

Amend CSHB 2201 by adding a new SECTION, numbered appropriately, to read as follows:

SECTION\_\_\_\_. Subchapter C, Chapter 27, Water Code, is amended by adding Section 27.039 to read as follows:

Sec. 27.039. RESERVOIR CHARACTERIZATION, REMEDIATION, AND MONITORING FOR CARBON DIOXIDE SEQUESTRATION PERMIT. (a) The railroad commission by rule shall establish procedures, techniques, and standards for reservoir characterization, monitoring, and remediation for carbon dioxide sequestration.

(b) The railroad commission shall require four-dimensional reservoir characterization of a proposed reservoir for carbon dioxide sequestration before the commission issues a permit for injecting carbon dioxide. The railroad commission may issue the permit only if the reservoir characterization demonstrates that the reservoir proposed for the sequestration is capable of retaining 90 percent of the carbon dioxide to be injected under the permit for a period of at least 100 years.

(c) The railroad commission by rule shall establish a program for detecting and monitoring surface leakage of injected carbon dioxide from a permitted sequestration project by measuring carbon dioxide pressure and concentration in the reservoir.

(d) The railroad commission by rule shall require a permitted carbon dioxide sequestration project to sequester an additional amount of carbon dioxide that is equal to the amount of carbon dioxide that leaks from the project. The additional sequestration must be completed before the first anniversary of the detection of the leak.