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# HOUSE BILL No. 1368

Proposed Changes to introduced printing by AM136801

## DIGEST OF PROPOSED AMENDMENT

Carbon sequestration. Amends various definitions. Grants the department of natural resources (department) certain authority. Establishes various requirements for certain maps describing an injection well. Provides that the department shall provide an applicant with a project decision schedule. Amends various provisions addressing the protection of drinking water. Specifies the process for modifying a UIC Class VI permit. Provides that a storage operator shall comply with any other post-injection site care and site closure requirements established by the department.

A BILL FOR AN ACT to amend the Indiana Code concerning natural and cultural resources.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 8-1-2-3.5 IS ADDED TO THE INDIANA CODE  
2 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
3 1, 2026]: Sec. 3.5. (a) As used in this section, "department" refers  
4 to the department of natural resources created by IC 14-9-1-1.  
5 (b) As used in this section, "utility" means a person, however  
6 organized, that provides utility service to customers in Indiana.  
7 The term includes an agent acting on behalf of the person to accept  
8 and process payments from customers.  
9 (c) As used in this section, "utility service" means:  
10 (1) electric;  
11 (2) natural gas;  
12 (3) water; or  
13 (4) wastewater;  
14 service that is provided at retail.  
15 (d) A utility shall accept the following methods of payment  
16 from the department for utility service provided to a property

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1       **owned by the department:**

2           (1) An electronic funds transfer, including by wire or  
3           Automated Clearing House (ACH).

4           (2) A payment by credit card or debit card.

5           (e) A utility may not limit or restrict the:

6           (1) dollar amount; or

7           (2) number of transactions allowed in a given period;

8       **with respect to a payment made by a method described in  
9       subsection (d).**

10       **(f) With respect to any singular property owned by the  
11       department, a utility that provides utility service to the property  
12       shall provide the department with a singular invoice for the entire  
13       property, regardless of the number of:**

14           (1) meters;

15           (2) connections; or

16           (3) buildings or structures served;

17       **on the property, as applicable.**

18       SECTION 2. IC 14-8-2-1.3 IS ADDED TO THE INDIANA CODE  
19       AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE  
20       UPON PASSAGE]: Sec. 1.3. "Abandoned well", for purposes of  
21       IC 14-39, has the meaning set forth in IC 14-39-0.6-2.**

22       SECTION 3. IC 14-8-2-13 IS AMENDED TO READ AS  
23       FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) "Aquifer",  
24       for purposes of IC 14-25-7, has the meaning set forth in IC 14-25-7-1.

25       (b) "Aquifer", for purposes of IC 14-39, has the meaning set  
26       forth in IC 14-39-0.6-3.

27       SECTION 4. IC 14-8-2-34.1 IS ADDED TO THE INDIANA  
28       CODE AS A **NEW SECTION TO READ AS FOLLOWS  
29       [EFFECTIVE UPON PASSAGE]: Sec. 34.1. "Carbon dioxide", for  
30       purposes of IC 14-39, has the meaning set forth in IC 14-39-0.6-4.**

31       SECTION 5. IC 14-8-2-34.2 IS ADDED TO THE INDIANA  
32       CODE AS A **NEW SECTION TO READ AS FOLLOWS  
33       [EFFECTIVE UPON PASSAGE]: Sec. 34.2. "Carbon dioxide  
34       injection well", for purposes of IC 14-39, has the meaning set forth  
35       in IC 14-39-0.6-5.**

36       SECTION 6. IC 14-8-2-34.3 IS ADDED TO THE INDIANA  
37       CODE AS A **NEW SECTION TO READ AS FOLLOWS  
38       [EFFECTIVE UPON PASSAGE]: Sec. 34.3. "Carbon dioxide  
39       plume", for purposes of IC 14-39, has the meaning set forth in  
40       IC 14-39-0.6-6.**

41       SECTION 7. IC 14-8-2-34.4 IS ADDED TO THE INDIANA  
42       CODE AS A **NEW SECTION TO READ AS FOLLOWS**



1 [EFFECTIVE UPON PASSAGE]: Sec. 34.4. "Carbon dioxide  
 2 stream", for purposes of IC 14-39, has the meaning set forth in  
 3 IC 14-39-0.6-7.

4 SECTION 8. IC 14-8-2-34.5 IS ADDED TO THE INDIANA  
 5 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 6 [EFFECTIVE UPON PASSAGE]: Sec. 34.5. "Carbon dioxide  
 7 transmission pipeline", for purposes of IC 14-39, has the meaning  
 8 set forth in IC 14-39-0.6-8.

9 SECTION 9. IC 14-8-2-34.6 IS ADDED TO THE INDIANA  
 10 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 11 [EFFECTIVE UPON PASSAGE]: Sec. 34.6. "Carbon  
 12 sequestration", for purposes of IC 14-39, has the meaning set forth  
 13 in IC 14-39-0.6-9.

14 SECTION 10. IC 14-8-2-34.7 IS ADDED TO THE INDIANA  
 15 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 16 [EFFECTIVE UPON PASSAGE]: Sec. 34.7. "Carbon sequestration  
 17 pilot project", for purposes of IC 14-39, has the meaning set forth  
 18 in IC 14-39-0.6-10.

19 SECTION 11. IC 14-8-2-34.8 IS ADDED TO THE INDIANA  
 20 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 21 [EFFECTIVE UPON PASSAGE]: Sec. 34.8. "Carbon sequestration  
 22 project", for purposes of IC 14-39, has the meaning set forth in  
 23 IC 14-39-0.6-11.

24 SECTION 12. IC 14-8-2-50.5 IS ADDED TO THE INDIANA  
 25 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 26 [EFFECTIVE UPON PASSAGE]: Sec. 50.5. "Confining zone", for  
 27 purposes of IC 14-39, has the meaning set forth in IC 14-39-0.6-12.

28 SECTION 13. IC 14-8-2-87.8 IS ADDED TO THE INDIANA  
 29 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 30 [EFFECTIVE UPON PASSAGE]: Sec. 87.8. "Fault", for purposes of  
 31 IC 14-39, has the meaning set forth in IC 14-39-0.6-13.

