additional fresh water was found below the  
25 surface casing shoe, or both. Intermediate casing used to  
26 isolate fresh water must not be used as the production

1 string in the well in which it is installed, and may not be  
2 perforated for purposes of conducting a hydraulic fracture  
3 treatment through it.

4 When intermediate casing is installed to protect fresh  
5 water, the operator shall set a full string of new  
6 intermediate casing at least 100 feet below the base of the  
7 deepest fresh water and bring cement to the surface. In  
8 instances where intermediate casing was set solely to  
9 protect fresh water encountered below the surface casing  
10 shoe, and cementing to the surface is technically  
11 infeasible, would result in lost circulation, or both,  
12 cement must be brought to a minimum of 600 feet above the  
13 shallowest fresh water zone encountered below the surface  
14 casing shoe or to the surface if the fresh water zone is  
15 less than 600 feet from the surface. The location and  
16 depths of any hydrocarbon-bearing zones or fresh water  
17 zones that are open to the wellbore above the casing shoe  
18 must be confirmed by coring, electric logs, or testing and  
19 must be reported to the Department.

20 In the case that intermediate casing was set for a  
21 reason other than to protect strata that contains fresh  
22 water, the intermediate casing string shall be cemented  
23 from the shoe to a point at least 600 true vertical feet  
24 above the shoe. If there is a hydrocarbon bearing zone  
25 capable of producing exposed above the intermediate casing  
26 shoe, the casing shall be cemented from the shoe to a point

1 at least 600 true vertical feet above the shallowest  
2 hydrocarbon bearing zone or to a point at least 200 feet  
3 above the shoe of the next shallower casing string that was  
4 set and cemented in the well (or to the surface if less  
5 than 200 feet).

6 (13) The Department must be notified prior to  
7 intermediate casing cementing operations. Cementing must  
8 be by the pump and plug method with a minimum of 25% excess  
9 cement. A radial cement bond evaluation log, or other  
10 evaluation approved by the Department, must be run to  
11 verify the cement bond on the intermediate casing. Remedial  
12 cementing is required if the cement bond is not adequate  
13 for drilling ahead.

14 (14) Production casing must be run and fully cemented  
15 to 500 feet above the top perforated zone, if possible. The  
16 Department must be notified at least 24 hours prior to  
17 production casing cementing operations. Cementing must be  
18 by the pump and plug method with a minimum of 25% excess  
19 cement.

20 (15) At any time, the Department, as it deems  
21 necessary, may require installation of an additional  
22 cemented casing string or strings in the well.

23 (16) After the setting and cementing of a casing  
24 string, except the conductor casing, and prior to further  
25 drilling, the casing string shall be tested with fresh  
26 water, mud, or brine to no less than 0.22 psi per foot of

1 casing string length or 1,500 psi, whichever is greater but  
2 not to exceed 70% of the minimum internal yield, for at  
3 least 30 minutes with less than a 5% pressure loss, except  
4 that any casing string that will have pressure exerted on  
5 it during stimulation of the well shall be tested to at  
6 least the maximum anticipated treatment pressure. If the  
7 pressure declines more than 5% or if there are other  
8 indications of a leak, corrective action shall be taken  
9 before conducting further drilling and high volume  
10 horizontal hydraulic fracturing operations. The operator  
11 shall contact the Department's District Office for any  
12 county in which the well is located at least 24 hours prior  
13 to conducting a pressure test to enable an inspector to be  
14 present when the test is done. A record of the pressure  
15 test must be maintained by the operator and must be  
16 submitted to the Department on a form prescribed by the  
17 Department prior to conducting high volume horizontal  
18 hydraulic fracturing operations. The actual pressure must  
19 not exceed the test pressure at any time during high volume  
20 horizontal hydraulic fracturing operations.

21 (17) Any hydraulic fracturing string used in the high  
22 volume horizontal hydraulic fracturing operations must be  
23 either strung into a production liner or run with a packer  
24 set at least 100 feet below the deepest cement top and must  
25 be tested to not less than the maximum anticipated treating  
26 pressure minus the annulus pressure applied between the

1 fracturing string and the production or immediate casing.  
2 The pressure test shall be considered successful if the  
3 pressure applied has been held for 30 minutes with no more  
4 than 5% pressure loss. A function-tested relief valve and  
5 diversion line must be installed and used to divert flow  
6 from the hydraulic fracturing string-casing annulus to a  
7 covered watertight steel tank in case of hydraulic  
8 fracturing string failure. The relief valve must be set to  
9 limit the annular pressure to no more than 95% of the  
10 working pressure rating of the casings forming the annulus.  
11 The annulus between the hydraulic fracturing string and  
12 casing must be pressurized to at least 250 psi and  
13 monitored.

14 (18) After a successful pressure test under paragraph  
15 (16) of this subsection, a formation pressure integrity  
16 test must be conducted below the surface casing and below  
17 all intermediate casing. The operator shall notify the  
18 Department's District Office for any county in which the  
19 well is located at least 24 hours prior to conducting a  
20 formation pressure integrity test to enable an inspector to  
21 be present when the test is done. A record of the pressure  
22 test must be maintained by the operator and must be  
23 submitted to the Department on a form prescribed by the  
24 Department prior to conducting high volume horizontal  
25 hydraulic fracturing operations. The actual hydraulic  
26 fracturing treatment pressure must not exceed the test



1 pressure at any time during high volume horizontal  
2 hydraulic fracturing operations.

3 (e) Blowout prevention standards shall be set as follows:

4 (1) The operator shall use blowout prevention  
5 equipment after setting casing with a competent casing  
6 seat. Blowout prevention equipment shall be in good  
7 working condition at all times.

8 (2) The operator shall use pipe fittings, valves,  
9 and unions placed on or connected to the blow-out  
10 prevention systems that have a working pressure  
11 capability that exceeds the anticipated pressures.

12 (3) During all drilling and completion operations  
13 when a blowout preventer is installed, tested, or in  
14 use, the operator or operator's designated  
15 representative shall be present at the well site and  
16 that person or personnel shall have a current well  
17 control certification from an accredited training  
18 program that is acceptable to the Department. The  
19 certification shall be available at the well site and  
20 provided to the Department upon request.

21 (4) Appropriate pressure control procedures and  
22 equipment in proper working order must be properly  
23 installed and employed while conducting drilling and  
24 completion operations including tripping, logging,  
25 running casing into the well, and drilling out  
26 solid-core stage plugs.

1           (5) Pressure testing of the blowout preventer and  
2           related equipment for any drilling or completion  
3           operation must be performed. Testing must be conducted  
4           in accordance with current industry standards  
5           published by the American Petroleum Institute. Testing  
6           of the blowout preventer shall include testing after  
7           the blowout preventer is installed on the well but  
8           prior to drilling below the last cemented casing seat.  
9           Pressure control equipment, including the blowout  
10          preventer, that fails any pressure test shall not be  
11          used until it is repaired and passes the pressure test.

12          (6) A remote blowout preventer actuator, that is  
13          powered by a source other than rig hydraulics, shall be  
14          located at least 50 feet from the wellhead and have an  
15          appropriate rated working pressure.

16          Section 1-75. High volume horizontal hydraulic fracturing  
17          operations.

18          (a) General.

19           (1) During all phases of high volume horizontal  
20           hydraulic fracturing operations, the permittee shall  
21           comply with all terms of the permit.

22           (2) All phases of high volume horizontal hydraulic  
23           fracturing operations shall be conducted in a manner that  
24           shall not pose a significant risk to public health, life,  
25           property, aquatic life, or wildlife.

1           (3) The permittee shall notify the Department by phone,  
2           electronic communication, or letter, at least 48 hours  
3           prior to the commencement of high volume horizontal  
4           hydraulic fracturing operations.

5           (b) Integrity tests and monitoring.

6           (1) Before the commencement of high volume horizontal  
7           hydraulic fracturing operations, all mechanical integrity  
8           tests required under subsection (d) of Section 1-70 and  
9           this subsection must be successfully completed.

10          (2) Prior to commencing high volume horizontal  
11          hydraulic fracturing operations and pumping of hydraulic  
12          fracturing fluid, the injection lines and manifold,  
13          associated valves, fracture head or tree and any other  
14          wellhead component or connection not previously tested  
15          must be tested with fresh water, mud, or brine to at least  
16          the maximum anticipated treatment pressure for at least 30  
17          minutes with less than a 5% pressure loss. A record of the  
18          pressure test must be maintained by the operator and made  
19          available to the Department upon request. The actual high  
20          volume horizontal hydraulic fracturing treatment pressure  
21          must not exceed the test pressure at any time during high  
22          volume horizontal hydraulic fracturing operations.

23          (3) The pressure exerted on treating equipment  
24          including valves, lines, manifolds, hydraulic fracturing  
25          head or tree, casing and hydraulic fracturing string, if  
26          used, must not exceed 95% of the working pressure rating of

1 the weakest component. The high volume horizontal  
2 hydraulic fracturing treatment pressure must not exceed  
3 the test pressure of any given component at any time during  
4 high volume horizontal hydraulic fracturing operations.

5 (4) During high volume horizontal hydraulic fracturing  
6 operations, all annulus pressures, the injection pressure,  
7 and the rate of injection shall be continuously monitored  
8 and recorded. The records of the monitoring shall be  
9 maintained by the operator and shall be provided to the  
10 Department upon request at any time during the period up to  
11 and including 5 years after the well is permanently plugged  
12 or abandoned.

13 (5) High volume horizontal hydraulic fracturing  
14 operations must be immediately suspended if any anomalous  
15 pressure or flow condition or any other anticipated  
16 pressure or flow condition is occurring in a way that  
17 indicates the mechanical integrity of the well has been  
18 compromised and continued operations pose a risk to the  
19 environment. Remedial action shall be undertaken  
20 immediately prior to recommencing high volume horizontal  
21 hydraulic fracturing operations. The permittee shall  
22 notify the Department within 1 hour of suspending  
23 operations for any matters relating to the mechanical  
24 integrity of the well or risk to the environment.

25 (c) Fluid and waste management.

26 (1) For the purposes of storage at the well site and

1           except as provided in paragraph (2) of this subsection,  
2           hydraulic fracturing additives, hydraulic fracturing  
3           fluid, hydraulic fracturing flowback, and produced water  
4           shall be stored in above-ground tanks during all phases of  
5           drilling, high volume horizontal hydraulic fracturing, and  
6           production operations until removed for proper disposal.  
7           For the purposes of centralized storage off site for  
8           potential reuse prior to disposal, hydraulic fracturing  
9           additives, hydraulic fracturing fluid, hydraulic  
10          fracturing flowback, and produced water shall be stored in  
11          above-ground tanks.

12           (2) In accordance with the plan required by paragraph  
13          (11) of subsection (b) of Section 1-35 of this Act and as  
14          approved by the Department, the use of a reserve pit is  
15          allowed for the temporary storage of hydraulic fracturing  
16          flowback. The reserve pit shall be used only in the event  
17          of a lack of capacity for tank storage due to higher than  
18          expected volume or rate of hydraulic fracturing flowback,  
19          or other unanticipated flowback occurrence. Any reserve  
20          pit must comply with the following construction standards  
21          and liner specifications:

22           (A) the synthetic liner material shall have a  
23           minimum thickness of 24 mils with high puncture and  
24           tear strength and be impervious and resistant to  
25           deterioration;

26           (B) the pit lining system shall be designed to have

1 a capacity at least equivalent to 110% of the maximum  
2 volume of hydraulic fracturing flowback anticipated to  
3 be recovered;

4 (C) the lined pit shall be constructed, installed,  
5 and maintained in accordance with the manufacturers'  
6 specifications and good engineering practices to  
7 prevent overflow during any use;

8 (D) the liner shall have sufficient elongation to  
9 cover the bottom and interior sides of the pit with the  
10 edges secured with at least a 12 inch deep anchor  
11 trench around the pit perimeter to prevent any slippage  
12 or destruction of the liner materials; and

13 (E) the foundation for the liner shall be free of  
14 rock and constructed with soil having a minimum  
15 thickness of 12 inches after compaction covering the  
16 entire bottom and interior sides of the pit.

17 (3) Fresh water may be stored in tanks or pits at the  
18 election of the operator.

