



1 described by Subparagraph (i) to enable or improve the process of  
2 injecting the carbon dioxide; and

3 (B) does not include naturally occurring carbon  
4 dioxide that is recaptured, recycled, and reinjected as part of  
5 enhanced recovery operations.

6 (20) "Anthropogenic carbon dioxide injection well"  
7 means an injection well used to inject or transmit anthropogenic  
8 carbon dioxide into a reservoir.

9 (21) "Enhanced recovery operation" means the use of  
10 any process for the displacement of hydrocarbons from a reservoir  
11 other than primary recovery and includes the use of any physical,  
12 chemical, thermal, or biological process and any co-production  
13 project.

14 (22) "Geologic storage" means the underground storage  
15 of anthropogenic carbon dioxide in a reservoir.

16 (23) "Geologic storage facility" means the  
17 underground reservoir, underground equipment, injection wells, and  
18 surface buildings and equipment used or to be used for the geologic  
19 storage of anthropogenic carbon dioxide and all surface and  
20 subsurface rights and appurtenances necessary to the operation of a  
21 facility for the geologic storage of anthropogenic carbon dioxide.  
22 The term includes any reasonable and necessary areal buffer and  
23 subsurface monitoring zones, pressure fronts, and other areas as  
24 may be necessary for this state to receive delegation of any federal  
25 underground injection control program relating to the storage of  
26 carbon dioxide. The term does not include a pipeline used to  
27 transport carbon dioxide from the facility at which the carbon

1 dioxide is captured to the geologic storage facility. The storage  
2 of carbon dioxide incidental to or as part of enhanced recovery  
3 operations does not in itself automatically render a facility a  
4 geologic storage facility.

5 (24) "Oil or gas" means oil, natural gas, or gas  
6 condensate.

7 (25) "Reservoir" means a natural or artificially  
8 created subsurface sedimentary stratum, formation, aquifer,  
9 cavity, void, or coal seam.

10 SECTION 2. Chapter 27, Water Code, is amended by adding  
11 Subchapter C-1 to read as follows:

12 SUBCHAPTER C-1. GEOLOGIC STORAGE AND ASSOCIATED INJECTION OF  
13 ANTHROPOGENIC CARBON DIOXIDE

14 Sec. 27.041. JURISDICTION. (a) Except as provided by  
15 Subsection (b), the railroad commission has jurisdiction over the  
16 geologic storage of carbon dioxide in, and the injection of carbon  
17 dioxide into, a reservoir that is initially or may be productive of  
18 oil, gas, or geothermal resources or a saline formation directly  
19 above or below that reservoir.

20 (b) The jurisdiction of the railroad commission over the  
21 geologic storage of carbon dioxide in, and the injection of carbon  
22 dioxide into, a saline formation described by Subsection (a) is  
23 subject to the review of the legislature based on the  
24 recommendations made in the preliminary report described by Section  
25 10, S.B. No. 1387, Acts of the 81st Legislature, Regular Session,  
26 2009.

27 (c) Except as provided by Subsection (b), the railroad

S.B. No. 1387

1 commission has jurisdiction over a well used for the purpose  
2 provided by Subsection (a) regardless of whether the well was  
3 initially completed for that purpose or was initially completed for  
4 another purpose and is converted to the purpose provided by  
5 Subsection (a).

6 Sec. 27.042. APPLICABILITY. This subchapter does not apply  
7 to the injection of fluid through the use of a Class II injection  
8 well as defined by 40 C.F.R. Section 144.6(b) for the primary  
9 purpose of enhanced recovery operations.

10 Sec. 27.043. PERMIT FROM RAILROAD COMMISSION. A person may  
11 not begin drilling or operating an anthropogenic carbon dioxide  
12 injection well for geologic storage or constructing or operating a  
13 geologic storage facility regulated under this subchapter without  
14 first obtaining the necessary permits from the railroad commission.

