**Section 245.340 Permit Transfers**

a) *No permit may be transferred to another person without approval of the Department* (Section 1-55(b) of the Act).

b) A request for permit transfer shall be made on a Department form and be signed by the current permittee and the proposed new permittee or by individuals authorized to sign for them.

c) Each request for permit transfer shall include a $2,000 non-refundable fee. The check shall be made payable to the Department.

d) The Department shall approve a permit transfer, with any conditions the Department may find necessary, only if:

1) the proposed new permittee certifies that its registration information provided pursuant to Section 245.200 is accurate and up to date;

2) the permit for the well issued pursuant to the Illinois Oil and Gas Act is approved for transfer to the proposed new permittee under the requirements for permit transfers under the Illinois Oil and Gas Act administrative rules;

3) the proposed new permittee provides proof of insurance that it is insured *to cover injuries, damages or loss related to pollution in the amount of at least $5,000,000* (Section 1-35(b)(19) of the Act);

4) there is no good cause to deny the permit transfer under Section 245.310;

5) the request for permit transfer is accompanied by a bond as required by Section 245.220; and

6) there are no outstanding unabated violations by either the current or proposed new permittee of this Part, the Act, the Illinois Oil and Gas Act, or the administrative rules promulgated under that Act, as specified in a final administrative decision by the Department.

e) The Department shall approve or deny a request for permit transfer in writing within 30 days after receiving the request for permit transfer.

1) If the request for permit transfer is approved, the current permittee shall transfer a copy of the well file to the new permittee, the new permittee will be the permittee of record for the permit, and the bond of the current permittee will be released by the Department pursuant to Section 245.220(d).

2) If the request for permit transfer is denied, then the current permittee will continue to be the permittee of record for the permit.

f) A current or proposed new permittee may request a hearing to challenge the Department's decision if a hearing is requested in writing within 30 days after the date of the transfer or denial notice. All requests for hearing shall be mailed to the Department at Illinois Department of Natural Resources, Attention: Office of Oil and Gas Resource Management, One Natural Resources Way, Springfield IL 62702. All requests for hearing must be accompanied by documents evidencing the basis for objection. If no hearing is requested in this time period, the permit transfer decision shall be a final administrative decision of the Department. If a hearing is requested by the current or new permittee:

1) A pre-hearing conference may be held within 60 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 Section shall be conducted by a Hearing Officer and shall be held in the Department's offices located in Springfield, Illinois.

3) At the permit transfer hearing, the Department shall present evidence in support of its determination under subsection (e). Both the current and the new permittee may present evidence contesting the Department's determination under subsection (e). 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.

4) Within 30 days after the close of the record for the permit transfer hearing, the Hearing Officer shall issue findings of fact, conclusions of law and recommendations as to the disposition of the case.

5) The Director or his or her designee shall review the administrative record in conjunction with the Hearing Officer's findings of fact, conclusions of law and recommendations as to the disposition of the case. The Director or designee shall then issue the Department's final administrative decision affirming, vacating or modifying the Hearing Officer's decision, which shall be subject to judicial review under the Administrative Review Law and the rules adopted under that Law.

6) Failure to request a hearing in accordance with this subsection (f) shall constitute a waiver of all legal rights to contest the permit transfer decision.