19 (4) Tanks required under this subsection must be  
20 above-ground tanks that are closed, watertight, and will  
21 resist corrosion. The permittee shall routinely inspect  
22 the tanks for corrosion.

23 (5) Hydraulic fracturing fluids and hydraulic  
24 fracturing flowback must be removed from the well site  
25 within 60 days after completion of high volume horizontal  
26 fracturing operations, except that any excess hydraulic

1 fracturing flowback captured for temporary storage in a  
2 reserve pit as provided in paragraph (2) of this subsection  
3 must be removed from the well site within 7 days.

4 (6) Tanks, piping, and conveyances, including valves,  
5 must be constructed of suitable materials, be of sufficient  
6 pressure rating, be able to resist corrosion, and be  
7 maintained in a leak-free condition. Fluid transfer  
8 operations from tanks to tanker trucks must be supervised  
9 at the truck and at the tank if the tank is not visible to  
10 the truck operator from the truck. During transfer  
11 operations, all interconnecting piping must be supervised  
12 if not visible to transfer personnel at the truck and tank.

13 (7) Hydraulic fracturing flowback must be tested for  
14 volatile organic chemicals, semi-volatile organic  
15 chemicals, inorganic chemicals, heavy metals, and  
16 naturally occurring radioactive material prior to removal  
17 from the site. Testing shall occur once per well site and  
18 the analytical results shall be filed with the Department  
19 and the Agency, and provided to the liquid oilfield waste  
20 transportation and disposal operators. Prior to plugging  
21 and site restoration, the ground adjacent to the storage  
22 tanks and any hydraulic fracturing flowback reserve pit  
23 must be measured for radioactivity.

24 (8) Hydraulic fracturing flowback may only be disposed  
25 of by injection into a Class II injection well that is  
26 below interface between fresh water and naturally

1 occurring Class IV groundwater. Produced water may be  
2 disposed of by injection in a permitted enhanced oil  
3 recovery operation. Hydraulic fracturing flowback and  
4 produced water may be treated and recycled for use in  
5 hydraulic fracturing fluid for high volume horizontal  
6 hydraulic fracturing operations.

7 (9) Discharge of hydraulic fracturing fluids,  
8 hydraulic fracturing flowback, and produced water into any  
9 surface water or water drainage way is prohibited.

10 (10) Transport of all hydraulic fracturing fluids,  
11 hydraulic fracturing flowback, and produced water by  
12 vehicle for disposal must be undertaken by a liquid  
13 oilfield waste hauler permitted by the Department under  
14 Section 8c of the Illinois Oil and Gas Act. The liquid  
15 oilfield waste hauler transporting hydraulic fracturing  
16 fluids, hydraulic fracturing flowback, or produced water  
17 under this Act shall comply with all laws, rules, and  
18 regulations concerning liquid oilfield waste.

19 (11) Drill cuttings, drilling fluids, and drilling  
20 wastes not containing oil-based mud or polymer-based mud  
21 may be stored in tanks or pits. Pits used to store  
22 cuttings, fluids, and drilling wastes from wells not using  
23 fresh water mud shall be subject to the construction  
24 standards identified in (2) of this Section. Drill cuttings  
25 not contaminated with oil-based mud or polymer-based mud  
26 may be disposed of onsite subject to the approval of the



1 Department. Drill cuttings contaminated with oil-based mud  
2 or polymer-based mud shall not be disposed of on site.  
3 Annular disposal of drill cuttings or fluid is prohibited.

4 (12) Any release of hydraulic fracturing fluid,  
5 hydraulic fracturing additive, or hydraulic fracturing  
6 flowback, used or generated during or after high volume  
7 horizontal hydraulic fracturing operations shall be  
8 immediately cleaned up and remediated pursuant to  
9 Department requirements. Any release of hydraulic  
10 fracturing fluid or hydraulic fracturing flowback in  
11 excess of 1 barrel, shall be reported to the Department.  
12 Any release of a hydraulic fracturing additive shall be  
13 reported to the Department in accordance with the  
14 appropriate reportable quantity thresholds established  
15 under the federal Emergency Planning and Community  
16 Right-to-Know Act as published in the Code of Federal  
17 Regulations (CFR), 40 CFR Parts 355, 370, and 372, the  
18 federal Comprehensive Environmental Response,  
19 Compensation, and Liability Act as published in 40 CFR Part  
20 302, and subsection (r) of Section 112 of the Federal Clean  
21 Air Act as published in 40 CFR Part 68. Any release of  
22 produced water in excess of 5 barrels shall be cleaned up,  
23 remediated, and reported pursuant to Department  
24 requirements.

25 (13) Secondary containment for tanks required under  
26 this subsection and additive staging areas is required.

1 Secondary containment measures may include, as deemed  
2 appropriate by the Department, one or a combination of the  
3 following: dikes, liners, pads, impoundments, curbs,  
4 sumps, or other structures or equipment capable of  
5 containing the substance. Any secondary containment must  
6 be sufficient to contain 110% of the total capacity of the  
7 single largest container or tank within a common  
8 containment area. No more than one hour before initiating  
9 any stage of the high volume horizontal hydraulic  
10 fracturing operations, all secondary containment must be  
11 visually inspected to ensure all structures and equipment  
12 are in place and in proper working order. The results of  
13 this inspection must be recorded and documented by the  
14 operator, and available to the Department upon request.

15 (14) A report on the transportation and disposal of the  
16 hydraulic fracturing fluids and hydraulic fracturing  
17 flowback shall be prepared and included in the well file.  
18 The report must include the amount of fluids transported,  
19 identification of the company that transported the fluids,  
20 the destination of the fluids, and the method of disposal.

21 (15) Operators operating wells permitted under this  
22 Act must submit an annual report to the Department  
23 detailing the management of any produced water associated  
24 with the permitted well. The report shall be due to the  
25 Department no later than April 30th of each year and shall  
26 provide information on the operator's management of any

1 produced water for the prior calendar year. The report  
2 shall contain information relative to the amount of  
3 produced water the well permitted under this Act produced,  
4 the method by which the produced water was disposed, and  
5 the destination where the produced water was disposed in  
6 addition to any other information the Department  
7 determines is necessary by rule.

8 (d) Hydraulic fracturing fluid shall be confined to the  
9 targeted formation designated in the permit. If the hydraulic  
10 fracturing fluid or hydraulic fracturing flowback are  
11 migrating into the freshwater zone or to the surface from the  
12 well in question or from other wells, the permittee shall  
13 immediately notify the Department and shut in the well until  
14 remedial action that prevents the fluid migration is completed.  
15 The permittee shall obtain the approval of the Department prior  
16 to resuming operations.

17 (e) Emissions controls.

18 (1) This subsection applies to all horizontal wells  
19 that are completed with high volume horizontal hydraulic  
20 fracturing.

21 (2) Except as otherwise provided in paragraph (8) of  
22 this subsection (e), permittees shall be responsible for  
23 managing gas and hydrocarbon fluids produced during the  
24 flowback period by routing recovered hydrocarbon fluids to  
25 one or more storage vessels or re-injecting into the well  
26 or another well, and routing recovered natural gas into a

1 flow line or collection system, re-injecting the gas into  
2 the well or another well, using the gas as an on-site fuel  
3 source, or using the gas for another useful purpose that a  
4 purchased fuel or raw material would serve, with no direct  
5 release to the atmosphere.

6 (3) If it is technically infeasible or economically  
7 unreasonable to minimize emissions associated with the  
8 venting of hydrocarbon fluids and natural gas during the  
9 flowback period using the methods specified in paragraph  
10 (2) of this subsection (e), the permittee shall capture and  
11 direct the emissions to a completion combustion device,  
12 except in conditions that may result in a fire hazard or  
13 explosion, or where high heat emissions from a completion  
14 combustion device may negatively impact waterways.  
15 Completion combustion devices must be equipped with a  
16 reliable continuous ignition source over the duration of  
17 the flowback period.

18 (4) Except as otherwise provided in paragraph (8) of  
19 this subsection (e), permittees shall be responsible for  
20 minimizing the emissions associated with venting of  
21 hydrocarbon fluids and natural gas during the production  
22 phase by:

23 (A) routing the recovered fluids into storage  
24 vessels and (i) routing the recovered gas into a gas  
25 gathering line, collection system, or to a generator  
26 for onsite energy generation, providing that gas to the

1 surface owner of the well site for use for heat or  
2 energy generation, or (ii) using another method other  
3 than venting or flaring; and

4 (B) employing sand traps, surge vessels,  
5 separators, and tanks as soon as practicable during  
6 cleanout operations to safely maximize resource  
7 recovery and minimize releases to the environment.

8 (5) If the permittee establishes that it is technically  
9 infeasible or economically unreasonable to minimize  
10 emissions associated with the venting of hydrocarbon  
11 fluids and natural gas during production using the methods  
12 specified in paragraph (4) of this subsection (e), the  
13 Department shall require the permittee to capture and  
14 direct any natural gas produced during the production phase  
15 to a flare. Any flare used pursuant to this paragraph shall  
16 be equipped with a reliable continuous ignition source over  
17 the duration of production. In order to establish technical  
18 infeasibility or economic unreasonableness under this  
19 paragraph (5), the permittee must demonstrate, for each  
20 well site on an annual basis, that taking the actions  
21 listed in paragraph (4) of this subsection (e) are not cost  
22 effective based on a site-specific analysis. Permittees  
23 that use a flare during the production phase for operations  
24 other than emergency conditions shall file an updated  
25 site-specific analysis annually with the Department. The  
26 analysis shall be due one year from the date of the

1 previous submission and shall detail whether any changes  
2 have occurred that alter the technical infeasibility or  
3 economic unreasonableness of the permittee to reduce their  
4 emissions in accordance with paragraph (4) of this  
5 subsection (e).

6 (6) Uncontrolled emissions exceeding 6 tons per year  
7 from storage tanks shall be recovered and routed to a flare  
8 that is designed in accordance with 40 CFR 60.18 and is  
9 certified by the manufacturer of the device. The permittee  
10 shall maintain and operate the flare in accordance with  
11 manufacturer specifications. Any flare used under this  
12 paragraph must be equipped with a reliable continuous  
13 ignition source over the duration of production.

14 (7) The Department may approve an exemption that waives  
15 the flaring requirements of paragraphs (5) and (6) of this  
16 subsection (e) only if the permittee demonstrates that the  
17 use of the flare will pose a significant risk of injury or  
18 property damage and that alternative methods of collection  
19 will not threaten harm to the environment. In determining  
20 whether to approve a waiver, the Department shall consider  
21 the quantity of casinghead gas produced, the topographical  
22 and climatological features at the well site, and the  
23 proximity of agricultural structures, crops, inhabited  
24 structures, public buildings, and public roads and  
25 railways.

26 (8) For each wildcat well, delineation well, or low

1 pressure well, permittees shall be responsible for  
2 minimizing the emissions associated with venting of  
3 hydrocarbon fluids and natural gas during the flowback  
4 period and production phase by capturing and directing the  
5 emissions to a completion combustion device during the  
6 flowback period and to a flare during the production phase,  
7 except in conditions that may result in a fire hazard or  
8 explosion, or where high heat emissions from a completion  
9 combustion device or flare may negatively impact  
10 waterways. Completion combustion devices and flares shall  
11 be equipped with a reliable continuous ignition source over  
12 the duration of the flowback period and the production  
13 phase, as applicable.

14 (9) On or after July 1, 2015, all flares used under  
15 paragraphs (5) and (8) of this subsection (e) shall (i)  
16 operate with a combustion efficiency of at least 98% and in  
17 accordance with 40 CFR 60.18; and (ii) be certified by the  
18 manufacturer of the device. The permittee shall maintain  
19 and operate the flare in accordance with manufacturer  
20 specifications.

21 (10) Permittees shall employ practices for control of  
22 fugitive dust related to their operations. These practices  
23 shall include, but are not limited to, the use of speed  
24 restrictions, regular road maintenance, and restriction of  
25 construction activity during high-wind days. Additional  
26 management practices such as road surfacing, wind breaks

1 and barriers, or automation of wells to reduce truck  
2 traffic may also be required by the Department if  
3 technologically feasible and economically reasonable to  
4 minimize fugitive dust emissions.