15 Sec. 27.044. INFORMATION REQUIRED OF APPLICANT. The  
16 railroad commission shall require an applicant to provide any  
17 information the railroad commission considers necessary to  
18 discharge its duties under this subchapter.

19 Sec. 27.045. FEES. (a) The railroad commission may impose  
20 fees to cover the cost of:

21 (1) permitting, monitoring, and inspecting  
22 anthropogenic carbon dioxide injection wells for geologic storage  
23 and geologic storage facilities; and

24 (2) enforcing and implementing this subchapter and  
25 rules adopted by the railroad commission under this subchapter.

26 (b) Fees collected by the railroad commission under this  
27 section shall be deposited to the credit of the anthropogenic

1 carbon dioxide storage trust fund established under Section  
2 120.003, Natural Resources Code.

3 Sec. 27.046. LETTER FROM EXECUTIVE DIRECTOR. (a) The  
4 railroad commission may not issue a permit under rules adopted  
5 under this subchapter until the applicant for the permit provides  
6 to the railroad commission a letter from the executive director  
7 stating that drilling and operating the anthropogenic carbon  
8 dioxide injection well for geologic storage or operating the  
9 geologic storage facility will not injure any freshwater strata in  
10 that area and that the formation or stratum to be used for the  
11 geologic storage facility is not freshwater sand.

12 (b) To make the determination required by Subsection (a),  
13 the executive director shall review:

- 14 (1) the area of review and corrective action plans;  
15 (2) any subsurface monitoring plans required during  
16 injection or post injection;  
17 (3) any postinjection site care plans; and  
18 (4) any other elements of the application reasonably  
19 required in order for the executive director to make the  
20 determination required by Subsection (a).

21 (c) The commission shall adopt rules to implement and  
22 administer this section.

23 Sec. 27.047. RULES. The railroad commission shall adopt  
24 rules and procedures reasonably required for the performance of its  
25 powers, duties, and functions under this subchapter, including  
26 rules for:

- 27 (1) the geologic storage and associated injection of

- 1 anthropogenic carbon dioxide, including:
- 2 (A) geologic site characterization;
  - 3 (B) area of review and corrective action;
  - 4 (C) well construction;
  - 5 (D) operation;
  - 6 (E) mechanical integrity testing;
  - 7 (F) monitoring;
  - 8 (G) well plugging;
  - 9 (H) postinjection site care;
  - 10 (I) site closure; and
  - 11 (J) long-term stewardship;
- 12 (2) the enforcement of this subchapter and rules  
13 adopted by the railroad commission under this subchapter; and
- 14 (3) the collection and administration of:
- 15 (A) fees imposed under Section 27.045; and
  - 16 (B) penalties imposed for a violation of this  
17 subchapter or rules adopted by the railroad commission under this  
18 subchapter.
- 19 Sec. 27.048. CONSISTENCY WITH AND IMPLEMENTATION OF FEDERAL  
20 REQUIREMENTS. (a) Rules adopted by the railroad commission under  
21 this subchapter must be consistent with applicable rules or  
22 regulations adopted by the United States Environmental Protection  
23 Agency or another federal agency governing the injection and  
24 geologic storage of anthropogenic carbon dioxide.
- 25 (b) If rules or regulations adopted to govern the geologic  
26 storage and associated injection of anthropogenic carbon dioxide  
27 under the federal Safe Drinking Water Act (42 U.S.C. Section 300f et

1 seq.) or another federal statute allow this state to seek primary  
2 enforcement authority under the underground injection control  
3 program:

4 (1) the railroad commission shall seek primacy to  
5 administer and enforce the program subject to the jurisdiction  
6 granted under this subchapter; and

7 (2) this state shall seek primacy to administer and  
8 enforce the program for the geologic storage of carbon dioxide in,  
9 and the injection of carbon dioxide into, a saline formation.