32 SECTION 14. IC 14-8-2-152.5 IS ADDED TO THE INDIANA  
 33 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 34 [EFFECTIVE UPON PASSAGE]: Sec. 152.5. "Lithology", for  
 35 purposes of IC 14-39, has the meaning set forth in IC 14-39-0.6-14.

36 SECTION 15. IC 14-8-2-159.5 IS ADDED TO THE INDIANA  
 37 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 38 [EFFECTIVE UPON PASSAGE]: Sec. 159.5. "Mechanical integrity  
 39 test", for purposes of IC 14-39, has the meaning set forth in  
 40 IC 14-39-0.6-15.

41 SECTION 16. IC 14-8-2-164.5 IS ADDED TO THE INDIANA  
 42 CODE AS A NEW SECTION TO READ AS FOLLOWS



1 [EFFECTIVE UPON PASSAGE]: **Sec. 164.5. "Mineral lessee"**, for  
 2 **purposes of IC 14-39, has the meaning set forth in IC 14-39-0.6-16.**

3 SECTION 17. IC 14-8-2-164.7 IS ADDED TO THE INDIANA  
 4 CODE AS A **NEW SECTION** TO READ AS FOLLOWS  
 5 [EFFECTIVE UPON PASSAGE]: **Sec. 164.7. "Mineral owner"**, for  
 6 **purposes of IC 14-39, has the meaning set forth in IC 14-39-0.6-17.**

7 SECTION 18. IC 14-8-2-196.5 IS ADDED TO THE INDIANA  
 8 CODE AS A **NEW SECTION** TO READ AS FOLLOWS  
 9 [EFFECTIVE UPON PASSAGE]: **Sec. 196.5. "Packer"**, for **purposes**  
 10 **of IC 14-39, has the meaning set forth in IC 14-39-0.6-18.**

11 SECTION 19. IC 14-8-2-209.5 IS ADDED TO THE INDIANA  
 12 CODE AS A **NEW SECTION** TO READ AS FOLLOWS  
 13 [EFFECTIVE UPON PASSAGE]: **Sec. 209.5. "Pore space"**, for  
 14 **purposes of IC 14-39, has the meaning set forth in IC 14-39-0.6-20.**

15 SECTION 20. IC 14-8-2-209.7 IS ADDED TO THE INDIANA  
 16 CODE AS A **NEW SECTION** TO READ AS FOLLOWS  
 17 [EFFECTIVE UPON PASSAGE]: **Sec. 209.7. "Pore space owner"**,  
 18 **for purposes of IC 14-39, has the meaning set forth in**  
 19 **IC 14-39-0.6-21.**

20 SECTION 21. IC 14-8-2-211.7 IS ADDED TO THE INDIANA  
 21 CODE AS A **NEW SECTION** TO READ AS FOLLOWS  
 22 [EFFECTIVE UPON PASSAGE]: **Sec. 211.7. "Primacy"**, for  
 23 **purposes of IC 14-39, has the meaning set forth in IC 14-39-0.6-22.**

24 SECTION 22. IC 14-8-2-240, AS AMENDED BY P.L.148-2020,  
 25 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 26 UPON PASSAGE]: Sec. 240. (a) "Reservoir", for purposes of  
 27 IC 14-33-24, has the meaning set forth in IC 14-33-24-3.

28 (b) "Reservoir", for purposes of IC 14-37, means an underground  
 29 geological formation that contains oil or natural gas.

30 (c) "Reservoir", for purposes of IC 14-39, has the meaning set  
 31 **forth in IC 14-39-0.6-23.**

32 SECTION 23. IC 14-8-2-242.3 IS ADDED TO THE INDIANA  
 33 CODE AS A **NEW SECTION** TO READ AS FOLLOWS  
 34 [EFFECTIVE UPON PASSAGE]: **Sec. 242.3. "Responsible officer"**,  
 35 **for purposes of IC 14-39, has the meaning set forth in**  
 36 **IC 14-39-0.6-24.**

37 SECTION 24. IC 14-8-2-266.9 IS ADDED TO THE INDIANA  
 38 CODE AS A **NEW SECTION** TO READ AS FOLLOWS  
 39 [EFFECTIVE UPON PASSAGE]: **Sec. 266.9. "Storage facility"**, for  
 40 **purposes of IC 14-39, has the meaning set forth in IC 14-39-0.6-25.**

41 SECTION 25. IC 14-8-2-267.1 IS ADDED TO THE INDIANA  
 42 CODE AS A **NEW SECTION** TO READ AS FOLLOWS



1 [EFFECTIVE UPON PASSAGE]: **Sec. 267.1. "Storage operator"**,  
 2 for purposes of IC 14-39, has the meaning set forth in  
 3 **IC 14-39-0.6-26.**

4 SECTION 26. IC 14-8-2-267.3 IS ADDED TO THE INDIANA  
 5 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 6 [EFFECTIVE UPON PASSAGE]: **Sec. 267.3. "Stratum"**, for  
 7 purposes of IC 14-39, has the meaning set forth in **IC 14-39-0.6-27.**

8 SECTION 27. IC 14-8-2-274.7 IS ADDED TO THE INDIANA  
 9 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 10 [EFFECTIVE UPON PASSAGE]: **Sec. 274.7. "Surface or subsurface**  
 11 **property interest owner"**, for purposes of IC 14-39, has the  
 12 meaning set forth in **IC 14-39-0.6-28.**

13 SECTION 28. IC 14-8-2-282.9 IS ADDED TO THE INDIANA  
 14 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 15 [EFFECTIVE UPON PASSAGE]: **Sec. 282.9. "Transporting carbon**  
 16 **dioxide"**, for purposes of IC 14-39, has the meaning set forth in  
 17 **IC 14-39-0.6-29.**

18 SECTION 29. IC 14-8-2-285.3 IS ADDED TO THE INDIANA  
 19 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 20 [EFFECTIVE UPON PASSAGE]: **Sec. 285.3. "UIC Class VI**  
 21 **permit"**, for purposes of IC 14-39, has the meaning set forth in  
 22 **IC 14-39-0.6-30.**