5 (11) Permittees shall record and report to the  
6 Department on an annual basis the amount of gas flared or  
7 vented from each high volume horizontal hydraulic  
8 fracturing well. Three years after the effective date of  
9 the first high-volume horizontal hydraulic fracturing well  
10 permit issued by the Department, and every 3 years  
11 thereafter, the Department shall prepare a report that  
12 analyzes the amount of gas that has been flared or vented  
13 and make recommendations to the General Assembly on whether  
14 steps should be taken to reduce the amount of gas that is  
15 being flared or vented in this State.

16 (f) High volume horizontal hydraulic fracturing operations  
17 completion report. Within 60 calendar days after the conclusion  
18 of high volume horizontal hydraulic fracturing operations, the  
19 operator shall file a high volume horizontal hydraulic  
20 fracturing operations completion report with the Department. A  
21 copy of each completion report submitted to the Department  
22 shall be provided by the Department to the Illinois State  
23 Geological Survey. The completion reports required by this  
24 Section shall be considered public information and shall be  
25 made available on the Department's website. The high volume  
26 horizontal hydraulic fracturing operations completion report



1 shall contain the following information:

2 (1) the permittee name as listed in the permit  
3 application;

4 (2) the dates of the high volume horizontal hydraulic  
5 fracturing operations;

6 (3) the county where the well is located;

7 (4) the well name and Department reference number;

8 (5) the total water volume used in the high volume  
9 horizontal hydraulic fracturing operations of the well,  
10 and the type and total volume of the base fluid used if  
11 something other than water;

12 (6) each source from which the water used in the high  
13 volume horizontal hydraulic fracturing operations was  
14 drawn, and the specific location of each source, including,  
15 but not limited to, the name of the county and latitude and  
16 longitude coordinates;

17 (7) the quantity of hydraulic fracturing flowback  
18 recovered from the well;

19 (8) a description of how hydraulic fracturing flowback  
20 recovered from the well was disposed and, if applicable,  
21 reused;

22 (9) a chemical disclosure report identifying each  
23 chemical and proppant used in hydraulic fracturing fluid  
24 for each stage of the hydraulic fracturing operations  
25 including the following:

26 (A) the total volume of water used in the hydraulic

1           fracturing treatment of the well or the type and total  
2           volume of the base fluid used in the hydraulic  
3           fracturing treatment, if something other than water;

4           (B) each hydraulic fracturing additive used in the  
5           hydraulic fracturing fluid, including the trade name,  
6           vendor, a brief descriptor of the intended use or  
7           function of each hydraulic fracturing additive, and  
8           the Material Safety Data Sheet (MSDS), if applicable;

9           (C) each chemical intentionally added to the base  
10          fluid, including for each chemical, the Chemical  
11          Abstracts Service number, if applicable; and

12          (D) the actual concentration in the base fluid, in  
13          percent by mass, of each chemical intentionally added  
14          to the base fluid;

15          (10) all pressures recorded during the high volume  
16          horizontal hydraulic fracturing operations; and

17          (11) any other reasonable or pertinent information  
18          related to the conduct of the high volume horizontal  
19          hydraulic fracturing operations the Department may request  
20          or require by administrative rule.

21          Section 1-77. Chemical disclosure; trade secret  
22          protection.

23          (a) If the chemical disclosure information required by  
24          paragraph (8) of subsection (b) of Section 1-35 of this Act is  
25          not submitted at the time of permit application, then the

1 permittee, applicant, or person who will perform high volume  
2 horizontal hydraulic fracturing operations at the well shall  
3 submit this information to the Department in electronic format  
4 no less than 21 calendar days prior to performing the high  
5 volume horizontal hydraulic fracturing operations. The  
6 permittee shall not cause or allow any stimulation of the well  
7 if it is not in compliance with this Section. Nothing in this  
8 Section shall prohibit the person performing high volume  
9 horizontal hydraulic fracturing operations from adjusting or  
10 altering the contents of the fluid during the treatment process  
11 to respond to unexpected conditions, as long as the permittee  
12 or the person performing the high volume horizontal hydraulic  
13 fracturing operations notifies the Department by electronic  
14 mail within 24 hours of the departure from the initial  
15 treatment design and includes a brief explanation of the reason  
16 for the departure.

17 (b) No permittee shall use the services of another person  
18 to perform high volume horizontal hydraulic fracturing  
19 operations unless the person is in compliance with this  
20 Section.

21 (c) Any person performing high volume horizontal hydraulic  
22 fracturing operations within this State shall:

23 (1) be authorized to do business in this State; and

24 (2) maintain and disclose to the Department separate  
25 and up-to-date master lists of:

26 (A) the base fluid to be used during any high

1 volume horizontal hydraulic fracturing operations  
2 within this State;

3 (B) all hydraulic fracturing additives to be used  
4 during any high volume horizontal hydraulic fracturing  
5 operations within this State; and

6 (C) all chemicals and associated Chemical Abstract  
7 Service numbers to be used in any high volume  
8 horizontal hydraulic fracturing operations within this  
9 State.

10 (d) Persons performing high volume horizontal hydraulic  
11 fracturing operations are prohibited from using any base fluid,  
12 hydraulic fracturing additive, or chemical not listed on their  
13 master lists disclosed under paragraph (2) of subsection (c) of  
14 this Section.

15 (e) The Department shall assemble and post up-to-date  
16 copies of the master lists it receives under paragraph (2) of  
17 subsection (c) of this Section on its website in accordance  
18 with Section 1-110 of this Act.

19 (f) Where an applicant, permittee, or the person performing  
20 high volume horizontal hydraulic fracturing operations  
21 furnishes chemical disclosure information to the Department  
22 under this Section, Section 1-35, or Section 1-75 of this Act  
23 under a claim of trade secret, the applicant, permittee, or  
24 person performing high volume horizontal hydraulic fracturing  
25 operations shall submit redacted and un-redacted copies of the  
26 documents containing the information to the Department and the

1 Department shall use the redacted copies when posting materials  
2 on its website.

3 (g) Upon submission or within 5 calendar days of submission  
4 of chemical disclosure information to the Department under this  
5 Section, Section 1-35, or Section 1-75 of this Act under a  
6 claim of trade secret, the person that claimed trade secret  
7 protection shall provide a justification of the claim  
8 containing the following: a detailed description of the  
9 procedures used by the person to safeguard the information from  
10 becoming available to persons other than those selected by the  
11 person to have access to the information for limited purposes;  
12 a detailed statement identifying the persons or class of  
13 persons to whom the information has been disclosed; a  
14 certification that the person has no knowledge that the  
15 information has ever been published or disseminated or has  
16 otherwise become a matter of general public knowledge; a  
17 detailed discussion of why the person believes the information  
18 to be of competitive value; and any other information that  
19 shall support the claim.

20 (h) Chemical disclosure information furnished under this  
21 Section, Section 1-35, or Section 1-75 of this Act under a  
22 claim of trade secret shall be protected from disclosure as a  
23 trade secret if the Department determines that the statement of  
24 justification demonstrates that:

25 (1) the information has not been published,  
26 disseminated, or otherwise become a matter of general

1 public knowledge; and

2 (2) the information has competitive value.

3 There is a rebuttable presumption that the information has  
4 not been published, disseminated, or otherwise become a matter  
5 of general public knowledge if the person has taken reasonable  
6 measures to prevent the information from becoming available to  
7 persons other than those selected by the person to have access  
8 to the information for limited purposes and the statement of  
9 justification contains a certification that the person has no  
10 knowledge that the information has ever been published,  
11 disseminated, or otherwise become a matter of general public  
12 knowledge.

13 (i) Denial of a trade secret request under this Section  
14 shall be appealable under the Administrative Review Law.

15 (j) A person whose request to inspect or copy a public  
16 record is denied, in whole or in part, because of a grant of  
17 trade secret protection may file a request for review with the  
18 Public Access Counselor under Section 9.5 of the Freedom of  
19 Information Act or for injunctive or declaratory relief under  
20 Section 11 of the Freedom of Information Act for the purpose of  
21 reviewing whether the Department properly determined that the  
22 trade secret protection should be granted.

23 (k) Except as otherwise provided in subsections (l) and (m)  
24 of this Section, the Department must maintain the  
25 confidentiality of chemical disclosure information furnished  
26 under this Section, Section 1-35, or Section 1-75 of this Act

1 under a claim of trade secret, until the Department receives  
2 official notification of a final order by a reviewing body with  
3 proper jurisdiction that is not subject to further appeal  
4 rejecting a grant of trade secret protection for that  
5 information.

6 (1) The Department shall adopt rules for the provision of  
7 information furnished under a claim of trade secret to a health  
8 professional who states a need for the information and  
9 articulates why the information is needed. The health  
10 professional may share that information with other persons as  
11 may be professionally necessary, including, but not limited to,  
12 the affected patient, other health professionals involved in  
13 the treatment of the affected patient, the affected patient's  
14 family members if the affected patient is unconscious, unable  
15 to make medical decisions, or is a minor, the Centers for  
16 Disease Control, and other government public health agencies.  
17 Except as otherwise provided in this Section, any recipient of  
18 the information shall not use the information for purposes  
19 other than the health needs asserted in the request and shall  
20 otherwise maintain the information as confidential.  
21 Information so disclosed to a health professional shall in no  
22 way be construed as publicly available. The holder of the trade  
23 secret may request a confidentiality agreement consistent with  
24 the requirements of this Section from all health professionals  
25 to whom the information is disclosed as soon as circumstances  
26 permit. The rules adopted by the Department shall also

1 establish procedures for providing the information in both  
2 emergency and non-emergency situations.

3 (m) In the event of a release of hydraulic fracturing  
4 fluid, a hydraulic fracturing additive, or hydraulic  
5 fracturing flowback, and when necessary to protect public  
6 health or the environment, the Department may disclose  
7 information furnished under a claim of trade secret to the  
8 relevant county public health director or emergency manager,  
9 the relevant fire department chief, the Director of the  
10 Illinois Department of Public Health, the Director of the  
11 Illinois Department of Agriculture, and the Director of the  
12 Illinois Environmental Protection Agency upon request by that  
13 individual. The Director of the Illinois Department of Public  
14 Health, and the Director of the Illinois Environmental  
15 Protection Agency, and the Director of the Illinois Department  
16 of Agriculture may disclose this information to staff members  
17 under the same terms and conditions as apply to the Director of  
18 Natural Resources. Except as otherwise provided in this  
19 Section, any recipient of the information shall not use the  
20 information for purposes other than to protect public health or  
21 the environment and shall otherwise maintain the information as  
22 confidential. Information disclosed to staff shall in no way be  
23 construed as publicly available. The holder of the trade secret  
24 information may request a confidentiality agreement consistent  
25 with the requirements of this Section from all persons to whom  
26 the information is disclosed as soon as circumstances permit.



1 Section 1-80. Water quality monitoring.

2 (a) Each applicant for a high volume horizontal hydraulic  
3 fracturing permit shall provide the Department with a work plan  
4 to ensure accurate and complete sampling and testing as  
5 required under this Section. The work plan shall ensure  
6 compliance with the requirements of this Section and include,  
7 at a minimum, the following:

8 (1) information identifying all water sources within  
9 the range of testing under this Section;

10 (2) a sampling plan and protocol, including  
11 notification to the Department at least 7 calendar days  
12 prior to sample collection;

13 (3) the name and contact information of an independent  
14 third party under the supervision of a professional  
15 engineer or professional geologist that shall be  
16 designated to conduct sampling to establish a baseline as  
17 provided for under subsection (b) of this Section;

18 (4) the name and contact information of an independent  
19 third party under the supervision of a professional  
20 engineer or professional geologist that shall be  
21 designated to conduct sampling to establish compliance  
22 with monitoring as provided within subsection (c) of this  
23 Section;

24 (5) the name and contact information of an independent  
25 testing laboratory, certified to perform the required

1 laboratory method, to conduct the analysis required under  
2 subsections (b) and (c) of this Section;

3 (6) proof of access and the right to test within the  
4 area for testing prescribed within subsection (b) of this  
5 Section during the duration of high volume horizontal  
6 hydraulic fracturing operations covered under the permit  
7 application, and copies of any non-disclosure agreements  
8 made under subsection (d) of this Section; and

9 (7) identification of practicable contingency  
10 measures, including provision for alternative drinking  
11 water supplies, which could be implemented in the event of  
12 pollution or diminution of a water source as provided for  
13 in Section 1-83.

