## TRANSFERRING OPERATIONAL CONTROL OF CLASS II UIC INJECTION WELLS

Failure to properly follow this process can result in the following:

- The selling company remains liable for UIC well compliance after the sale, and
- The buying company has no authority to use the UIC well after the sale.

**PLEASE READ THIS** if you are **selling or otherwise transferring operational control** of your injection well to another person and the injection well is under the direct implementation jurisdiction of EPA Region 8.

| Two transfer options are provided by the federal regulations   |  |
|--|--|
| Option 1: Affirmative Action by EPA                            | Option 2: Automatic Transfer                         |
|  |  |
| EPA documents the transfer with a permit                       | The transfer automatically occurs if the             |
| modification or permit re-issuance; or for rule-               | requirements below are met, and EPA does not         |
| authorized wells, documents that the transferee                | notify:  |
| is the new operator of record.                                 | (1) The transferor that EPA intends to follow        |
|  | Option 1, and  |
|  | (2) The transferee of a rule-authorized well that it |
|  | has not met the financial responsibility             |
|  | requirements to plug the well                        |
| Requirement  | Requirement  |
| Transferor provides EPA with the 3 items listed                | Transferor provides EPA with the 3 items listed      |
| below.   | below at least 30 days prior to the proposed date    |
|  | of transfer  |
| For either option, the transferor submits these 3 items to EPA |  |
| Application to Transfer Permit/Ownership form                  | The form is signed by the transferor and             |
| EPA Form 7520-7  | transferee.  |
| Written Agreement (or portion thereof)                         | This must show a specific date agreed to between     |
|  | the transferor and transferee for transfer of        |
|  | permit responsibility, coverage, and liability       |
|  | between them.  |
| Financial Responsibility for Plugging                          | The transferor must show that the transferee has     |
|  | met or will meet the financial responsibility        |
|  | requirements to properly plug and abandon the        |
|  | injection well.                                      |

## **Until and unless** these requirements are met:

- 1. The transferor remains liable for all compliance for the injection well, and
- 2. The transferee has no authority to operate or control the injection well

<u>Transferor</u> is the person currently operating the injection well, also known as the current permittee or current operator of record, aka the selling party during an acquisition.

<u>Transferee</u> is the person seeking to operate the injection well after the injection well is sold or change in operational control takes place, aka the buying party during an acquisition.