23 SECTION 30. IC 14-8-2-285.4 IS ADDED TO THE INDIANA  
 24 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 25 [EFFECTIVE UPON PASSAGE]: **Sec. 285.4. "UIC program"**, for  
 26 purposes of IC 14-39, has the meaning set forth in **IC 14-39-0.6-31.**

27 SECTION 31. IC 14-8-2-287.3 IS ADDED TO THE INDIANA  
 28 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 29 [EFFECTIVE UPON PASSAGE]: **Sec. 287.3. "Underground source**  
 30 **of drinking water"**, for purposes of IC 14-39, has the meaning set  
 31 forth in **IC 14-39-0.6-32.**

32 SECTION 32. IC 14-8-2-287.7 IS ADDED TO THE INDIANA  
 33 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 34 [EFFECTIVE UPON PASSAGE]: **Sec. 287.7. "Underground storage**  
 35 **of carbon dioxide"**, for purposes of IC 14-39, has the meaning set  
 36 forth in **IC 14-39-0.6-33.**

37 SECTION 33. IC 14-39-0.5-1, AS ADDED BY P.L.158-2023,  
 38 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 39 UPON PASSAGE]: Sec. 1. The natural resources commission, **in**  
 40 **coordination with the department**, shall adopt rules under IC 4-22-2  
 41 to implement this article.

42 SECTION 34. IC 14-39-0.5-2, AS ADDED BY P.L.158-2023,



1 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 2 UPON PASSAGE]: Sec. 2. The rules adopted by the commission under  
 3 section 1 of this chapter:

4 (1) must include the provisions necessary to the department's  
 5 discharge of the duties imposed upon the department under this  
 6 article; and  
 7 **(2) must include the provisions necessary for the department**  
 8 **to obtain the primary enforcement authority from the United**  
 9 **States Environmental Protection Agency to regulate Class VI**  
 10 **underground injection wells; and**  
 11 ~~(2)~~ (3) may establish fees for the administration and  
 12 implementation of this article after review by the budget  
 13 committee. In addition, the amount of the fee determined under  
 14 this subdivision may not subsequently be increased unless the  
 15 increase is reviewed by the budget committee.

16 SECTION 35. IC 14-39-0.6 IS ADDED TO THE INDIANA  
 17 CODE AS A NEW CHAPTER TO READ AS FOLLOWS  
 18 [EFFECTIVE UPON PASSAGE]:

19 **Chapter 0.6. Definitions**

20 **Sec. 1. The definitions in this chapter apply throughout this**  
 21 **article and 312 IAC 30.**

22 **Sec. 2. "Abandoned well" refers to a well:**

23 (1) **whose use has been permanently discontinued; or**  
 24 (2) **which is in a state of disrepair;**

25 **such that it cannot be used for its intended purpose or for**  
 26 **observation purposes.**

27 **Sec. 3. "Aquifer" means:**

28 (1) **a geologic formation;**  
 29 (2) **a group of formations; or**  
 30 (3) **part of a formation;**

31 **capable of yielding a significant amount of water to a well or**  
 32 **spring.**

33 **Sec. 4. "Carbon dioxide" means a fluid consisting of more than**  
 34 **ninety percent (90%) carbon dioxide molecules.**

35 **Sec. 5. "Carbon dioxide injection well" refers to a well that**

36 ~~↳~~**[meets the following criteria:**

37 (1) **Is in compliance with a UIC Class VI permit.**  
 38 (2) **I]s used to inject carbon dioxide into a reservoir for**  
 39 **carbon sequestration**~~**in compliance with a UIC Class VI**~~  
 40 ~~**permit**~~**[.**  
 41 (3) **Is not experimental in nature.**  
 42 (4) **Is used for geologic sequestration of carbon dioxide**



**beneath the lowermost formation containing an underground source of drinking water.**

**(5) Is used for geologic sequestration of carbon dioxide that has been granted a waiver of the injection depth requirements.**

**(6) Is used for geologic sequestration of carbon dioxide that has received an expansion to the areal extent of an existing Class II enhanced oil recovery or enhanced gas recovery aquifer exemption].**

10 Sec. 6. "Carbon dioxide plume" means the extent of an  
11 underground three-dimensional injected carbon dioxide stream.

12 Sec. 7. (a) "Carbon dioxide stream" means carbon dioxide  
13 that:

- (1) has been captured from an emission source ~~or the atmosphere~~; and □
  - (2) consists of:
    - (A) incidental associated substances derived from the source materials and capture process; and
    - (B) any substance added to the carbon dioxide to enable or improve the injection process.

(b) The term under subsection (a) does not include a carbon dioxide stream that is considered hazardous waste ~~as defined by IC 13-11-2-99(c) [under 40 CFR 261]~~.

24                   **Sec. 8. "Carbon dioxide transmission pipeline" means the part**  
25                   **of a pipeline in Indiana, including:**

used exclusively for the purpose of transporting carbon dioxide to a carbon management application, including sequestration, enhanced oil recovery, and deep saline injection, within or outside Indiana.

33 Sec. 9. (a) "Carbon sequestration" means the ~~underground~~  
34 ~~storage of~~ long term containment of a:

35                    (1) gaseous;  
36                    (2) liquid; or  
37                    (3) supercritical;

## carbon dioxide stream in subsurface geologic formations.

41       Sec. 10. "Carbon sequestration pilot project" refers to the  
42      pilot project described in IC 14-39-1-3.5.



1 Sec. 11. [(a)] "Carbon sequestration project" means ~~any~~  
 2 ~~project that involves the underground storage of~~ [a] carbon  
 3 dioxide ~~in a reservoir pursuant to at least one (1)~~ [injection well  
 4 that requires a] UIC Class VI permit~~]~~

5 ~~Sec. 12.~~ I to carry out carbon sequestration.

6 (b) The term does not include the following:

- 7 (1) The subsurface three-dimensional extent of the carbon  
 8 dioxide plume.
- 9 (2) The subsurface three-dimensional associated area of  
 10 elevated pressure.
- 11 (3) The subsurface three-dimensional displaced fluids.
- 12 (4) The surface area above that delineated region described  
 13 in subdivisions (1) through (3).