14 (b) Prior to conducting high volume horizontal hydraulic  
15 fracturing operations on a well, a permittee shall retain an  
16 independent third party, as required within paragraph (3) of  
17 subsection (a) of this Section, and shall conduct baseline  
18 water quality sampling of all water sources within 1,500 feet  
19 of the well site prior to any fracturing activities. Where (i)  
20 there are no groundwater wells within 1,500 feet of a well  
21 site, or access to groundwater wells within 1,500 feet of the  
22 well site has been denied under subsection (d) of this Section,  
23 and (ii) the proposed well site is located within 1,500 feet  
24 horizontally from any portion of an aquifer, the permittee  
25 shall conduct sampling of the aquifer at the closest  
26 groundwater well with access to the aquifer to which the

1 permittee has not been denied access under subsection (d) of  
2 this Section. Installation of a groundwater monitoring well is  
3 not required to satisfy the sampling requirements of this  
4 Section. The samples collected by the independent third party,  
5 under the supervision of a professional engineer or  
6 professional geologist, shall be analyzed by an independent  
7 testing laboratory in accordance with paragraph (4) of  
8 subsection (a) of this Section. Testing shall be done by  
9 collection of a minimum of 3 samples for each water source  
10 required to be tested under this Section. The permittee shall,  
11 within 7 calendar days after receipt of results of tests  
12 conducted under this subsection, submit the results to the  
13 Department or to the owner of the water source under a  
14 non-disclosure agreement under subsection (d) of this Section.  
15 The Department shall post the results on its website within 7  
16 calendar days after receipt. The results shall, at a minimum,  
17 include a detailed description of the sampling and testing  
18 conducted under this subsection, the chain of custody of the  
19 samples, and quality control of the testing.

20 (c) After baseline tests are conducted under subsection (b)  
21 of this Section and following issuance of a permit by the  
22 Department, the permittee shall have all water sources which  
23 are subjected to sampling under subsection (b) of this Section  
24 sampled and tested in the same manner 6 months, 18 months, and  
25 30 months after the high volume horizontal hydraulic fracturing  
26 operations have been completed. Sampling of a water source

1 under this subsection is not required if the water source was  
2 sampled under this subsection or subsection (b) within the  
3 previous month. The permittee shall notify the Department at  
4 least 7 calendar days prior to taking the sample. The permittee  
5 shall, within 7 calendar days after receipt of results of tests  
6 conducted under this subsection (c), submit the results to the  
7 Department or to the owner of the water source pursuant to a  
8 non-disclosure agreement under subsection (d) of this Section.  
9 The results shall include, at a minimum, a detailed description  
10 of the sampling and testing conducted under this subsection,  
11 the chain of custody of the samples, and quality control of the  
12 testing.

13 (d) Sampling of private water wells or ponds wholly  
14 contained within private property shall not be required where  
15 the owner of the private property declines, expressly and in  
16 writing, to provide access or permission for sampling. If the  
17 owner of the private property declines to provide proof of his  
18 or her refusal to allow access in writing, the operator shall  
19 provide the Department evidence as to the good faith efforts  
20 that were made to secure the required documentation. Permits  
21 issued under this Act cannot be denied if the owner of the  
22 private property declines to provide proof of his or her  
23 refusal to allow access in writing and the permittee provides  
24 evidence that good faith efforts were made to gain access for  
25 the purposes of conducting tests. The owners of private  
26 property may condition access or permission for sampling of a

1 private water well or pond wholly within the property or a  
2 portion of any perennial stream or river that flows through the  
3 property under a non-disclosure agreement, which must include  
4 the following terms and conditions:

5 (1) the permittee shall provide the results of the  
6 water quality testing to the property owners;

7 (2) the permittee shall retain the results of the water  
8 quality testing until at least one year after completion of  
9 all monitoring under this Section for review by the  
10 Department upon request;

11 (3) the permittee shall not file with the Department  
12 the results of the water quality testing, except under  
13 paragraph (4) of subsection (d) of this Section; and

14 (4) the permittee shall notify the Department within 7  
15 calendar days of its receipt of the water quality data  
16 where any testing under subsection (c) of this Section  
17 indicates that concentrations exceed the standards or  
18 criteria referenced in the definition of pollution or  
19 diminution under Section 1-5 of this Act.

20 (e) Each set of samples collected under subsections (b) and  
21 (c) of this Section shall include analyses for:

22 (1) pH;

23 (2) total dissolved solids, dissolved methane,  
24 dissolved propane, dissolved ethane, alkalinity, and  
25 specific conductance;

26 (3) chloride, sulfate, arsenic, barium, calcium,

1 chromium, iron, magnesium, selenium, cadmium, lead,  
2 manganese, mercury, and silver;

3 (4) BTEX; and

4 (5) gross alpha and beta particles to determine the  
5 presence of any naturally occurring radioactive materials.

6 Sampling shall, at a minimum, be consistent with the work  
7 plan and allow for a determination of whether any hydraulic  
8 fracturing additive or other contaminant has caused pollution  
9 or diminution for purposes of Sections 1-83 and 1-85 of this  
10 Act.

11 Section 1-83. Order authority.

12 (a) Any person who has reason to believe they have incurred  
13 pollution or diminution of a water source as a result of a high  
14 volume horizontal hydraulic fracturing treatment of a well may  
15 notify the Department and request that an investigation be  
16 conducted.

17 (b) Within 30 calendar days after notification, the  
18 Department shall initiate the investigation of the claim and  
19 make a reasonable effort to reach a determination within 180  
20 calendar days after notification. The Department may contact  
21 the Agency to seek the Agency's assistance in water quality  
22 sampling. The Agency may seek cost recovery under subsection  
23 (e) of Section 1-87 of this Act and recover all costs for  
24 samples taken for the investigation under this Section.

25 (c) Any person conducting or who has conducted high volume

1 horizontal hydraulic fracturing operations shall supply any  
2 information requested by the Department to assist the  
3 Department. The Department shall give due consideration to any  
4 information submitted during the course of the investigation.

5 (d) If sampling results or other information obtained as  
6 part of the investigation or the results of tests conducted  
7 under subsection (c) of Section 1-80 of this Act indicate that  
8 concentrations exceed the standards or criteria referenced by  
9 pollution or diminution under Section 1-5 of this Act, the  
10 Department shall issue an order to the permittee as necessary  
11 to require permanent or temporary replacement of a water  
12 source. In addition to any other penalty available under the  
13 law and consistent with the Department's order, the permittee  
14 shall restore or replace the affected supply with an  
15 alternative source of water adequate in quantity and quality  
16 for the purposes served by the water source. The quality of a  
17 restored or replaced water source shall meet or exceed the  
18 quality of the original water source based upon the results of  
19 the baseline test results under subsection (b) of Section 1-80  
20 for that water source, or other available information. The  
21 Department may require the permittee to take immediate action,  
22 including but not limited to, repair, replacement, alteration,  
23 or prohibition of operation of equipment permitted by the  
24 Department. The Department may issue conditions within any  
25 order to protect the public health or welfare or the  
26 environment.

1           (e) Within 15 calendar days after a determination has been  
2 made regarding the pollution or diminution, the Department  
3 shall provide notice of its findings and the orders, if any, to  
4 all persons that use the water source for domestic,  
5 agricultural, industrial, or any other legitimate beneficial  
6 uses.

7           (f) Upon issuance of an Order or a finding of pollution or  
8 diminution under subsection (d) of this Section, the Department  
9 shall contact the Agency and forward all information from the  
10 investigation to the Agency. The Agency shall investigate the  
11 potential for violations as designated within Section 1-87 of  
12 this Act.

13           (g) Reports of potential cases of water pollution that may  
14 be associated with high volume horizontal hydraulic fracturing  
15 operations may be submitted electronically. The Department  
16 shall establish a format for these reports to be submitted  
17 through the website developed under Section 1-110 of this Act.  
18 The Department shall electronically provide these reports to  
19 the Agency.

20           (h) The Department shall publish, on its website, lists of  
21 confirmed cases of pollution or diminution that result from  
22 high volume horizontal hydraulic fracturing operations. This  
23 information shall be searchable by county.

24           (i) Nothing in this Section shall prevent the Department  
25 from issuing a cessation order under Section 8a of the Illinois  
26 Oil and Gas Act.



1 Section 1-85. Presumption of pollution or diminution.

2 (a) This Section establishes a rebuttable presumption for  
3 the purposes of evidence and liability under State law  
4 regarding claims of pollution or diminution of a water source  
5 and for use regarding the investigation and order authority  
6 under Section 1-83.

7 (b) Unless rebutted by a defense established in subsection

8 (c) of this Section, it shall be presumed that any person  
9 conducting or who has conducted high volume horizontal  
10 hydraulic fracturing operations shall be liable for pollution  
11 or diminution of a water supply if:

12 (1) the water source is within 1,500 feet of the well  
13 site;

14 (2) water quality data showed no pollution or  
15 diminution prior to the start of high volume horizontal  
16 hydraulic fracturing operations; and

17 (3) the pollution or diminution occurred during high  
18 volume horizontal hydraulic fracturing operations or no  
19 more than 30 months after the completion of the high volume  
20 horizontal hydraulic fracturing operations.

21 (c) To rebut the presumption established under this  
22 Section, a person presumed responsible must affirmatively  
23 prove by clear and convincing evidence any of the following:

24 (1) the water source is not within 1,500 feet of the  
25 well site;

1           (2) the pollution or diminution occurred prior to high  
2           volume horizontal hydraulic fracturing operations or more  
3           than 30 months after the completion of the high volume  
4           horizontal hydraulic fracturing operations; or

5           (3) the pollution or diminution occurred as the result  
6           of an identifiable cause other than the high volume  
7           horizontal hydraulic fracturing operations.

8           Section 1-87. Water quality investigation and enforcement.

9           (a) No person shall cause or allow high volume horizontal  
10          hydraulic fracturing operations permitted under this Act to  
11          violate Section 12 of the Illinois Environmental Protection Act  
12          or surface water or groundwater regulations adopted under the  
13          Illinois Environmental Protection Act.

14          (b) The Agency shall have the duty to investigate  
15          complaints that activities under this Act have caused a  
16          violation of Section 12 of the Illinois Environmental  
17          Protection Act or surface or groundwater rules adopted under  
18          the Illinois Environmental Protection Act. Any action taken by  
19          the Agency in enforcing these violations shall be taken under  
20          and consistent with the Illinois Environmental Protection Act,  
21          including but not limited to, the Agency's authority to seek a  
22          civil or criminal cause of action under that Act. The test  
23          results under subsections (b) and (c) of Section 1-80 of this  
24          Act may be considered by the Agency during an investigation  
25          under this Section.

1 (c) A person who has reason to believe they have incurred  
2 contamination of a water source as a result of high volume  
3 horizontal hydraulic fracturing may notify the Agency and  
4 request an investigation be conducted. The Agency shall forward  
5 this request to the Department for consideration of an  
6 investigation under Section 1-83 of this Act. If the Agency is  
7 provided with notice under subsection (f) of Section 1-83, the  
8 Agency shall conduct an investigation to determine whether  
9 pollution or diminution is continuing to occur at the location  
10 subject to the order, as well as locations identified by the  
11 Department or at any other water source within 1,500 feet of  
12 the well site. Any person conducting or who has conducted high  
13 volume horizontal hydraulic fracturing operations shall supply  
14 any information requested to assist the Agency in its  
15 investigation. The Agency shall give due consideration to any  
16 information submitted during the course of the investigation.

17 (d) Pollution or diminution is a violation of this Act and  
18 may be pursued by the Department subject to the procedures and  
19 remedies under Sections 1-100 and 1-105 of this Act.