10 Sec. 27.049. MEMORANDUM OF UNDERSTANDING. The commission  
11 and the railroad commission, as necessary to comply with this  
12 subchapter, by rule shall:

13 (1) amend the memorandum of understanding recorded in  
14 16 T.A.C. Section 3.30; or

15 (2) enter into a new memorandum of understanding.

16 Sec. 27.050. FINANCIAL RESPONSIBILITY. (a) A person to  
17 whom a permit is issued under this subchapter must provide to the  
18 railroad commission annually evidence of financial responsibility  
19 that is satisfactory to the railroad commission.

20 (b) In determining whether the person is financially  
21 responsible, the railroad commission shall rely on:

22 (1) the person's most recent quarterly report filed  
23 with the United States Securities and Exchange Commission under  
24 Section 13 or 15(d), Securities Exchange Act of 1934 (15 U.S.C.  
25 Section 78m or 78o(d)); or

26 (2) if the person is not required to file with the  
27 United States Securities and Exchange Commission a report described

S.B. No. 1387

1 by Subdivision (1), the person's most recent audited financial  
2 statement.

3 SECTION 3. Section 27.051, Water Code, is amended by  
4 amending Subsection (b) and adding Subsection (b-1) to read as  
5 follows:

6 (b) The railroad commission may grant an application for a  
7 permit under Subchapter C in whole or part and may issue the permit  
8 if it finds:

9 (1) that the use or installation of the injection well  
10 is in the public interest;

11 (2) that the use or installation of the injection well  
12 will not endanger or injure any oil, gas, or other mineral  
13 formation;

14 (3) that, with proper safeguards, both ground and  
15 surface fresh water can be adequately protected from pollution; and

16 (4) that the applicant has made a satisfactory showing  
17 of financial responsibility if required by Section 27.073 [~~of this~~  
18 ~~code~~].

19 (b-1) The railroad commission may issue a permit under  
20 Subchapter C-1 if it finds:

21 (1) that the injection and geologic storage of  
22 anthropogenic carbon dioxide will not endanger or injure any oil,  
23 gas, or other mineral formation;

24 (2) that, with proper safeguards, both ground and  
25 surface fresh water can be adequately protected from carbon dioxide  
26 migration or displaced formation fluids;

27 (3) that the injection of anthropogenic carbon dioxide



1 will not endanger or injure human health and safety;

2 (4) that the reservoir into which the anthropogenic  
3 carbon dioxide is injected is suitable for or capable of being made  
4 suitable for protecting against the escape or migration of  
5 anthropogenic carbon dioxide from the reservoir; and

6 (5) that the applicant for the permit meets all of the  
7 other statutory and regulatory requirements for the issuance of the  
8 permit.

9 SECTION 4. Sections 27.071 and 27.072, Water Code, are  
10 amended to read as follows:

11 Sec. 27.071. POWER TO ENTER PROPERTY. Members of the  
12 commission and the railroad commission and employees of the  
13 commission and the railroad commission may enter public or private  
14 property to inspect and investigate conditions relating to  
15 injection well, monitoring well, disposal well, ~~[or]~~ production  
16 well, or geologic storage activities within their respective  
17 jurisdictions or to monitor compliance with a rule, permit, or  
18 other order of the commission or railroad commission. Members or  
19 employees acting under the authority of this section who enter an  
20 establishment on public or private property shall observe the  
21 establishment's safety, internal security, and fire protection  
22 rules.

23 Sec. 27.072. POWER TO EXAMINE RECORDS. Members of the  
24 commission and the railroad commission and employees of the  
25 commission and railroad commission may examine and copy those  
26 records or memoranda of a business they are investigating as  
27 provided by Section 27.071 ~~[of this code]~~ that relate to the

2/11/11  
D-117

S.B. No. 1387

1 operation of an injection well, monitoring well, disposal well,  
2 [~~or~~] production well, or geologic storage facility, or any other  
3 records required to be maintained by law.