14 Sec. 12. (a)] "Confining zone" means:

- 15 (1) a geologic formation;
- 16 (2) a group of geologic formations; or

17 [ (3) a part of a geologic formation;  
 18 stratigraphically overlying an injection zone that acts as a barrier  
 19 to fluid movement.

20 (b) For a carbon dioxide injection well permitted by a UIC  
 21 Class VI permit under an injection depth waiver, the term means  
 22 a:

- 23 (1) geologic formation;
- 24 (2) group of geologic formations; or

25 (3) part of a geologic formation;  
 26 ~~<capable of limiting>[stratigraphically overlying and underlying]~~  
 27 ~~the<movement of the carbon dioxide stream above an>~~ injection  
 28 zone.

29 Sec. 13. "Fault" means a surface or zone or rock fracture  
 30 along which there has been displacement.

31 Sec. 14. "Lithology" means the description of rocks on the  
 32 basis of their physical and chemical characteristics.

33 Sec. 15. "Mechanical integrity test" means a test performed on  
 34 a ~~Class VI well~~:

- 35 ~~(1) to confirm the Class VI well maintains internal and~~  
 36 ~~external mechanical integrity;~~
- 37 ~~(2) that can measure the adequacy of the Class VI well~~  
 38 ~~construction; and~~
- 39 ~~(3) that can detect a problem with a Class VI well system, if~~  
 40 ~~applicable>[well permitted by a UIC Class VI permit and~~  
 41 ~~required under federal regulations adopted by the~~  
 42 ~~department].~~



1                   **Sec. 16. "Mineral lessee"** means a lessee identified by the  
 2 records of the recorder of deeds for each county containing a  
 3 portion of the proposed reservoir who holds an interest in minerals  
 4 on real property that are located above, below, or within the  
 5 proposed reservoir that has been severed from the surface estate  
 6 by:

7                   (1) grant;  
 8                   (2) exception;  
 9                   (3) reservation;  
 10                  (4) lease; or  
 11                  (5) any other means.

12                  **Sec. 17. "Mineral owner"** means an owner identified by the  
 13 records of the recorder of deeds for each county containing a  
 14 portion of the proposed reservoir who holds an interest in minerals  
 15 on real property that are located above, below, or within the  
 16 proposed reservoir that has been severed from the surface estate  
 17 by:

18                  (1) grant;  
 19                  (2) exception;  
 20                  (3) reservation;  
 21                  (4) lease; or  
 22                  (5) any other means.

23                  **Sec. 18. "Packer"** means a device lowered into a well to  
 24 produce a fluid-tight seal.

25                  **Sec. 19. (a) "Person"** has the meaning set forth in  
 26 IC 14-8-2-202(a).

27                  ~~11~~ ~~11~~(b) The term includes a political body, a corporate body, [a  
 28 tribe, a municipality, ]and ~~<the S>[a federal or s]tate <of~~  
 29 Indiana>[agency].~~11~~

30                  ~~11~~ **Sec. 20. "Pore space"** means subsurface cavities or voids that  
 31 can be used as a storage space for carbon dioxide.

32                  **Sec. 21. "Pore space owner"** means:

33                  (1) a person;  
 34                  (2) a trust;  
 35                  (3) a corporation; or  
 36                  (4) another entity;

37                  that has title to, a right to, or an interest in pore space.

38                  **Sec. 22. "Primacy"** means primary enforcement authority  
 39 over Class VI wells under the Safe Drinking Water Act.

40                  **Sec. 23. "Reservoir"** means a subsurface:

41                  (1) sedimentary stratum;  
 42                  (2) formation;



**Sec. 24. "Responsible officer" includes the following:**

- (1) An authorized officer of a corporation.
- (2) A manager of a limited liability company, or if the limited liability company is managed by another company, an authorized officer of the managing company.
- (3) A partner in a general, limited, or limited liability partnership or, if the partner is an entity, an authorized officer of the general, limited, or limited liability partnership.

¶ (4) An individual authorized [as a permitted signatory] by another entity [under federal regulations adopted by the department] not included under subdivisions (1) through (3) ~~to sign for and bind the person~~. ¶

II Sec. 25. "Storage facility" means the subsurface area consisting of the extent of a carbon dioxide plume which is required to be set forth on an approved UIC Class VI permit or an amendment to a UIC Class VI permit of a storage operator.

**Sec. 26. "Storage operator" means:**

- (1) a person;
- (2) a trust;
- (3) a corporation; or
- (4) another entity;

that operates a carbon sequestration project.

Sec. 27. "Stratum" means a single sedimentary bed or layer, regardless of thickness, that consists of generally the same kind of rock material.

**Sec. 28. "Surface or subsurface property interest holder"** means a property interest owner identified by the records of the recorder of deeds for each county containing a portion of the proposed storage facility who holds a fee simple interest or other freehold interest in the surface or subsurface of the property, which may include mineral rights. The term does not include the owner of a right-of-way, an easement, or a leasehold.

**Sec. 29. (a)** "Transporting carbon dioxide" means the movement of carbon dioxide to a carbon dioxide injection well located outside the storage facility for which a certificate of authority for a carbon dioxide transmission pipeline is required.



(b) The term under subsection (a) includes a carbon dioxide transmission pipeline that crosses a parcel above pore space that is:

(1) a public right-of-way; or  
(2) acquired by:  
    (A) eminent domain; or  
    (B) an integration order.

**(c) The term under subsection (a) does not include movement of carbon dioxide to a carbon dioxide injection well inside the boundaries of contiguous property owned by an applicant or under IC 14-39-1-4.5.**

**Sec. 30. "UIC Class VI permit" means a permit issued under the federal Safe Drinking Water Act's Underground Injection Control program that allows:**

- (1) a person;
- (2) a trust;
- (3) a corporation; or
- (4) another entity;

**to construct or operate a carbon dioxide injection well.**

Sec. 31. "UIC program" refers to the program carried out by:

**(1) the United States Environmental Protection Agency; or  
(2) an approved state or tribe;**

under the Safe Drinking Water Act to regulate underground injection.