20 (e) If an Agency investigation under Section 1-83 or  
21 subsection (c) of this Section confirms that the cause of the  
22 pollution, diminution, or water pollution is attributable to  
23 high volume horizontal hydraulic fracturing operations, in  
24 addition to any other relief available under law, the permittee  
25 shall be required to reimburse the costs and reasonable  
26 expenses incurred by the Agency for all activities related to

1 the investigation and cleanup. These costs shall include, but  
2 not be limited to, inspections, investigations, analyses,  
3 personnel, direct and indirect costs, studies, assessments,  
4 reports, and review and evaluation of that data, as well as  
5 costs under the Agency's review of whether the quality of a  
6 restored or replaced water supply meets or exceeds the quality  
7 of the water supply before it was affected by the permittee.  
8 Costs shall be reimbursed to the Agency by the permittee within  
9 30 calendar days after receipt of a written request for  
10 reimbursement by the Agency. For all costs that remain unpaid  
11 following 30 calendar days after receipt of a written request  
12 for reimbursement, the Agency may institute a civil action for  
13 cost recovery under subsection (e) of Section 1-101 of this  
14 Act. Failure to reimburse the Agency within 30 calendar days  
15 after receipt of the written request for reimbursement is a  
16 violation of this Act. Reimbursement of costs collected under  
17 this subsection shall be deposited by the Agency into the  
18 Illinois Clean Water Fund.

19 Section 1-95. Plugging; restoration.

20 (a) The permittee shall perform and complete plugging of  
21 the well and restoration of the well site in accordance with  
22 the Illinois Oil and Gas Act and any and all rules adopted  
23 thereunder. The permittee shall bear all costs related to  
24 plugging of the well and reclamation of the well site. If the  
25 permittee fails to plug the well in accordance with this

1 Section, the owner of the well shall be responsible for  
2 complying with this Section.

3 (b) Prior to conducting high volume horizontal hydraulic  
4 fracturing operations at a well site, the permittee shall cause  
5 to be plugged all previously unplugged well bores within 750  
6 feet of any part of the horizontal well bore that penetrated  
7 within 400 vertical feet of the formation that will be  
8 stimulated as part of the high volume horizontal hydraulic  
9 fracturing operations.

10 (c) For well sites where high volume horizontal hydraulic  
11 fracturing operations were permitted to occur, the operator  
12 shall restore any lands used by the operator other than the  
13 well site and production facility to a condition as closely  
14 approximating the pre-drilling conditions that existed before  
15 the land was disturbed for any stage of site preparation  
16 activities, drilling, and high volume horizontal hydraulic  
17 fracturing operations. Restoration shall be commenced within 6  
18 months of completion of the well site and completed within 12  
19 months. Restoration shall include, but is not limited to,  
20 repair of tile lines, repair of fences and barriers, mitigation  
21 of soil compaction and rutting, application of fertilizer or  
22 lime to restore the fertility of disturbed soil, and repair of  
23 soil conservation practices such as terraces and grassed  
24 waterways.

25 (d) Unless contractually agreed to the contrary by the  
26 permittee and surface owner, the permittee shall restore the

1 well site and production facility in accordance with the  
2 applicable restoration requirements in subsection (c) of this  
3 Section and shall remove all equipment and materials involved  
4 in site preparation, drilling, and high volume horizontal  
5 hydraulic fracturing operations, including tank batteries,  
6 rock and concrete pads, oil field debris, injection and flow  
7 lines at or above the surface, electric power lines and poles  
8 extending on or above the surface, tanks, fluids, pipes at or  
9 above the surface, secondary containment measures, rock or  
10 concrete bases, drilling equipment and supplies, and any and  
11 all other equipment, facilities, or materials used during any  
12 stage of site preparation work, drilling, or hydraulic  
13 fracturing operations at the well site. Work on the removal of  
14 equipment and materials at the well site shall begin within 6  
15 months after plugging the final well on the well site and be  
16 completed no later than 12 months after the last producing well  
17 on the well site has been plugged. Roads installed as part of  
18 the oil and gas operation may be left in place if provided in  
19 the lease or pursuant to agreement with the surface owner, as  
20 applicable.

21 Section 1-96. Seismicity.

22 (a) For purposes of this Section, "induced seismicity"  
23 means an earthquake event that is felt, recorded by the  
24 national seismic network, and attributable to a Class II  
25 injection well used for disposal of flow-back and produced

1 fluid from hydraulic fracturing operations.

2 (b) The Department shall adopt rules, in consultation with  
3 the Illinois State Geological Survey, establishing a protocol  
4 for controlling operational activity of Class II injection  
5 wells in an instance of induced seismicity.

6 (c) The rules adopted by the Department under this Section  
7 shall employ a "traffic light" control system allowing for low  
8 levels of seismicity while including additional monitoring and  
9 mitigation requirements when seismic events are of sufficient  
10 intensity to result in a concern for public health and safety.

11 (d) The additional mitigation requirements referenced in  
12 subsection (c) of this Section shall provide for either the  
13 scaling back of injection operations with monitoring for  
14 establishment of a potentially safe operation level or the  
15 immediate cessation of injection operations.

16 Section 1-97. Department mapping and reporting. On or  
17 before February 1, 2014, the Department shall, with the  
18 assistance of the Illinois State Geological Survey, submit a  
19 report to the General Assembly and Governor identifying the  
20 following in Illinois and include any recommendations for  
21 additional legislative or administrative action on these  
22 items:

23 (a) the location of resources of shale gas and oil,  
24 conventional gas and oil, and process materials, including sand  
25 and other naturally occurring geologic materials used in high

1 volume horizontal hydraulic fracturing operations;

2 (b) the potential impacts of high volume horizontal  
3 hydraulic fracturing operations on:

4 (1) sites owned, managed or leased by the Department;

5 (2) nature preserves;

6 (3) sites on the Register of Land and Water Reserves;

7 (4) the availability of water for human consumption and  
8 general domestic use; and

9 (5) the potential for influencing natural seismic  
10 activity.

11 Two years after the effective date of the first high volume  
12 horizontal hydraulic fracturing permit issued by the  
13 Department, and every 3 years thereafter, the Department shall  
14 prepare a report that examines the following:

15 (1) the number of high volume horizontal hydraulic  
16 fracturing permits issued by the Department, on an annual  
17 basis;

18 (2) a map showing the locations in this State where  
19 high volume horizontal hydraulic fracturing operations  
20 have been permitted by the Department;

21 (3) identification of the latest scientific research,  
22 best practices, and technological improvements related to  
23 high volume horizontal hydraulic fracturing operations and  
24 methods to protect the environment and public health;

25 (4) any confirmed environmental impacts in this State  
26 due to high volume horizontal hydraulic fracturing



1 operations, including, but not limited to, any reportable  
2 release of hydraulic fracturing flowback, hydraulic  
3 fracturing fluid, and hydraulic fracturing additive;

4 (5) confirmed public health impacts in this State due  
5 to high volume horizontal hydraulic fracturing operations;

6 (6) a comparison of the revenues generated under  
7 subsection (e) of Section 1-35 of this Act to the  
8 Department's costs associated with implementing and  
9 administering provisions of this Act;

10 (7) a comparison of the revenues generated under  
11 subsection (e) of Section 1-87 of this Act to the Agency's  
12 costs associated with implementing and administering  
13 provisions of this Act;

14 (7.5) a summary of revenues generated annually from  
15 income, ad valorem, sales, and any other State and local  
16 taxes applicable to activity permitted under this Act by  
17 the Department, including an estimate of the income tax  
18 generated from lease payments and royalty payments;

19 (8) a description of any modifications to existing  
20 programs, practices, or rules related to high volume  
21 horizontal hydraulic fracturing operations made by the  
22 Department;

23 (9) any problems or issues the Department identifies as  
24 it implements and administers the provisions of this Act;

25 (10) any recommendations for legislative action by the  
26 General Assembly to address the findings in the report; and

1           (11) any other information the Department deems  
2 relevant regarding its specific experiences implementing  
3 and administering the provisions of this Act and,  
4 generally, high volume horizontal hydraulic fracturing  
5 operations.

6           The first report shall also examine any studies issued by  
7 the United States Environmental Protection Agency regarding  
8 high volume horizontal hydraulic fracturing operations. The  
9 report required by this Section shall be provided to the  
10 General Assembly and Governor.

11           Section 1-98. Hydraulic fracturing completion reporting.

12           (a) For the purposes of this Section, "hydraulic fracturing  
13 operations" means all stages of a stimulation treatment of a  
14 horizontal well as defined by this Act by the pressurized  
15 application of more than 80,000 gallons but less than 300,001  
16 gallons of hydraulic fracturing fluid and proppant to initiate  
17 or propagate fractures in a geologic formation to enhance  
18 extraction or production of oil or gas.

19           (b) Within 60 calendar days after the conclusion of  
20 hydraulic fracturing operations, the operator shall file a  
21 hydraulic fracturing operations completion report with the  
22 Department. The hydraulic fracturing operations completion  
23 report shall contain the following information:

24                   (1) the name and location of the well;

25                   (2) the total and per-stage gallons of hydraulic

- 1 fracturing fluid used at the well;
- 2 (3) depth of the wellbore (including both total
- 3 vertical depth and total measured depth);
- 4 (4) length of horizontal wellbore;
- 5 (5) the maximum surface treating pressure used;
- 6 (6) the formation targeted;
- 7 (7) the number of hydraulic fracturing stages; and
- 8 (8) total perforated interval and individual
- 9 perforation intervals.

10 Section 1-99. Task Force on Hydraulic Fracturing

11 Regulation.

12 (a) There is hereby created the Task Force on Hydraulic

13 Fracturing Regulation.

14 (b) The task force shall consist of the following members

15 as follows:

16 (1) Four legislators, appointed one each by the

17 President of the Senate, the Minority Leader of the Senate,

18 the Speaker of the House of Representatives, and the

19 Minority Leader of the House of Representatives;

20 (2) The Governor, or his or her representative;

21 (3) The Director of the Illinois Environmental

22 Protection Agency, or his or her representative;

23 (4) The Director of the Illinois Department of Natural

24 Resources, or his or her representative;

25 (5) The Attorney General of the State of Illinois, or

1 his or her representative;

2 (6) The Director of the Illinois State Geological  
3 Survey, or his or her representative;

4 (7) Four representatives from environmental  
5 organizations, at least one of whom shall be a national  
6 environmental organization, at least one of whom shall be a  
7 Midwest regional environmental organization, and at least  
8 one of whom shall be an Illinois-based environmental  
9 organization, appointed by the Director of the Illinois  
10 Department of Natural Resources; and

11 (8) Four representatives from entities representing  
12 the interests of the oil and gas industry, at least one of  
13 whom shall represent companies whose activities are  
14 national in scope, at least one of whom shall represent  
15 companies whose activities are primarily limited to this  
16 State, at least one of whom shall represent an industry  
17 trade association, and at least one of whom shall represent  
18 a statewide labor federation representing more than one  
19 international union, appointed by the Director of the  
20 Illinois Department of Natural Resources.

21 (c) The Director of the Illinois Department of Natural  
22 Resources shall serve as chairperson of the task force, and the  
23 Department shall be responsible for administering its  
24 operations and ensuring that the requirements of this Section  
25 are met.

26 (d) The task force may consult with any persons or entities

1 it deems necessary to carry out its mandate.

2 (e) Members of the task force shall be appointed no later  
3 than 90 days after the effective date of this amendatory Act of  
4 the 98th General Assembly. The members of the task force shall  
5 receive no compensation for serving as members of the task  
6 force.

7 (f) The task force shall (1) prepare a report evaluating  
8 the scope of hydraulic fracturing activity in the State and (2)  
9 provide recommendations to the General Assembly as to whether  
10 further legislation is needed to regulate hydraulic fracturing  
11 in this State. In performing these tasks, the task force shall  
12 consider, at a minimum, the data collected by the Department  
13 under Section 1-98 of this Act and the Illinois Oil and Gas  
14 Act.

15 (g) The task force shall submit its report and  
16 recommendations specified in subsection (f) of this Section to  
17 the General Assembly on or before September 15, 2016.

18 (h) The task force, upon issuance of its report and  
19 recommendations, is dissolved and this Section is repealed.

20 Section 1-100. Criminal offenses; penalties.

21 (a) Except as otherwise provided in this Section, it shall  
22 be a Class A misdemeanor to knowingly violate this Act, its  
23 rules, or any permit or term or condition thereof, or knowingly  
24 to submit any false information under this Act or regulations  
25 adopted thereunder, or under any permit or term or condition

1       thereof. A person convicted or sentenced under this subsection  
2       (a) shall be subject to a fine of not to exceed \$10,000 for  
3       each day of violation.

