**Section 240.1625 Plugging Abandoned Wells Through Landowner Grant**

a) The provisions of this Section apply to:

1) Wells determined to be abandoned in accordance with this Subpart P and placed into the Department Plugging and Restoration Program.

2) Abandoned wells and associated well and/or production sites may be eligible to be plugged and sites restored under the Landowner Grant Program upon application to the Department by the owner of the land surface on which a well(s) is located, provided that the land surface owner is not the current or a past permittee of the well(s).

b) All wells plugged and well sites restored under this Section shall be completed in accordance with Subpart K.

c) The number of wells plugged and expenditures made under this program are limited to the annual appropriation of funds to the Landowner Grant Program by the legislature.

d) Each land surface owner is limited to receiving a grant amount for a maximum of 5 wells per fiscal year, unless available funds allow the Department to award increased grant amounts.

e) The Department shall only accept and process grant applications after April 1 for the coming fiscal year. Applications received before April 1 for the coming fiscal year shall be returned to the applicant for submission after April 1. Applications shall be accepted and processed until the allocated funds in the grant program have been awarded, after which time all unawarded grant applications shall be returned to the applicant.

f) Approved applications shall be considered for funding each year in the order they were received after April 1. The exception will be if the Department determines a well is creating or has the potential to create environmental damage to surface waters or groundwater or poses an immediate danger to the health and safety of the public, the well may be given greater priority on the current year's plugging list.

g) Grant applications shall contain at a minimum:

1) The land surface owner's name, address and telephone number.

2) The location of the well(s), with verification from the Department well inspectors.

3) An estimated salvage value of the well and well site equipment.

4) The cost to plug the well and restore the well site.

5) A signed contract between the land surface owner and plugging contractor on a form provided by the Department.

6) A signed statement by the land surface owner that the applicant is the owner of the land surface, will be responsible for all costs of plugging the well and well site restoration in accordance with Department regulations, and indemnifies the Department from any liability relative to the plugging activity.

h) Application Review and Approval

1) In determining the approval of the application the Department shall review:

A) eligibility of the well to be plugged;

B) the reasonableness of the cost to plug the well;

C) the salvage value of the on-site equipment; and

D) the enforcement history of the proposed plugging contractor.

2) If the Department determines that the well is eligible for plugging, the application is properly completed, the plugging cost and estimated salvage value are reasonable in relation to industry standards, and the plugging contractor has no unabated notices of violation or a substantial enforcement history of environmental related violations, the Department shall notify the landowner of the grant award.

i) Grant Award

1) The grant amount shall be the amount requested less the salvage value specified in the grant application or established by the Department during the grant review process.

2) The land surface owner shall be notified of the grant award at which time the applicant shall have 10 working days to accept in writing by signing and returning the grant award document.

3) Upon completion of the well plugging and site restoration, approved by a well inspector, the Department shall forward the grant funds to the land surface owner. If the well plugging and site restoration is not approved, grant funds will not be awarded.

4) All well plugging and well site restoration activities shall be completed by June 30 of the fiscal year in which the grant was approved unless the grant funds are automatically re-appropriated for the next fiscal year.

(Source: Amended at 25 Ill. Reg. 9045, effective July 9, 2001)