**Section 240.1465 Condition for and Effect of Transfer of PRF Wells**

a) Upon review and acceptance of the transfer documents and prior to approval of the transfer request, the new permittee shall be required to:

1) pay a salvage value for the downhole well equipment as follows (wells older than 30 years from the date drilled, as shown in Department files, shall be deemed to have $0 salvage value):

A) $50 per well for wells 750 feet or less in depth; and

B) $100 per well for wells greater than 750 feet but less than 2000 feet in depth; and

C) $250 per well for wells 2000 feet and greater in depth; and

2) pay a salvage value for the tanks, pumping units, and other related equipment, as determined by submission of 2 independent salvage value estimates from commercial salvage oil and gas production equipment dealers and approved by the Department; and

3) pay the fair market value per barrel, to be determined at the time of the transfer approval, for all oil fluids (hydrocarbons) stored on the lease or unit.

b) All payments shall be by cashier's checks, payable to the Department of Natural Resources, Plugging and Restoration Fund.

c) If a well requested to be transferred has been active within the 2 year period immediately preceding the transfer request or accompanying assignment and no court order has been entered terminating the lease, the Department may transfer the well without payment of the salvage values outlined in subsection (a).

d) The Department has sole discretion to approve or deny requests for transfer of PRF wells. If, upon review of a transfer request for PRF wells, the Department determines that property rights, environmental, or public safety and welfare concerns will be advanced through plugging of the PRF well, in accordance with Section 19.1 of the Act, the transfer request may be denied.

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