4           (b) It is unlawful for a person knowingly to violate:

5               (1) subsection (c) of Section 1-25 of this Act;

6               (2) subsection (d) of Section 1-25 of this Act;

7               (3) subsection (a) of Section 1-30 of this Act;

8               (4) paragraph (9) of subsection (c) of Section 1-75 of  
9       this Act; or

10              (5) subsection (a) of Section 1-87 of this Act.

11       A person convicted or sentenced for any knowing violation  
12       of the requirements or prohibitions listed in this subsection  
13       (b) commits a Class 4 felony, and in addition to any other  
14       penalty prescribed by law is subject to a fine not to exceed  
15       \$25,000 for each day of violation. A person who commits a  
16       second or subsequent knowing violation of the requirements or  
17       prohibitions listed in this subsection (b) commits a Class 3  
18       felony and, in addition to any other penalties provided by law,  
19       is subject to a fine not to exceed \$50,000 for each day of  
20       violation.

21       (c) Any person who knowingly makes a false, fictitious, or  
22       fraudulent material statement, orally or in writing, to the  
23       Department or Agency as required by this Act, its rules, or any  
24       permit, term, or condition of a permit, commits a Class 4  
25       felony, and each false, fictitious, or fraudulent statement or  
26       writing shall be considered a separate violation. In addition

1 to any other penalty prescribed by law, persons in violation of  
2 this subsection (c) is subject to a fine of not to exceed  
3 \$25,000 for each day of violation. A person who commits a  
4 second or subsequent knowing violation of this subsection (c)  
5 commits a Class 3 felony and, in addition to any other  
6 penalties provided by law, is subject to a fine not to exceed  
7 \$50,000 for each day of violation.

8 (d) Any criminal action provided for under this Section  
9 shall be brought by the State's Attorney of the county in which  
10 the violation occurred or by the Attorney General and shall be  
11 conducted in accordance with the applicable provision of the  
12 Code of Criminal Procedure of 1963. For criminal conduct in  
13 this Section, the period for commencing prosecution shall not  
14 begin to run until the offense is discovered by or reported to  
15 a State or local agency having authority to investigate  
16 violations of this Act.

17 Section 1-101. Violations; civil penalties and  
18 injunctions.

19 (a) Except as otherwise provided in this Section, any  
20 person who violates any provision of this Act or any rule or  
21 order adopted under this Act or any permit issued under this  
22 Act shall be liable for a civil penalty not to exceed \$50,000  
23 for the violation and an additional civil penalty not to exceed  
24 \$10,000 for each day during which the violation continues.

25 (b) Any person who violates any requirements or

1 prohibitions of provisions listed in this subsection (b) is  
2 subject to a civil penalty not to exceed \$100,000 for the  
3 violation and an additional civil penalty not to exceed \$20,000  
4 for each day during which the violation continues. The  
5 following are violations are subject to the penalties of this  
6 subsection (b):

7 (1) subsection (c) of Section 1-25 of this Act;

8 (2) subsection (d) of Section 1-25 of this Act;

9 (3) subsection (a) of Section 1-30 of this Act;

10 (4) paragraph (9) of subsection (c) of Section 1-75 of  
11 this Act; or

12 (5) subsection (a) of Section 1-87 of this Act.

13 (c) Any person who knowingly makes, submits, causes to be  
14 made, or causes to be submitted a false report of pollution,  
15 diminution, or water pollution attributable to high volume  
16 horizontal hydraulic fracturing operations that results in an  
17 investigation by the Department or Agency under this Act shall  
18 be liable for a civil penalty not to exceed \$1,000 for the  
19 violation.

20 (d) The penalty shall be recovered by a civil action before  
21 the circuit court of the county in which the well site is  
22 located or in the circuit court of Sangamon County. Venue shall  
23 be considered proper in either court. These penalties may, upon  
24 the order of a court of competent jurisdiction, be made payable  
25 to the Environmental Protection Trust Fund, to be used in  
26 accordance with the provisions of the Environmental Protection



1 Trust Fund Act.

2 (e) The State's Attorney of the county in which the  
3 violation occurred, or the Attorney General, may, at the  
4 request of the Department or on his or her own motion,  
5 institute a civil action for the recovery of costs, an  
6 injunction, prohibitory or mandatory, to restrain violations  
7 of this Act, any rule adopted under this Act, the permit or  
8 term or condition of the permit, or to require other actions as  
9 may be necessary to address violations of this Act, any rule  
10 adopted under this Act, the permit or term or condition of the  
11 permit.

12 (f) The State's Attorney of the county in which the  
13 violation occurred, or the Attorney General, shall bring  
14 actions under this Section in the name of the People of the  
15 State of Illinois. Without limiting any other authority that  
16 may exist for the awarding of attorney's fees and costs, a  
17 court of competent jurisdiction may award costs and reasonable  
18 attorney's fees, including the reasonable costs of expert  
19 witnesses and consultants, to the State's Attorney or the  
20 Attorney General in a case where he or she has prevailed  
21 against a person who has committed a knowing or repeated  
22 violation of this Act, any rule adopted under this Act, or the  
23 permit or term or condition of the permit.

24 (g) All final orders imposing civil penalties under this  
25 Section shall prescribe the time for payment of those  
26 penalties. If any penalty is not paid within the time

1 prescribed, interest on penalty at the rate set forth in  
2 subsection (a) of Section 1003 of the Illinois Income Tax Act,  
3 shall be paid for the period from the date payment is due until  
4 the date payment is received. However, if the time for payment  
5 is stayed during the pendency of an appeal, interest shall not  
6 accrue during stay.

7 Section 1-102. Other relief.

8 (a) Any person having an interest that is or may be  
9 adversely affected may commence a civil action on his or her  
10 own behalf to compel compliance with this Act against any  
11 governmental instrumentality or agency which is alleged to be  
12 in violation of the provisions of this Act or of any rule,  
13 order, or permit issued under this Act, or against any other  
14 person who is alleged to be in violation of this Act or of any  
15 rule, order, or permit issued under this Act. No action may be  
16 commenced under this subsection (a): (i) prior to 60 days after  
17 the plaintiff has given notice in writing of the alleged  
18 violation to the Department and to any alleged violator or (ii)  
19 if the State has commenced and is diligently prosecuting a  
20 civil action to require compliance with the provisions of this  
21 Act, or any rule, order, or permit issued under this Act.

22 (b) Any person having an interest that is or may be  
23 adversely affected may commence a civil action against the  
24 Department on his or her own behalf to compel compliance with  
25 this Act where there is alleged a failure of the Department to

1 perform any act or duty under this Act that is not  
2 discretionary with the Department. No action may be commenced  
3 under this subsection (b) prior to 60 days after the plaintiff  
4 has given notice in writing of the action to the Department,  
5 except that action may be brought immediately after the  
6 notification in the case where the violation or order  
7 complained of constitutes an imminent threat to the health or  
8 safety of the plaintiff or would immediately affect a legal  
9 interest of the plaintiff.

10 (c) The court, in issuing any final order in any action  
11 brought under this Section, may award costs of litigation  
12 (including attorney and expert witness fees) to any party, on  
13 the basis of the importance of the proceeding and the  
14 participation of the parties to the efficient and effective  
15 enforcement of this Act. The court may, if a temporary  
16 restraining order or preliminary injunction is sought, require  
17 the filing of a bond or equivalent security in accordance with  
18 Part 1 of Article XI of the Code of Civil Procedure.

19 (d) Any person who is injured in his or her person or  
20 property through the violation by any operator of any rule,  
21 order, or permit issued under this Act may bring an action for  
22 damages (including reasonable attorney and expert witness  
23 fees). Nothing in this subsection (d) shall affect any of the  
24 rights established by or limits imposed under the Workers'  
25 Compensation Act.

26 (e) Any action brought under this Section may be brought

1 only in the county in which the high volume horizontal  
2 hydraulic fracturing operation complained of is located.

3 (f) In any action under this Section, the Department shall  
4 have an unconditional right to intervene.

5 (g) No existing civil or criminal remedy for any wrongful  
6 action shall be excluded or impaired by this Act.

7 (h) Nothing in this Section shall restrict any right that  
8 any person (or class of persons) may have under any statute or  
9 common law to seek enforcement of any of the provisions of this  
10 Act and the rules adopted under this Act, or to seek any other  
11 relief (and including relief against the United States or the  
12 Department).

13 Section 1-105. Violations, complaints, and notice;  
14 website.

15 The Department shall maintain a detailed database that is  
16 readily accessible to the public on the Department's website.  
17 The database shall show each violation found by the Department  
18 regarding high volume horizontal hydraulic fracturing  
19 operations and the associated well owners, operators, and  
20 subcontractors. When the Department determines that any person  
21 has violated this Act, the Department shall provide notice by  
22 U.S. Postal Service certified mail, return receipt requested,  
23 of the Department's determination to all persons required to  
24 receive specific public notice under Section 1-40 of this Act  
25 within 7 calendar days after the determination. The Department

1 shall also post the notice on the Department's website. The  
2 notice shall include a detailed, plain language description of  
3 the violation and a detailed, plain language description of all  
4 known risks to public health, life, property, aquatic life, and  
5 wildlife resulting from the violation.

6 Section 1-110. Public information; website.

7 (a) All information submitted to the Department under this  
8 Act is deemed public information, except information deemed to  
9 constitute a trade secret under Section 1-77 of this Act and  
10 private information and personal information as defined in the  
11 Freedom of Information Act.

12 (b) To provide the public and concerned citizens with a  
13 centralized repository of information, the Department shall  
14 create and maintain a comprehensive website dedicated to  
15 providing information concerning high volume horizontal  
16 hydraulic fracturing operations. The website shall contain,  
17 assemble, and link the documents and information required by  
18 this Act to be posted on the Department's or other agencies'  
19 websites. The Department shall also create and maintain an  
20 online searchable database that provides information related  
21 to high volume horizontal hydraulic fracturing operations on  
22 wells that, at a minimum, include, for each well it permits,  
23 the identity of its operators, its waste disposal, its chemical  
24 disclosure information, and any complaints or violations under  
25 this Act. The website created under this Section shall allow

1 users to search for completion reports by well name and  
2 location, dates of fracturing and drilling operations,  
3 operator, and by chemical additives.

4 Section 1-120. Applicable federal, State, and local laws.  
5 Compliance with this Act does not relieve responsibility for  
6 compliance with the Illinois Oil and Gas Act, the Illinois  
7 Environmental Protection Act, and other applicable federal,  
8 State, and local laws.

9 Section 1-123. Application of water well laws. Nothing in  
10 this Act shall be construed to affect the application of the  
11 Illinois Water Well Construction Code, the Illinois Water Well  
12 Pump Installation Code, the Water Well and Pump Installation  
13 Contractor's License Act, or any rules adopted thereunder to  
14 all water wells, closed loop wells, or monitoring wells, as  
15 those terms are defined in Section 3 of the Illinois Water Well  
16 Construction Code, that are located, drilled, constructed, or  
17 modified in connection with activities regulated by this Act.

18 Section 1-125. Administrative review. All final  
19 administrative decisions, including issuance or denial of a  
20 permit, made by the Department under this Act are subject to  
21 judicial review under the Administrative Review Law and its  
22 rules.

1           Section 1-130. Rules.     The Department shall have the  
2 authority to adopt rules as may be necessary to accomplish the  
3 purposes of this Act. Any and all rules adopted under this Act  
4 by the Department are not subject to the review, consultation,  
5 or advisement of the Oil and Gas Board.

6           Section 1-135. The Mines and Minerals Regulatory Fund. The  
7 Mines and Minerals Regulatory Fund is created as a special fund  
8 in the State treasury. All moneys required by this Act to be  
9 deposited into the Fund shall be used by the Department to  
10 administer and enforce this Act and otherwise support the  
11 operations and programs of the Office of Mines and Minerals.

12          Section 1-140. Severability. The provisions of this Act are  
13 severable under Section 1.31 of the Statute on Statutes.

14   ARTICLE 2.

15          Section 2-5. Short title. This Act may be cited as the  
16 "Illinois Hydraulic Fracturing Tax Act".

17          Section 2-10. Definitions. For the purposes of this Act,  
18 unless the context otherwise requires:

19           "Barrel" for oil measurement means a barrel of 42 U.S.  
20 gallons of 231 cubic inches per gallon, computed at a  
21 temperature of 60 degrees Fahrenheit.

