Illinois Oil and Gas Advisory Board

September 9, 2021 Meeting Minutes

Board members in attendance: Casey Lampley, Ross Basnett, Steve Persinger, Stephanie Storckman, Malcolm Booth, Larry Miller, and Brandi Stennett.

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

IOGA Representatives: Craig R. Hedin, J. Nelson Wood, Matthew McCarthy, Robert Stewart, Jarred Tynes

DNR – OOGRM in attendance: Kendra Brokamp, Hernando Albarracin, Kyle Fitzpatrick

Guests: Seth Whitehead, Chuck Vendetti

1) Vice Chairman Mr. Casey Lampley called the meeting to order at 10:07 AM via teleconference.
   Roll call and Introductions

2) Meeting Minutes Submission

   Minutes from the May 13, 2021 meeting were approved. Motion was made by Ms. Stephanie Storckman and seconded Ms. Brandi Stennett was carried unanimously.

3) Round Table Discussion
   A) Update on Formation Issue
      Mr. Brennan proposed adopting “formation” as defined by federal definition rather than definition of “pool”. This is to be able to provide more detail on the state forms. Mr. Matthew McArthy asked if the statute needed to be updated since it does not reference pool. Mr. Brennan said not at this time. Mr. Chuck Vendetti asked if old completion reports for older wells would need to be updated to comply with the new language. Mr. Brennan replied with not at this time. Ms. Stephanie Storkman asked if operators will be bounded by Bulletin 95 on formations names and Mr. Brennan replied yes.

   B) Status of Proposed Revisions to the Regulations
      Mr. Brennan updated the Advisory Board that the proposed changes were published with their first notice with no comments or objections. The second notice would be published within the next week. JCAR timeline for review is October and he was not expecting any negative feedback. Rules could be in effect by end of the year 2021.

4) New Business
   A. Completion of State Required Trainings
      Mr. Brennan informed the Board that training requirements have been sent out and are due in December 2021.
B. Revisions to Forms OG-03, 04, 05, 09, 10, 14, 18, 30, 31, and MIT Determined by Static Fluid Level Measurement Form

Does reservoir need any more description, or will formation suffice? Mr. Fitzpatrick says reservoir or pool will work since they have the same definition. Mr. McCarthy has an issue with the current reservoir/pool definition saying that it is the same as formation as defined by the federal description, but it is more confusing. Mr. Brennan disagrees because it leaves areas for additional information to be added to the application. Ms. Storckman asked if this takes care of areas such as the Ste Genevieve (O’Hara, Rosiclare, McClosky) Mr. Fitzpatrick said it would fix all those issues with the full intent to protect the ground water. The board stated that industry agrees that ground water projection is a priority of protects and always has been but does not agree with the route in which the DNR wants to go to protect a potential problem. The DNR does not want to use ILSTRAT yet because it is not up to date. They want to use Bulletin 95, but Bulletin 95 has many discrepancies and is also out of date. The conversation moved forward with the proposed changes to the OG forms.

OG-03, 04, 05, 09, 10,14, 18, 30, 31: adding the language Reservoir of Formation, adding Injection Interval to the same area on the forms for the OG-03/04. Discussion took place on potential changes to forms. Mr. Nelson Wood asked for a list of formations the DNR will accept. Everyone was in favor. Mr. Brennan stated he did not know how long it will take to get a list together, but they would look into it.

C. Proposed Revisions to the Regulations

i. 240.10 Definitions – Formation: Previously discussed

ii. 240.870/875 Leaking Unpermitted Drill Hole/Leaking Previously Plugged Well: Possibly increasing the AOR from ¼ mile to ½ mile

iii. 240.945 Lease Road Oiling: Adding a permitting fee and be to revoke those permits. Fees could be used to assist PRF wells.

iv. 240.1130/1132 Plugging and Temporary Abandonment of Inactive Wells: Adding fees to TA a well and change the amount of time for wells to be able to be TA’d. Mr. Brennan proposed a total of 6 years for a well to be in TA status. After 6 years the well must either be put into active production, converted for injection, or plugged. Many objections for many reasons were made by the board. Operators cannot effectively operate a given field if put on a timeline as short as 6 years for a well. If wells are forced to be plugged, then many companies will suffer the loss of assets or go out of business. This subject went back and forth and was tabled for another meeting.

v. 240.1200 Applicability (Subpart L: Requirements for Other Types of Wells): Skipped

vi. 240.1420/1460 Subpart N: Issuance or Transfer of Permit to Operate: The DNR would like to be involved in the process of transferring wells prior to the closing of wells to be transferred.

vii. 240.1700 Fee Liability (Subpart Q: Annual Well Fees): No issues from the Advisory Board
5) Public Participation
   Mr. Vendetti brought up an issue of 15 NNCs for old wellhead residue staining and wanted a clarification of why it went straight to paperwork being received for things that have been there prior to without a discussion or warning from the inspector. The process was explained that paperwork was the warning.

6) Next Meeting
   Thursday December 9, 2021 at 10:00 am

Ms. Stephanie Storckman made the motion to adjourn seconded by Mr. Malcolm Booth at 1:37 PM. Meeting adjourned.

Minutes Respectfully Submitted by Ross Basnett - Secretary IOGA Advisory Board