4 SECTION 5. Section 27.073, Water Code, is amended by  
5 amending Subsection (a) and adding Subsection (b-1) to read as  
6 follows:

7 (a) A person to whom an injection well permit is issued may  
8 be required by the commission or railroad commission to maintain a  
9 performance bond or other form of financial security to ensure  
10 that:

11 (1) an abandoned injection well is properly plugged;  
12 or

13 (2) funds are available for plugging, postinjection  
14 site care, and closure of an anthropogenic carbon dioxide injection  
15 well subject to Subchapter C-1.

16 (b-1) The railroad commission is authorized to receive  
17 funds as the beneficiary of a financial responsibility mechanism  
18 established under this chapter for the proper management of an  
19 anthropogenic carbon dioxide injection well or geologic storage  
20 facility.

21 SECTION 6. Chapter 91, Natural Resources Code, is amended  
22 by adding Subchapter R to read as follows:

23 SUBCHAPTER R. AUTHORIZATION FOR MULTIPLE OR ALTERNATIVE USES OF

24 WELLS

25 Sec. 91.801. RULES AUTHORIZING MULTIPLE OR ALTERNATIVE USES  
26 OF WELLS. The commission shall adopt rules allowing:

27 (1) a person to obtain a permit for a well from the

1 commission that authorizes the well to be used for multiple  
2 purposes; and

3 (2) an operator of a well authorized by a permit issued  
4 by the commission to convert the well from its authorized purpose to  
5 a new or additional purpose.

6 Sec. 91.802. LAW APPLICABLE TO GEOLOGIC STORAGE FACILITIES  
7 AND ASSOCIATED INJECTION WELLS. (a) In this section,  
8 "anthropogenic carbon dioxide injection well" has the meaning  
9 assigned by Section 27.002, Water Code.

10 (b) If a well is authorized as or converted to an  
11 anthropogenic carbon dioxide injection well for geologic storage,  
12 Subchapter C-1, Chapter 27, Water Code, applies to the well.

13 (c) A conversion of an anthropogenic carbon dioxide  
14 injection well from use for enhanced recovery operations to use for  
15 geologic storage is not considered to be a change in the purpose of  
16 the well.

17 SECTION 7. Subtitle D, Title 3, Natural Resources Code, is  
18 amended by adding Chapter 120 to read as follows:

19 CHAPTER 120. OWNERSHIP AND STEWARDSHIP OF ANTHROPOGENIC CARBON  
20 DIOXIDE

21 Sec. 120.001. DEFINITIONS. In this chapter:

22 (1) "Anthropogenic carbon dioxide," "anthropogenic  
23 carbon dioxide injection well," and "geologic storage facility"  
24 have the meanings assigned by Section 27.002, Water Code.

25 (2) "Commission" means the Railroad Commission of  
26 Texas.

27 (3) "Storage operator" means a person authorized by

1 the commission to operate a geologic storage facility.

2 Sec. 120.002. OWNERSHIP OF ANTHROPOGENIC CARBON DIOXIDE.

3 (a) This section does not apply to anthropogenic carbon dioxide  
4 injected for the primary purpose of enhanced recovery operations.

5 (b) Unless otherwise expressly provided by a contract, bill  
6 of sale, deed, mortgage, deed of trust, or other legally binding  
7 document or by other law, anthropogenic carbon dioxide stored in a  
8 geologic storage facility is considered to be the property of the  
9 storage operator or the storage operator's heirs, successors, or  
10 assigns.

11 (c) Absent a final judgment of wilful abandonment rendered  
12 by a court or a regulatory determination of closure or abandonment,  
13 anthropogenic carbon dioxide stored in a geologic storage facility  
14 is not considered to be the property of the owner of the surface or  
15 mineral estate in the land in which the anthropogenic carbon  
16 dioxide is stored or of a person claiming under the owner of the  
17 surface or mineral estate.