1 "Construction" means any constructing, altering,  
2 reconstructing, repairing, rehabilitating, refinishing,  
3 refurbishing, remodeling, remediating, renovating, custom  
4 fabricating, maintaining, landscaping, improving, drilling,  
5 testing, moving, wrecking, painting, decorating, demolishing,  
6 and adding to or subtracting from any building, structure,  
7 highway, roadway, street, bridge, alley, sewer, ditch, water  
8 works, parking facility, railroad, excavation or other  
9 structure, project, development, real property or improvement,  
10 or to do any part thereof, whether or not the performance of  
11 the construction involves the addition to, or fabrication into,  
12 any structure, project, development, real property or  
13 improvement herein described performed or done on behalf of an  
14 operator in connection with and at the location of a well site  
15 subject to the tax imposed by this Act.

16 "Construction worker" means a person performing  
17 construction.

18 "Department" means the Illinois Department of Revenue.

19 "Fracturing" or "hydraulic fracturing" means the  
20 propagation of fractures in a rock layer, by a pressurized  
21 fluid used to release petroleum or natural gas (including shale  
22 gas, tight gas, and coal seam gas), for extraction.

23 "Gas" means natural gas taken from below the surface of the  
24 earth or water in this State, regardless of whether the gas is  
25 taken from a gas well or from a well also productive of oil or  
26 any other product.



1 "General prevailing rate of hourly wages" has the meaning  
2 ascribed to it in Section 2 of the Prevailing Wage Act, as  
3 determined by the Director of the Department of Labor under  
4 Section 9 of the Prevailing Wage Act for the county in which  
5 the construction occurs.

6 "Illinois construction worker" means a construction  
7 worker, as defined in this Section, domiciled in Illinois for  
8 24 months prior to the date of the issuance of a high volume  
9 horizontal hydraulic fracturing permit for the well site on  
10 which the construction is performed.

11 "Lease number" means the number assigned by the purchaser  
12 to identify each production unit.

13 "Oil" means petroleum or other crude oil, condensate,  
14 casinghead gasoline, or other mineral oil that is severed or  
15 withdrawn from below the surface of the soil or water in this  
16 State.

17 "Operator" means the person primarily responsible for the  
18 management and operation of oil or gas productions from a  
19 production unit.

20 "Person" means any natural individual, firm, partnership,  
21 association, joint stock company, joint adventure, public or  
22 private corporation, limited liability company, or a receiver,  
23 executor, trustee, guardian, or other representative appointed  
24 by order of any court.

25 "Producer" means any person owning, controlling, managing,  
26 or leasing any oil or gas property or oil or gas well, and any

1 person who severs in any manner any oil or gas in this State,  
2 and shall include any person owning any direct and beneficial  
3 interest in any oil or gas produced, whether severed by such  
4 person or some other person on their behalf, either by lease,  
5 contract, or otherwise, including working interest owners,  
6 overriding royalty owners, or royalty owners.

7 "Production unit" means a unit of property designated by  
8 the Department of Natural Resources from which oil or gas is  
9 severed.

10 "Purchaser" means a person who is the first purchaser of a  
11 product after severance from a production unit.

12 "Remove" or "removal" means the physical transportation of  
13 oil or gas off of the production unit where severed; and if the  
14 oil or gas is used on the premises where severed, or if the  
15 manufacture or conversion of oil or gas into refined products  
16 occurs on the premises where severed, oil or gas shall be  
17 deemed to have been removed on the date such use, manufacture,  
18 or conversion begins.

19 "Severed" or "severing" means: (1) the production of oil  
20 through extraction or withdrawal of the same, whether such  
21 extraction or withdrawal is by natural flow, mechanical flow,  
22 forced flow, pumping, or any other means employed to get the  
23 oil from below the surface of the soil or water and shall  
24 include the withdrawal by any means whatsoever of oil upon  
25 which the tax has not been paid, from any surface reservoir,  
26 natural or artificial, or from a water surface; and (2) the

1 production of gas through the extraction or withdrawal of the  
2 same by any means whatsoever, from below the surface of the  
3 earth or water.

4 "Severance" means the taking of oil or gas from below the  
5 surface of the soil or water in any manner whatsoever.

6 "Total workforce hours" means all hours worked by  
7 construction workers on a well site, beginning on the date an  
8 application for a permit to perform high volume horizontal  
9 hydraulic fracturing operations at the well is filed under  
10 Section 1-35 of the Hydraulic Fracturing Regulatory Act and  
11 ending on the date of first production following initial  
12 drilling or any reworking of the well.

13 "Value" means the sale price of oil or gas at the time of  
14 removal of the oil or gas from the production unit and if oil  
15 or gas is exchanged for something other than cash, or if no  
16 sale occurs at the time of removal, or if the Department  
17 determines that the relationship between the buyer and the  
18 seller is such that the consideration paid, if any, is not  
19 indicative of the true value or market price, then the  
20 Department shall determine the value of the oil or gas subject  
21 to tax based on the cash price paid to one or more producers  
22 for the oil or gas or based on the cash price paid to producers  
23 for like quality oil or gas in the vicinity of the production  
24 unit at the time of the removal of the oil or gas from the  
25 production unit.

26 "Well site" has the meaning ascribed to the term in Section

1 1-5 of the Hydraulic Fracturing Regulatory Act.

2 "Working interest" means any interest in or any right to  
3 the production of oil and gas, excluding royalty or overriding  
4 royalty interests.

5 Section 2-15. Tax imposed.

6 (a) For oil and gas removed on or after July 1, 2013, there  
7 is hereby imposed a tax upon the severance and production of  
8 oil or gas from a well on a production unit in this State  
9 permitted, or required to be permitted, under the Illinois  
10 Hydraulic Fracturing Regulatory Act, for sale, transport,  
11 storage, profit, or commercial use. The tax shall be applied  
12 equally to all portions of the value of each barrel of oil  
13 severed and subject to such tax and to the value of the gas  
14 severed and subject to such tax. For a period of 24 months from  
15 the month in which oil or gas was first produced from the well,  
16 the rate of tax shall be 3% of the value of the oil or gas  
17 severed from the earth or water in this State. Thereafter, the  
18 rate of the tax shall be as follows:

19 (1) For oil:

20 (A) where the average daily production from the  
21 well during the month is less than 25 barrels, 3% of  
22 the value of the oil severed from the earth or water;

23 (B) where the average daily production from the  
24 well during the month is 25 or more barrels but less  
25 than 50 barrels, 4% of the value of the oil severed

1 from the earth or water;

2 (C) where the average daily production from the  
3 well during the month is 50 or more barrels but less  
4 than 100 barrels, 5% of the value of the oil severed  
5 from the earth or water; or

6 (D) where the average daily production from the  
7 well during the month is 100 or more barrels, 6% of the  
8 value of the oil severed from the earth or water.

9 (2) For gas, 6% of the value of the gas severed from  
10 the earth or water.

11 If a well is required to be permitted under the Illinois  
12 Hydraulic Fracturing Regulatory Act, the tax imposed by this  
13 Section applies, whether or not a permit was obtained.

14 (b) Oil produced from a well whose average daily production  
15 is 15 barrels or less for the 12-month period immediately  
16 preceding the production is exempt from the tax imposed by this  
17 Act.

18 (c) For the purposes of the tax imposed by this Act the  
19 amount of oil produced shall be measured or determined, in the  
20 case of oil, by tank tables, without deduction for overage or  
21 losses in handling. Allowance for any reasonable and bona fide  
22 deduction for basic sediment and water, and for correction of  
23 temperature to 60 degrees Fahrenheit will be allowed. For the  
24 purposes of the tax imposed by this Act the amount of gas  
25 produced shall be measured or determined, by meter readings  
26 showing 100% of the full volume expressed in cubic feet at a

1 standard base and flowing temperature of 60 degrees Fahrenheit,  
2 and at the absolute pressure at which the gas is sold and  
3 purchased. Correction shall be made for pressure according to  
4 Boyle's law, and used for specific gravity according to the  
5 gravity at which the gas is sold and purchased.

6 (d) The following severance and production of gas shall be  
7 exempt from the tax imposed by this Act: gas injected into the  
8 earth for the purpose of lifting oil, recycling, or  
9 repressuring; gas used for fuel in connection with the  
10 operation and development for, or production of, oil or gas in  
11 the production unit where severed; and gas lawfully vented or  
12 flared; gas inadvertently lost on the production unit by reason  
13 of leaks, blowouts, or other accidental losses.

14 (e) All oil and gas removed from the premises where severed  
15 is subject to the tax imposed by this Act unless exempt under  
16 the terms of this Act.

17 (f) The liability for the tax accrues at the time the oil  
18 or gas is removed from the production unit.

19 Section 2-17. Local Workforce Tax Rate Reduction.

20 (a) The rate of tax imposed on working interest owners of a  
21 well under Section 2-15 of this Act shall be reduced by 0.25%  
22 for the life of the well when a minimum of 50% of the total  
23 workforce hours on the well site are performed by Illinois  
24 construction workers being paid wages equal to or exceeding the  
25 general prevailing rate of hourly wages.

1           (b) When more than one well is drilled on a well site,  
2 total workforce hours shall be determined on a well-by-well  
3 basis.

4           (c) Any operator that intends to claim the reduction  
5 provided for in this Section on his or her behalf, or on the  
6 behalf of the working interest owners, shall be responsible for  
7 obtaining from all construction contractors working on a well  
8 site, records to document the claim for the reduction in tax  
9 rate. Operators shall, at a minimum, obtain from construction  
10 contractors, in writing, the total number of construction  
11 workers that performed work under the contract, the number of  
12 Illinois construction workers that performed work under the  
13 contract, whether oral or written, between the operator and the  
14 construction contractor, the hours worked by each construction  
15 worker and the wage paid to each construction worker for the  
16 hours of work performed on the well site. The operator shall  
17 obtain and retain any other records the Department determines  
18 are necessary to verify a claim for a reduction in the tax. The  
19 operator shall make the records available to the Department  
20 upon request.

21           For the purposes of this Section, each construction  
22 contractor, upon written request from the operator, shall  
23 retain the following records: each worker's name, address, and  
24 telephone number, if available, years of residency in Illinois,  
25 the type of work the worker performs, the hourly wages paid  
26 each worker, and the number of hours worked by each worker for

1 the term of the contract. The construction contractor shall  
2 retain any other records the Department determines are  
3 necessary to verify a claim for a reduction in the tax. The  
4 construction contractor shall make the records available to the  
5 operator and Department upon request. The operator and  
6 construction contractors shall retain the records for 3 years.

7 No later than the 6 months after the date of the first  
8 purchase of oil or gas from a well, the operator shall file  
9 with the Department, in the form and manner required by the  
10 Department, a report and documentation to support that the  
11 working interest owners qualify for the reduction in the rate  
12 of tax provided for in this Section. The report shall be signed  
13 by the operator, or an officer, employee, or agent of the  
14 contractor, and state under oath that he or she has examined  
15 the report and documentation and the report and documentation  
16 are true and accurate. The Department shall keep the records  
17 submitted in accordance with this subsection for a period of  
18 not less than 3 years from the date of filing.

19 (d) The Department shall notify the first purchaser and the  
20 operator when the working interest owners qualify for a  
21 reduction in the tax under this Section and state the amount of  
22 the reduction. The reduction shall be effective the date of  
23 first production. The first purchaser or operator may take a  
24 credit for any retroactive reduction in the tax rate on a  
25 return filed under Sections 2-45 and 2-50 of this Act.

26 (e) Reports shall be filed on forms furnished and



1 prescribed by the Department and shall contain any other  
2 information as the Department may reasonably require.

3 Section 2-20. Taxable value; method of determining. The  
4 Department may determine the value of products severed from a  
5 production unit when the operator and purchaser are affiliated  
6 persons, when the sale and purchase of products is not an arm's  
7 length transaction, or when products are severed and removed  
8 from a production unit and a value is not established for those  
9 products. The value determined by the Department shall be  
10 commensurate with the actual price received for products of  
11 like quality, character, and use which are severed in the same  
12 field or area. If there are no sales of products of like  
13 quality, character, and use severed in the same field or area,  
14 then the Department shall establish a reasonable value based on  
15 sales of products of like quality, character, and use which are  
16 severed in other areas of the State, taking into consideration  
17 any other relevant factors.