**Sec. 32. "Underground source of drinking water" means an aquifer or its portion which:**

- (1) supplies any public water system; or
- (2) contains a sufficient quantity of ground water to supply a public water system and:
  - (A) currently supplies drinking water for human consumption; or

consumption, or  
(B) contains fewer than ten milligrams per liter of total dissolved solids and which is not an exempted aquifer.

Sec. 33. "Underground storage of carbon dioxide" means the injection and storage of carbon dioxide into underground strata and formations pursuant to at least one (1) UIC Class VI permit.

SECTION 36. IC 14-39-1-1 IS REPEALED [EFFECTIVE UPON PASSAGE]. See. 1. As used in this chapter, "carbon dioxide" means a fluid consisting of more than ninety percent (90%) carbon dioxide molecules.

SECTION 37. IC 14-39-1-2 IS REPEALED [EFFECTIVE UPON

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1 PASSAGE]. Sec. 2. As used in this chapter, "carbon dioxide  
 2 transmission pipeline" means the part of a pipeline in Indiana,  
 3 including appurtenant facilities, property rights, and easements, that is  
 4 used exclusively for the purpose of transporting carbon dioxide to a  
 5 carbon management application, including sequestration, enhanced oil  
 6 recovery, and deep saline injection, within or outside Indiana.

7 SECTION 38. IC 14-39-1-2.4 IS REPEALED [EFFECTIVE  
 8 UPON PASSAGE]. Sec. 2.4. As used in this chapter, "carbon  
 9 sequestration pilot project" refers to the pilot project described in  
 10 section 3.5 of this chapter.

11 SECTION 39. IC 14-39-1-2.5 IS REPEALED [EFFECTIVE  
 12 UPON PASSAGE]. Sec. 2.5. As used in this chapter, "underground  
 13 storage of carbon dioxide" means the injection of carbon dioxide into,  
 14 and storage of carbon dioxide in, underground strata and formations at  
 15 the site of the carbon sequestration pilot project, as described in section  
 16 3.5 of this chapter, pursuant to one (1) or more federal permits issued  
 17 by the United States Environmental Protection Agency.

18 SECTION 40. IC 14-39-1-2.6 IS REPEALED [EFFECTIVE  
 19 UPON PASSAGE]. Sec. 2.6. As used in this chapter, "person" includes  
 20 a political body, a corporate body, and the state of Indiana.

21 SECTION 41. IC 14-39-1-2.7 IS REPEALED [EFFECTIVE  
 22 UPON PASSAGE]. Sec. 2.7. As used in this chapter, "pore space"  
 23 means subsurface cavities or voids that can be used as a storage space  
 24 for carbon dioxide.

25 SECTION 42. IC 14-39-1-11, AS AMENDED BY P.L.92-2025,  
 26 SECTION 68, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 27 UPON PASSAGE]: Sec. 11. A determination of the department under ~~section 4(e)(2)~~ of this chapter is subject to an administrative  
 28 adjudication under IC 4-21.5.

29 SECTION 43. IC 14-39-1-19 IS ADDED TO THE INDIANA  
 30 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 31 [EFFECTIVE UPON PASSAGE]: **Sec. 19. The department may**  
 32 **establish siting and setback requirements for carbon dioxide**  
 33 **transmission pipelines.**

34 SECTION 44. IC 14-39-2-1, AS ADDED BY P.L.163-2022,  
 35 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 36 UPON PASSAGE]: Sec. 1. **(a) This chapter applies to primacy over**  
 37 **Class VI wells.**

38 **(b) This chapter and 312 IAC 30 contain criteria and**  
 39 **standards for the UIC program for Class VI wells under the Safe**  
 40 **Drinking Water Act.**

41 **(c) Carbon dioxide injection wells are:**



1        (1) not experimental in nature; and  
 2        (2) used for geologic sequestration of carbon dioxide that:  
 3            (A) is beneath the lowermost formation containing an  
 4            underground source of drinking water;  
 5            (B) has been granted a waiver of the injection depth  
 6            requirements; or  
 7            (C) has received an expansion to the areal extent of an  
 8            existing Class II enhanced oil recovery or enhanced gas  
 9            recovery aquifer exemption.>

10      (a) ~~l~~ ~~d~~ l Except as otherwise provided in this chapter, this  
 11      chapter:

12        (1) does not apply to extractable mineral resources;  
 13        (b) ~~Except as otherwise provided in this chapter, this chapter~~  
 14        does not preclude the exercise of rights provided by IC 14-37-9;  
 15        and

16        (c) ~~Except as otherwise provided in this chapter, this chapter~~  
 17        applies to the underground storage of carbon dioxide.

18        ~~(d) (e)~~ The rights and requirements of this chapter:

19        (1) are subordinate to the rights pertaining to oil, gas, and coal  
 20        resources; and  
 21        (2) may not adversely affect oil, gas, and coal resources, except  
 22        as is strictly necessary to construct and maintain a carbon  
 23        sequestration project that will provide for the permanent storage  
 24        of carbon dioxide.

25      l ~~(e)~~ The department may enter into a memorandum of  
 26      agreement to implement this article.

27      SECTION 45. IC 14-39-2-1.5 IS ADDED TO THE INDIANA  
 28      CODE AS A NEW SECTION TO READ AS FOLLOWS  
 29      [EFFECTIVE UPON PASSAGE]: Sec. 1.5. (a) Carbon sequestration  
 30      projects are authorized in Indiana for the purposes of:

31        (1) injecting carbon dioxide into the pore space of an  
 32        underground storage facility through at least one (1) carbon  
 33        dioxide injection well pursuant to a UIC Class VI permit;  
 34        and

35        (2) employing the underground storage of carbon dioxide.