18 (d) The owner, as designated by Subsection (b) or (c), of  
19 the anthropogenic carbon dioxide stored in a geologic storage  
20 facility, or the owner's heirs, successors, or assigns, may  
21 produce, take, extract, or otherwise possess anthropogenic carbon  
22 dioxide stored in the facility.

23 Sec. 120.003. ANTHROPOGENIC CARBON DIOXIDE STORAGE TRUST  
24 FUND. (a) The anthropogenic carbon dioxide storage trust fund is  
25 created as a special fund in the state treasury.

26 (b) The anthropogenic carbon dioxide storage trust fund is  
27 an interest-bearing fund. Interest earned on money in the fund

1 shall be deposited to the credit of the fund.

2 (c) Fees collected by the commission under Subchapter C-1,  
3 Chapter 27, Water Code, and penalties imposed for violations of  
4 that subchapter or rules adopted under that subchapter shall be  
5 deposited to the credit of the anthropogenic carbon dioxide storage  
6 trust fund.

7 (d) The anthropogenic carbon dioxide storage trust fund may  
8 be used by the commission only for:

9 (1) inspecting, monitoring, investigating, recording,  
10 and reporting on geologic storage facilities and associated  
11 anthropogenic carbon dioxide injection wells;

12 (2) long-term monitoring of geologic storage  
13 facilities and associated anthropogenic carbon dioxide injection  
14 wells;

15 (3) remediation of mechanical problems associated  
16 with geologic storage facilities and associated anthropogenic  
17 carbon dioxide injection wells;

18 (4) repairing mechanical leaks at geologic storage  
19 facilities;

20 (5) plugging abandoned anthropogenic carbon dioxide  
21 injection wells used for geologic storage;

22 (6) training and technology transfer related to  
23 anthropogenic carbon dioxide injection and geologic storage; and

24 (7) compliance and enforcement activities related to  
25 geologic storage and associated anthropogenic carbon dioxide  
26 injection wells.

27 Sec. 120.004. EXTRACTION OF STORED ANTHROPOGENIC CARBON

1 DIOXIDE. (a) The commission shall adopt rules allowing  
2 anthropogenic carbon dioxide stored in a geologic storage facility  
3 to be extracted for a commercial or industrial use.

4 (b) The commission has jurisdiction over the extraction of  
5 anthropogenic carbon dioxide stored in a geologic storage facility.

6 SECTION 8. Section 27.038, Water Code, is repealed.

7 SECTION 9. (a) In this section:

8 (1) "Anthropogenic carbon dioxide," "geologic  
9 storage," and "geologic storage facility" have the meanings  
10 assigned by Section 27.002, Water Code, as amended by this Act.

11 (2) "State-owned land" includes state-owned submerged  
12 land.

13 (b) Not later than December 1, 2010, the Commissioner of the  
14 General Land Office shall prepare and file with the legislature a  
15 preliminary report on a recommended framework for managing  
16 activities related to geologic storage on state-owned land. The  
17 report shall include:

18 (1) recommended criteria for identifying candidate  
19 geologic storage sites in each of the following types of onshore and  
20 offshore geological settings:

21 (A) operating oil and gas fields;

22 (B) depleted oil and gas fields;

23 (C) unmineable coal seams;

24 (D) saline formations;

25 (E) geological systems that may be used as  
26 engineered reservoirs to extract economical quantities of heat from  
27 geothermal resources of low permeability or porosity;

