**Section 240.380 Issuance of Permit**

a) If the applicant satisfies the requirements of the Act and this Part, the Department shall issue a permit.

b) A permit shall not be issued to an applicant not in compliance with Section 240.250(b).

c) Permits shall expire 1 year from the date of issuance unless acted upon by commencement of drilling, deepening or converting operations authorized by the permit, which are to be continued with due diligence, but not to exceed 2 years from the date of commencement of drilling or conversion operations, at which time the well shall be plugged, production casing set or conversion operations completed.

d) Permits are not transferable prior to the drilling of the well.

e) If during drilling the well is lost (collapsed casing or hole, etc.), the permittee is required to submit a new application and receive a new permit prior to drilling an offset well.

f) The Department may revoke a permit in accordance with Section 240.251(a).

g) The Department shall notify the permittee of its intent to revoke a permit effective 30 days from the date of notice unless a hearing is requested in accordance with subsection (h).

h) If a written objection to the revocation is filed within 30 days after the date of the notice:

1) A pre-hearing conference shall be held within 15 days after the receipt of the request for hearing.

A) A pre-hearing conference shall be scheduled in order to:

i) Simplify the factual and legal issues presented by the hearing request;

ii) Receive stipulations and admissions of fact and of the contents and authenticity of documents;

iii) Exchange lists of witnesses the parties intend to have testify and copies of all documents the parties intend to introduce into evidence at the hearing;

iv) Set a hearing date; and

v) Discuss and resolve such other matters as may tend to expedite the disposition of the hearing request and to assure a just conclusion.

B) Pre-hearing conferences may be held by telephone conference if that procedure is acceptable to all parties.

2) All hearings under this Subpart shall be conducted in the Department's offices located in Springfield, Illinois by a Hearing Officer designated by the Director and conducted in accordance with Article 10 of the Illinois Administrative Procedure Act.

i) At the hearing, the Department shall present evidence in support of its determination under subsection (f). The permittee may present evidence contesting the Department's determination under subsection (f). The Hearing Officer may administer oaths and affirmations, subpoena witnesses and written or printed materials, compel attendance of witnesses or production of those materials, compel discovery, and take evidence.

j) Within 30 days after the close of the record or the receipt of the transcript of the hearing, the Department shall render a decision.

k) The permittee's failure to request a hearing in accordance with subsection (h) shall constitute a waiver of all legal rights to contest the permit revocation decision. Upon the expiration of the time to request a hearing, the Department shall issue a final administrative decision, pursuant to Section 10 of the Act.

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