36      l ~~(b)~~ The department has the authority to ~~do the~~  
 37      following:

38        ~~(1) Administer and enforce this chapter and its objectives.~~  
 39        ~~(2) Regulate the construction, operation, and closure of a~~  
 40        ~~storage facility.~~  
 41        ~~(3) Enter, at a reasonable time and manner, a storage facility~~  
 42        ~~to inspect or investigate.~~



1       (A) equipment;  
 2       (B) facilities;  
 3       (C) records; or  
 4       (D) alleged violations of this chapter and 312 IAC 30.  
 5       (4) Require storage operators to provide cash bonds or other  
 6       financial responsibility instruments to fulfill the storage  
 7       operator's duties;  
 8       (5) Exercise continuing jurisdiction over storage operators  
 9       and storage facilities, including the authority, after notice  
 10      and hearing, to amend, suspend, or revoke a permit;  
 11      (6) Dissolve or change the boundaries of an established oil or  
 12      gas field within or near a storage reservoir's boundaries;  
 13      (7) Grant exceptions to the requirements of this chapter or  
 14      312 IAC 30; adopt regulations consistent with:  
 15      (1) 40 CFR 1422;  
 16      (2) 40 CFR 1425; and  
 17      (3) any other federal regulation necessary;  
 18      to obtain primacy on behalf of the state of Indiana].  
 19      (c) A person may not operate a carbon sequestration project  
 20      in Indiana without a valid permit issued by the department.  
 21      (d) If the owner of the storage facility is not the person that  
 22      will be the storage operator, the person that will be the storage  
 23      operator must apply for the permit.  
 24      (e) A permit for a carbon sequestration project may be  
 25      transferred or assigned from one storage operator to another  
 26      storage operator.  
 27      (f) All injection activities, including construction of an  
 28      injection well, are prohibited unless the owner or operator is  
 29      authorized by permit.  
 30      SECTION 46. IC 14-39-2-2 IS REPEALED [EFFECTIVE UPON  
 31      PASSAGE]. Sec. 2. (a) The following definitions apply throughout this  
 32      chapter:  
 33      (b) "Carbon dioxide" has the meaning set forth in IC 14-39-1-1.  
 34      (c) "Carbon dioxide injection well" refers to a well that is used to  
 35      inject carbon dioxide into a reservoir for carbon sequestration pursuant  
 36      to a UIC Class VI permit.  
 37      (d) "Carbon dioxide plume" means the extent of an underground  
 38      three-dimensional injected carbon dioxide stream.  
 39      (e) "Carbon sequestration" means the underground storage of  
 40      carbon dioxide in a reservoir.  
 41      (f) "Carbon sequestration project" means any project that involves  
 42      the underground storage of carbon dioxide in a reservoir pursuant to at



1           least one (1) UIC Class VI permit.

2           (g) "Mineral lessee" means a lessee identified by the records of the  
 3           recorder of deeds for each county containing a portion of the proposed  
 4           reservoir who holds an interest in minerals on real property that are  
 5           located above, below, or within the proposed reservoir that has been  
 6           severed from the surface estate by:

7           (1) grant;  
 8           (2) exception;  
 9           (3) reservation;  
 10           (4) lease; or  
 11           (5) any other means.

12           (h) "Mineral owner" means an owner identified by the records of  
 13           the recorder of deeds for each county containing a portion of the  
 14           proposed reservoir who holds an interest in minerals on real property  
 15           that are located above, below, or within the proposed reservoir that has  
 16           been severed from the surface estate by:

17           (1) grant;  
 18           (2) exception;  
 19           (3) reservation;  
 20           (4) lease; or  
 21           (5) any other means.

22           (i) "Pore space" means subsurface cavities or voids that can be  
 23           used as a storage space for carbon dioxide.

24           (j) "Pore space owner" means:  
 25           (1) a person;  
 26           (2) a trust;  
 27           (3) a corporation; or  
 28           (4) another entity;

29           that has title to, a right to, or an interest in pore space.

30           (k) "Reservoir" means a subsurface:  
 31           (1) sedimentary stratum;  
 32           (2) formation;  
 33           (3) aquifer;  
 34           (4) cavity; or  
 35           (5) void;

36           that is naturally or artificially created for the use of, or is capable of  
 37           being made suitable for, injecting and storing carbon dioxide.

38           (l) "Storage facility" means the subsurface area consisting of the  
 39           extent of a carbon dioxide plume which is required to be delineated on  
 40           an approved UIC Class VI permit or an amendment to a UIC Class VI  
 41           permit of a storage operator.

42           (m) "Storage operator" means:



- (1) a person;
- (2) a trust;
- (3) a corporation; or
- (4) another entity;

that operates a carbon sequestration project.

(n) "Surface or subsurface property" if

(ii) "Surface or subsurface property interest owner" means a property interest owner identified by the records of the recorder of deeds for each county containing a portion of the proposed storage facility who holds a fee simple interest or other freehold interest in the surface or subsurface of the property, which may include mineral rights. The term does not include the owner of a right-of-way, an easement, or a leasehold.

(e) "UIC Class VI permit" means a permit issued under the federal Safe Drinking Water Act's Underground Injection Control program that allows:

(1) a person;

(2) a trust

(2) a trust;

(3) a corporation;

(7) another entry, to construct or operate a carbon dioxide injection well-

(p) "Underground storage of carbon dioxide" means the injection and storage of carbon dioxide into underground strata and formations pursuant to at least one (1) HIC Class VI permit.

SECTION 47. IC 14-39-2-4, AS AMENDED BY P.L.213-2025, SECTION 135, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) If at least two (2) pore space owners own pore space located within a proposed carbon dioxide storage area of a storage facility, the owners may agree to integrate their interests to develop the pore space as a proposed storage facility for the underground storage of carbon dioxide.

(b) If all of the owners of the pore space under subsection (a) do not agree to integrate their interests, the department may issue an order requiring the owners to integrate their interests and to develop the pore space as a proposed storage facility for the underground storage of carbon dioxide to serve the public interest, prevent waste, protect correlative rights, and facilitate the efficient and effective use of natural resources subject to the findings under subsection (c).

(c) Before issuing an order under subsection (b), the department must make the following findings:

(1) That a storage operator:

(A) filed a complete application for a UIC Class VI permit or a complete application for an amended UIC Class VI



permit; and

(B) submitted all the necessary information to the United States Environmental Protection Agency for the agency to process the storage operator's permit application.

(2) That the storage operator has made a good faith effort to obtain the consent of all pore space owners located within the proposed storage facility.