- 1                   (F) geological systems containing igneous  
2 formations; and
- 3                   (G) coalbeds being used for methane recovery;
- 4           (2) a proposed regulatory framework for leasing  
5 state-owned land for geologic storage, including an assessment of  
6 options to ensure that the state receives fair market value for  
7 using state-owned property for geologic storage;
- 8           (3) a proposed procedure for:
- 9                   (A) providing an opportunity for public review  
10 of, and the presentation of comments by interested persons  
11 regarding, any activities related to geologic storage on  
12 state-owned land; and
- 13                   (B) ensuring that the quality of the natural and  
14 cultural resources of state-owned land overlying the site of a  
15 geologic storage facility are protected from any geologic storage  
16 activities at the site;
- 17           (4) a description of the status of leasehold or  
18 mineral estate liability issues related to the geological  
19 subsurface trespass of, or caused by, anthropogenic carbon dioxide  
20 stored in state-owned land, including any relevant experience from  
21 enhanced oil recovery using carbon dioxide on state-owned land;
- 22           (5) recommendations for additional legislation that  
23 may be required to ensure that public land management and leasing  
24 laws are adequate to accommodate geologic storage;
- 25           (6) an identification of the legal and regulatory  
26 issues specific to geologic storage in cases in which title to the  
27 mineral estate is held by the state but title to the surface estate

1 is not held by the state; and

2 (7) recommendations for additional legislation that  
3 may be required to clarify the appropriate framework for issuing  
4 rights-of-way for anthropogenic carbon dioxide pipelines on  
5 state-owned land.

6 (c) In preparing the preliminary report under Subsection  
7 (b) of this section, the Commissioner of the General Land Office  
8 shall coordinate with:

9 (1) the Bureau of Economic Geology of The University  
10 of Texas at Austin;

11 (2) the Railroad Commission of Texas;

12 (3) the Texas Commission on Environmental Quality; and

13 (4) the heads of other appropriate agencies.

14 (d) This section expires December 31, 2010.

15 SECTION 10. (a) In this section, "anthropogenic carbon  
16 dioxide," "geologic storage," and "geologic storage facility" have  
17 the meanings assigned by Section 27.002, Water Code, as amended by  
18 this Act.

19 (b) Not later than December 1, 2010, the Texas Commission on  
20 Environmental Quality and the Railroad Commission of Texas, in  
21 consultation with the Bureau of Economic Geology of The University  
22 of Texas at Austin, shall prepare and file with the legislature a  
23 joint preliminary report that:

24 (1) analyzes the requirements for the injection and  
25 geologic storage of anthropogenic carbon dioxide into saline  
26 formations that are not productive of oil, gas, or geothermal  
27 resources;



1           (2) recommends a permitting process for anthropogenic  
2 carbon dioxide injection wells and geologic storage facilities that  
3 are used for the injection and storage of anthropogenic carbon  
4 dioxide in saline formations not productive of oil, gas, or  
5 geothermal resources;

6           (3) recommends the agency or agencies that should have  
7 jurisdiction over permitting described by Subdivision (2) of this  
8 subsection or any other permitting of geologic storage facilities  
9 not subject to Subchapter C-1, Chapter 27, Water Code; and

10          (4) assesses the status of compliance with any federal  
11 rules regulating the geologic storage and associated injection of  
12 anthropogenic carbon dioxide.

13          (c) The preliminary report shall include:

14           (1) recommended criteria for identifying candidate  
15 geologic storage sites in each of the following types of geological  
16 settings:

17                   (A) operating oil and gas fields;

18                   (B) depleted oil and gas fields;

19                   (C) unmineable coal seams;

20                   (D) saline formations;

21                   (E) geological systems that may be used as  
22 engineered reservoirs to extract economical quantities of heat from  
23 geothermal resources of low permeability or porosity;

24                   (F) geological systems containing igneous  
25 formations; and

26                   (G) coalbeds being used for methane recovery;

27           (2) a proposed procedure for:

1 (A) providing an opportunity for public review  
2 of, and the presentation of comments by interested persons  
3 regarding, any activities related to geologic storage; and

4 (B) ensuring that the quality of the natural and  
5 cultural resources of land overlying the site of a geologic storage  
6 facility are protected from any geologic storage activities at the  
7 site;

8 (3) recommendations for methods to mitigate any  
9 negative effects of federal greenhouse gas reporting requirements  
10 on owners and producers of naturally occurring carbon dioxide;