18 Section 2-25. Withholding of tax. Any purchaser who makes  
19 a monetary payment to a producer for his or her portion of the  
20 value of products from a production unit shall withhold from  
21 such payment the amount of tax due from the producer. Any  
22 purchaser who pays any tax due from a producer shall be  
23 entitled to reimbursement from the producer for the tax so paid  
24 and may take credit for such amount from any monetary payment

1 to the producer for the value of products. To the extent that a  
2 purchaser required to collect the tax imposed by this Act has  
3 actually collected that tax, such tax is held in trust for the  
4 benefit of the State of Illinois.

5 Section 2-30. Payment and collection of tax.

6 (a) For oil and gas removed on or after July 1, 2013, the  
7 tax incurred under this Act shall be due and payable on or  
8 before the last day of the month following the end of the month  
9 in which the oil or gas is removed from the production unit.  
10 The tax is upon the producers of such oil or gas in the  
11 proportion to their respective beneficial interests at the time  
12 of severance. The first purchaser of any oil or gas sold shall  
13 collect the amount of the tax due from the producers by  
14 deducting and withholding such amount from any payments made by  
15 such purchaser to the producers and shall remit the tax in this  
16 Act.

17 In the event the tax shall be withheld by a purchaser from  
18 payments due a producer and such purchaser fails to make  
19 payment of the tax to the State as required herein, the first  
20 purchaser shall be liable for the tax. However, in the event a  
21 first purchaser fails to pay the tax withheld from a producer's  
22 payment, the producer's interest remains subject to any lien  
23 filed pursuant to subsection (c) of this Section. A producer  
24 shall be entitled to bring an action against such purchaser to  
25 recover the amount of tax so withheld together with penalties

1 and interest which may have accrued by failure to make such  
2 payment. A producer shall be entitled to all attorney fees and  
3 court costs incurred in such action. To the extent that a  
4 producer liable for the tax imposed by this Act collects the  
5 tax, and any penalties and interest, from a purchaser, such  
6 tax, penalties, and interest are held in trust by the producer  
7 for the benefit of the State of Illinois.

8 (b) For all production units a first purchaser begins to  
9 purchase oil or gas from on or after July 1, 2013, the first  
10 purchaser is required to withhold and remit the tax imposed by  
11 this Act to the Department from the oil and gas purchased from  
12 the production unit unless the first purchaser obtains from the  
13 operator an exemption certificate signed by the operator  
14 stating that the production unit is not subject to the tax  
15 imposed by this Act. The exemption certificate must include the  
16 following information:

17 (1) name and address of the operator;

18 (2) name of the production unit;

19 (3) number assigned to the production unit by the first  
20 purchaser, if available;

21 (4) legal description of the production unit; and

22 (5) a statement by the operator that the production  
23 unit is exempt from the tax imposed by the Illinois  
24 Hydraulic Fracturing Tax Act.

25 If a first purchaser obtains an exemption certificate that  
26 contains the required information and reasonably relies on the

1 exemption certificate and it is subsequently determined by the  
2 Department that the production unit is subject to the tax  
3 imposed by this Act, the Department will collect any tax that  
4 is due from the operator and producers, and the first purchaser  
5 is relieved of any liability.

6 (c) Notwithstanding subsection (a) of this Section, the tax  
7 is a lien on the oil and gas from the time of severance from the  
8 land or under the water until the tax and all penalties and  
9 interest are fully paid, and the State shall have a lien on all  
10 the oil or gas severed from the production unit in this State  
11 in the hands of the operator, any producer or the first or any  
12 subsequent purchaser thereof to secure the payment of the tax.  
13 If a lien is filed by the Department, the purchaser shall  
14 withhold from producers or operators the amount of tax, penalty  
15 and interest identified in the lien.

16 Section 2-35. Registration of purchasers. A person who  
17 engages in business as a purchaser of oil or gas in this State  
18 shall register with the Department. Application for a  
19 certificate of registration shall be made to the Department  
20 upon forms furnished by the Department and shall contain any  
21 reasonable information the Department may require. Upon  
22 receipt of the application for a certificate of registration in  
23 proper form, the Department shall issue to the applicant a  
24 certificate of registration.

1           Section 2-40. Inspection of records by the Department;  
2 subpoena power, contempt. The Department shall have the power  
3 to require any operator, producer, transporter, or person  
4 purchasing any oil or gas severed from the earth or water to  
5 furnish any additional information deemed to be necessary for  
6 the purpose of computing the amount of the tax, and for such  
7 purpose to examine the meter and other charts, books, records,  
8 and all files of such person, and for such purpose the  
9 Department shall have the power to issue subpoenas and examine  
10 witnesses under oath, and if any witness shall fail or refuse  
11 to appear at the request of the director, or refuses access to  
12 books, records, and files, the circuit court of the proper  
13 county, or the judge thereof, on application of the Department,  
14 shall compel obedience by proceedings for contempt, as in the  
15 case of disobedience of the requirements of a subpoena issued  
16 from such court or a refusal to testify therein.

17           Section 2-45. Purchaser's return and tax remittance. Each  
18 purchaser shall make a return to the Department showing the  
19 quantity of oil or gas purchased during the month for which the  
20 return is filed, the price paid therefore, total value, the  
21 name and address of the operator or other person from whom the  
22 same was purchased, a description of the production unit in the  
23 manner prescribed by the Department from which such oil or gas  
24 was severed and the amount of tax due from each production unit  
25 for each calendar month. All taxes due, or to be remitted, by

1 the purchaser shall accompany this return. The return shall be  
2 filed on or before the last day of the month after the calendar  
3 month for which the return is required. The Department may  
4 require any additional report or information it may deem  
5 necessary for the proper administration of this Act.

6 Such returns shall be filed electronically in the manner  
7 prescribed by the Department. Purchasers shall make all  
8 payments of that tax to the Department by electronic funds  
9 transfer unless, as provided by rule, the Department grants an  
10 exception upon petition of a purchaser. Purchasers' returns  
11 must be accompanied by appropriate computer generated magnetic  
12 media supporting schedule data in the format required by the  
13 Department, unless, as provided by rule, the Department grants  
14 an exception upon petition of a purchaser.

15 Section 2-50. Operator returns; payment of tax.

16 (a) If, on or after July 1, 2013, oil or gas is transported  
17 off the production unit where severed by the operator, used on  
18 the production unit where severed, or if the manufacture and  
19 conversion of oil and gas into refined products occurs on the  
20 production unit where severed, the operator is responsible for  
21 remitting the tax imposed under subsections (a) of Section 15,  
22 on or before the last day of the month following the end of the  
23 calendar month in which the oil and gas is removed from the  
24 production unit, and such payment shall be accompanied by a  
25 return to the Department showing the gross quantity of oil or

1 gas removed during the month for which the return is filed, the  
2 price paid therefore, and if no price is paid therefore, the  
3 value of the oil and gas, a description of the production unit  
4 from which such oil or gas was severed, and the amount of tax.  
5 The Department may require any additional information it may  
6 deem necessary for the proper administration of this Act.

7 (b) Operators shall file all returns electronically in the  
8 manner prescribed by the Department unless, as provided by  
9 rule, the Department grants an exception upon petition of an  
10 operator. Operators shall make all payments of that tax to the  
11 Department by electronic funds transfer unless, as provided by  
12 rule, the Department grants an exception upon petition of an  
13 operator. Operators' returns must be accompanied by  
14 appropriate computer generated magnetic media supporting  
15 schedule data in the format required by the Department, unless,  
16 as provided by rule, the Department grants an exception upon  
17 petition of a purchaser.

18 (c) Any operator who makes a monetary payment to a producer  
19 for his or her portion of the value of products from a  
20 production unit shall withhold from such payment the amount of  
21 tax due from the producer. Any operator who pays any tax due  
22 from a producer shall be entitled to reimbursement from the  
23 producer for the tax so paid and may take credit for such  
24 amount from any monetary payment to the producer for the value  
25 of products. To the extent that an operator required to collect  
26 the tax imposed by this Act has actually collected that tax,

1 such tax is held in trust for the benefit of the State of  
2 Illinois.

3 (d) In the event the operator fails to make payment of the  
4 tax to the State as required herein, the operator shall be  
5 liable for the tax. A producer shall be entitled to bring an  
6 action against such operator to recover the amount of tax so  
7 withheld together with penalties and interest which may have  
8 accrued by failure to make such payment. A producer shall be  
9 entitled to all attorney fees and court costs incurred in such  
10 action. To the extent that a producer liable for the tax  
11 imposed by this Act collects the tax, and any penalties and  
12 interest, from an operator, such tax, penalties, and interest  
13 are held in trust by the producer for the benefit of the State  
14 of Illinois.

15 (e) When the title to any oil or gas severed from the earth  
16 or water is in dispute and the operator of such oil or gas is  
17 withholding payments on account of litigation, or for any other  
18 reason, such operator is hereby authorized, empowered and  
19 required to deduct from the gross amount thus held the amount  
20 of the tax imposed and to make remittance thereof to the  
21 Department as provided in this Section.

22 (f) An operator required to file a return and pay the tax  
23 under this Section shall register with the Department.  
24 Application for a certificate of registration shall be made to  
25 the Department upon forms furnished by the Department and shall  
26 contain any reasonable information the Department may require.



1 Upon receipt of the application for a certificate of  
2 registration in proper form, the Department shall issue to the  
3 applicant a certificate of registration.

4 (g) If oil or gas is transported off the production unit  
5 where severed by the operator and sold to a purchaser or  
6 refiner, the State shall have a lien on all the oil or gas  
7 severed from the production unit in this State in the hands of  
8 the operator, the first or any subsequent purchaser thereof, or  
9 refiner to secure the payment of the tax. If a lien is filed by  
10 the Department, the purchaser or refiner shall withhold from  
11 the operator the amount of tax, penalty and interest identified  
12 in the lien.

13 Section 2-55. Tax withholding and remittance when title to  
14 minerals disputed. When the title to any oil or gas severed  
15 from the earth or water is in dispute and the purchaser of such  
16 oil or gas is withholding payments on account of litigation, or  
17 for any other reason, such purchaser is hereby authorized,  
18 empowered and required to deduct from the gross amount thus  
19 held the amount of the tax imposed and to make remittance  
20 thereof to the Department as provided in this Act.

21 Section 2-60. Transporters. When requested by the  
22 Department, all transporters of oil or gas out of, within or  
23 across the State of Illinois shall be required to furnish the  
24 Department such information relative to the transportation of

1 such oil or gas as the Department may require. The Department  
2 shall have authority to inspect bills of lading, waybills,  
3 meter, or other charts, documents, books and records as may  
4 relate to the transportation of oil or gas in the hands of each  
5 transporter. The Department shall further be empowered to  
6 demand the production of such bills of lading, waybills,  
7 charts, documents, books, and records relating to the  
8 transportation of oil or gas at any point in the State of  
9 Illinois.

10 Section 2-65. Rulemaking. The Department is hereby  
11 authorized to adopt any rules as may be necessary to administer  
12 and enforce the provisions of this Act.

13 Section 2-70. Incorporation by reference. All of the  
14 provisions of Sections 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5j, 6,  
15 6a, 6b, 6c, 7, 8, 9, 10, 11, 11a, 12, and 13 of the "Retailers'  
16 Occupation Tax Act" which are not inconsistent with this Act,  
17 and all provisions of the Uniform Penalty and Interest Act  
18 shall apply, as far as practicable, to the subject matter of  
19 this Act to the same extent as if such provisions were included  
20 herein.

21 Section 2-75. Distribution of proceeds. All moneys  
22 received by the Department under this Act shall be paid into  
23 the General Revenue Fund in the State treasury.

1

ARTICLE 3.

2

Section 3-150. The State Finance Act is amended by adding

3

Section 5.826 as follows:

4

(30 ILCS 105/5.826 new)

5

Sec. 5.826. The Mines and Minerals Regulatory Fund.

6

ARTICLE 9.

7

Section 99-999. Effective date. This Act takes effect upon

8

becoming law.