(3) That the storage operator has obtained the consent of the owners of the pore space underlying at least seventy percent (70%) of the surface area above the proposed storage facility or amended proposed storage facility.

(4) That all pore space owners who do not agree to integrate their interests to develop the pore space as a proposed storage facility for the underground storage of carbon dioxide are equitably compensated.

(d) A right to pore space granted by this section does not confer a right to enter upon, or otherwise use, the surface of the land which is integrated under this section unless provided in an order requiring the owners to integrate their interests and to develop the pore space as a proposed storage facility for the underground storage of carbon dioxide.

(e) An involuntary integration order issued by the department takes effect fifteen (15) days after the applicant is issued a UIC Class VI permit or an amended UIC Class VI permit, as applicable.

(f) Except by agreement of the parties, an involuntary integration order issued by the department may not be construed to result in a transfer of all or any part of the title of any property included in the involuntary integration order. All property included in the involuntary integration order is the property of the owner, not the person requesting the involuntary integration order.

SECTION 48. IC 14-39-2-5, AS AMENDED BY P.L.213-2025, SECTION 136, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) Carbon sequestration projects are authorized in Indiana for the purposes of:

(1) injecting carbon dioxide into the pore space of an underground storage facility through at least one (1) carbon dioxide injection well pursuant to a UIC Class VI permit; and (2) employing the underground storage of carbon dioxide.

(b) A storage operator may not operate a carbon sequestration project in Indiana without:

(1) a UIC Class VI permit; and

(2) a valid permit issued by the department.

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1 (5) Information illustrating that the applicant or the contractors  
 2 or subcontractors of the applicant have the requisite expertise in  
 3 constructing, operating, and maintaining a carbon sequestration  
 4 project.

5 (6) Documentation to the department describing the scope of the  
 6 proposed carbon sequestration project.

7 (7) A statement describing how the applicant will construct,  
 8 operate, and maintain the proposed carbon sequestration project  
 9 in accordance with applicable local, state, and federal law,  
 10 including federal and state safety regulations and rules governing  
 11 the construction, operation, and maintenance of the carbon  
 12 sequestration project, and related facilities and equipment, to  
 13 ensure the safety of the carbon sequestration project employees  
 14 and the public.

15 (8) A statement that the interests of a mineral lessee or mineral  
 16 owner will not be adversely affected. If a mineral owner or  
 17 mineral lessee is adversely affected, the adversely affected  
 18 mineral owner or mineral lessee and the applicant may enter into  
 19 an agreement under section 4 of this chapter.

20 (9) A map ~~<of each>~~ showing the injection well for which a  
 21 permit is sought and the ~~<areas of review>~~

22 >[applicable areas of review consistent with federal regulations.  
 23 The map must show any known or suspected faults. Within the  
 24 area of review, the map must show the number, name, and location  
 25 of the following:

26 (A) Injection wells.

27 (B) Producing wells.

28 (C) Abandoned wells.

29 (D) Plugged wells or dry holes.

30 (E) Deep stratigraphic boreholes.

31 (F) State or United States Environmental Protection  
 32 Agency approved subsurface cleanup sites.

33 (G) Surface bodies of water.

34 (H) Springs.

35 (I) Surface and subsurface mines.

36 (J) Quarries.

37 (K) Water wells.

38 (L) Other pertinent surface features, including  
 39 structures intended for:

40 (i) human occupancy;

41 (ii) state, tribal, and territory boundaries; and

42 (iii) roads.



1                   Only information of public record is required to be included  
 2                   in this map.

3                   1 (10) A list of contacts for those states, tribes, and territories  
 4                   identified within the area of review of the Class VI project  
 5                   based on the information required in this section.  
 6                   (11) Information on the geologic structure and hydrogeologic  
 7                   properties of the proposed storage site and overlying  
 8                   formations.  
 9                   (12) A tabulation of each well within the area of review that  
 10                  penetrates each injection zone or confining zone.  
 11                  (13) Maps and stratigraphic cross sections indicating the  
 12                  general vertical and lateral limits of all:  
 13                   (A) underground sources of drinking water;  
 14                   (B) water wells and springs within the area of review;  
 15                   (C) the position of any underground source of drinking  
 16                   water, water well, or spring relative to the positions of  
 17                   each injection zone; and  
 18                   (D) directions of water movement, if known.  
 19                  (14) Baseline geochemical data on subsurface formations,  
 20                  including all underground sources of drinking water in the  
 21                  area of review.  
 22                  (15) Proposed operating data for the proposed geologic  
 23                  sequestration site.  
 24                  (16) A proposed preoperational formation testing program  
 25                  to obtain an analysis of the chemical and physical  
 26                  characteristics of the injection zones and confining zone and  
 27                  which meets the requirements of the department.  
 28                  (17) A proposed stimulation program, a description of  
 29                  stimulation fluids to be used and a determination that  
 30                  stimulation will not interfere with containment.  
 31                  (18) A proposed procedure to outline steps necessary to  
 32                  conduct injection operation.  
 33                  (19) Schematics or other appropriate drawings of the surface  
 34                  and subsurface construction details of the well.  
 35                  (20) Injection well construction procedures that meet all  
 36                  requirements of the department.  
 37                  (21) A proposed area of review and corrective action plan.  
 38                  (22) Proof that financial responsibility requirements of the  
 39                  department are met.  
 40                  (23) A proposed testing and monitoring plan.  
 41                  (24) A well plugging plan.  
 42                  (25) An emergency and remedial response plan.



**(26) A post-injection site care and site closure plan or an alternative post-injection site care framework.** At any time during the life of the project, a storage operator may modify and resubmit the post-injection site care and site closure plan for approval by the department at least thirty (30) days before the change is made. Upon ceasing injection, a storage operator must do the following:

**(A) Submit an amended post-injection site care and site closure plan.**

**(B) Demonstrate through monitoring data and modeling results that an amendment is not needed. An amendment must be approved by the department, must be incorporated into the permit, and is subject to permit modification requirements.**

**(C) Submit evidence of managerial and technical ability to construct, operate, and maintain a carbon sequestration project.**

**(27) Each local, state, or federal permit obtained by the applicant.**

**(28) Any other information required by the department.**

(f) (d) During the first ten (10) years of the permit for a carbon sequestration project, if the carbon sequestration project injects more metric tons of carbon dioxide into the storage facility than was proposed under the original application under subsection (e), (c), the storage operator shall pay the filing fee under subsection (e) (c) for the additional metric tons of carbon dioxide injected into the storage facility during the first ten (10) years of the permit for the carbon sequestration project.