11 (4) a description of the status of leasehold or  
12 mineral estate liability issues related to the geological  
13 subsurface trespass of, or caused by, anthropogenic carbon dioxide  
14 stored in private or state-owned land, including any relevant  
15 experience from enhanced recovery operations using carbon dioxide;

16 (5) an analysis of and recommendations to address:

17 (A) the attributes of the subsurface area of  
18 operations for geologic storage facilities; and

19 (B) the methods of financial assurance and the  
20 allocation of long-term liability for the post-operational phases  
21 of geologic storage projects;

22 (6) the status of any applications for permits that  
23 have been received before the report is prepared;

24 (7) an update on the exchange of information between  
25 the Texas Commission on Environmental Quality and the Railroad  
26 Commission of Texas as required by the memorandum of understanding  
27 described by Section 27.049, Water Code, as added by this Act, and

1 as required by Section 27.046, Water Code, as added by this Act;

2 (8) the status of any request for primary enforcement  
3 authority for the underground injection and geologic storage of  
4 anthropogenic carbon dioxide under the underground injection  
5 control program; and

6 (9) any recommendations for additional legislation,  
7 modifications to the memorandum of understanding, or new rules for  
8 regulating geologic storage facilities and associated  
9 anthropogenic carbon dioxide injection wells.

10 (d) This section expires December 31, 2010.

11 SECTION 11. (a) The Texas Commission on Environmental  
12 Quality shall adopt rules under Section 27.046, Water Code, as  
13 added by this Act, as soon as practicable after the effective date  
14 of this Act.

15 (b) Not later than March 1, 2010, the Railroad Commission of  
16 Texas shall adopt rules under Section 27.047, Water Code, as added  
17 by this Act, for the geologic storage and associated injection of  
18 carbon dioxide in connection with enhanced recovery operations,  
19 excluding enhanced recovery operations for which:

20 (1) there is a reasonable expectation of more than  
21 insignificant future production volumes or rates as a result of the  
22 injection of anthropogenic carbon dioxide; and

23 (2) operating pressures are not higher than reasonably  
24 necessary to produce the production volumes or rates described by  
25 Subdivision (1) of this subsection.

26 (c) Not later than September 1, 2010, the Railroad  
27 Commission of Texas shall adopt rules under Section 27.047, Water

1 Code, as added by this Act, for the geologic storage of carbon  
2 dioxide in, and the injection of carbon dioxide into, a reservoir  
3 that is initially or may be productive of oil, gas, or geothermal  
4 resources.

5 (d) The Texas Commission on Environmental Quality and the  
6 Railroad Commission of Texas shall adopt rules under Section  
7 27.049, Water Code, as added by this Act, as soon as practicable  
8 after the effective date of this Act.

9 (e) The Railroad Commission of Texas shall adopt rules under  
10 Sections 91.801 and 120.004, Natural Resources Code, as added by  
11 this Act, as soon as practicable after the effective date of this  
12 Act.

13 SECTION 12. This Act does not make an appropriation. A  
14 provision in this Act that creates a new governmental program,  
15 creates a new entitlement, or imposes a new duty on a governmental  
16 entity is not mandatory during a fiscal period for which the  
17 legislature has not made a specific appropriation to implement the  
18 provision.

19 SECTION 13. This Act takes effect September 1, 2009.

Rand Newkirk

President of the Senate

Jon Strom  
Speaker of the House

I hereby certify that S.B. No. 1387 passed the Senate on April 22, 2009, by the following vote: Yeas 30, Nays 0.

Patsy Saw  
Secretary of the Senate

I hereby certify that S.B. No. 1387 passed the House on May 18, 2009, by the following vote: Yeas 142, Nays 0, one present not voting.

Robert Haney  
Chief Clerk of the House

Approved:

27 MAY '09  
Date

RICK PERRY  
Governor

FILED IN THE OFFICE OF THE  
SECRETARY OF STATE  
5 pm O'CLOCK

MAY 27 2009  
Debra Ralston  
Secretary of State