(g) (e) A fee paid under this section is not refundable by the department.

SECTION 49. IC 14-39-2-5.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 5.1. (a) A storage operator must demonstrate to the satisfaction of the department that the wells will be sited in areas with a suitable geologic formation. The storage operator must demonstrate that the geologic formation is composed of the following:**

(1) An injection zone of sufficient areal extent, thickness, porosity, and permeability to receive the total anticipated volume of the carbon dioxide stream.

**(2) A confining zone free of transmissive faults or fractures and of sufficient areal extent and integrity to contain the**



1                   **injected carbon dioxide stream and displaced formation**  
 2                   **fluids and allow injection at proposed maximum pressures**  
 3                   **and volumes without initiating or propagating fractures in**  
 4                   **the confining zone.**

5                   **(b) The department may require a storage operator to identify**  
 6                   **and characterize additional injection zones that:**

- 7                   **(1) will impede vertical fluid movement;**
- 8                   **(2) are free of faults and fractures that may interfere with**  
                  **containment;**
- 9                   **(3) allow for pressure dissipation; and**
- 10                  **(4) provide additional opportunities for:**
  - 11                  **(A) monitoring;**
  - 12                  **(B) mitigation; and**
  - 13                  **(C) remediation.**

14                  SECTION 50. IC 14-39-2-5.2 IS ADDED TO THE INDIANA  
 15                  CODE AS A NEW SECTION TO READ AS FOLLOWS  
 16                  [EFFECTIVE UPON PASSAGE]: Sec. 5.2. (a) A storage operator  
 17                  must ensure that each Class VI well is constructed and completed  
 18                  for the following:

- 19                  (1) To prevent the movement of fluids into or between  
                   underground sources of drinking water or into any  
                   unauthorized zones.
- 20                  (2) To permit the use of appropriate testing devices and  
                   workover tools.
- 21                  (3) To permit continuous monitoring of the annulus space  
                   between the injection tubing and long string casing.

22                  (b) Casing and cement or other materials used in the  
 23                  construction of each Class VI well must have sufficient structural  
 24                  strength and be designed for the life of the geologic sequestration  
 25                  project. All well materials must be compatible with fluids with  
 26                  which the materials may be expected to come into contact and must  
 27                  meet federal standards or be comparable to standards required by  
 28                  the department.↔

29                  (c) Tubing and packer materials used in the construction of  
 30                  each Class VI well must be compatible with fluids with which the  
 31                  materials may be expected to come into contact and must meet  
 32                  federal standards or be comparable to standards required by the  
 33                  department.

34                  SECTION 51. IC 14-39-2-5.3 IS ADDED TO THE INDIANA  
 35                  CODE AS A NEW SECTION TO READ AS FOLLOWS  
 36                  [EFFECTIVE UPON PASSAGE]: Sec. 5.3. During the drilling and  
 37                  construction of a Class VI injection well, a storage operator must:



14 The storage operator must submit to the department a report  
15 prepared by a log analyst that includes an interpretation of the  
16 results of each log and test.

17 SECTION 52. IC 14-39-2-5.4 IS ADDED TO THE INDIANA  
18 CODE AS A NEW SECTION TO READ AS FOLLOWS  
19 [EFFECTIVE UPON PASSAGE]: **Sec. 5.4. (a) A storage operator**  
20 **may apply to the department for a depth requirement waiver.**

23 (1) The depth of each proposed injection zone.  
24 (2) The location of each injection well.  
25 (3) The name and depth of all underground sources of  
26 drinking water within the area of review.  
27 (4) A map of the area of review.  
28 (5) The names of public water supplies:  
29 (A) affected;  
30 (B) reasonably likely to be affected; or  
31 (C) served;  
32 by underground sources of drinking water in the area of  
33 review.  
34 (6) The results of an underground injection control and  
35 public water system supervision consultation of all states and  
36 tribes having jurisdiction over lands within the area of  
37 review of a well for which a waiver is sought.  
38 (7) A supplemental report that meets the requirements set by  
39 the department that provides data as required by section 5.3  
40 of this chapter.  
41 (c) A storage operator that applies to the department for a  
42 depth requirement waiver must post public notice that a waiver

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1 application was submitted by publication in at least one (1)  
 2 newspaper of general circulation in each county affected by the  
 3 application. Notice under this subsection must include the  
 4 information required under subsection (b).

5 (d) Following public notice under this section, the department  
 6 shall provide all information provided in the application to the  
 7 department of environmental management. The department of  
 8 environmental management must concur or dissent in writing  
 9 regarding the waiver.

10 (e) To make a decision whether to concur or dissent, the  
 11 department of environmental management may do the following:

12 (1) Request that additional information be provided to  
 13 support a decision.

14 (2) Require that public notice of new information be  
 15 initiated.

16 (f) The department may not approve a waiver without a  
 17 written concurrence from the department of environmental  
 18 management issued in conformance with this section.

19 (g) If a waiver is issued, not later than thirty (30) days after the  
 20 waiver is issued, the department and the department of  
 21 environmental management shall post the following on their  
 22 respective websites:

23 (1) The depth of each proposed injection zone.

24 (2) The location of each injection well.

25 (3) The name and depth of each underground source of  
 26 drinking water within the area of review.

27 (4) A map of the area of review.

28 (5) The names of each public water supply affected,  
 29 reasonably likely to be affected, or served by underground  
 30 sources of drinking water in the area of review.

31 (6) The date the waiver was issued.

32 (h) Upon receiving a waiver under this section, the storage  
 33 operator must comply with any modified construction  
 34 requirements or other requirements resulting from the waiver.

35 SECTION 53. IC 14-39-2-5.5 IS ADDED TO THE INDIANA  
 36 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 37 [EFFECTIVE UPON PASSAGE]: Sec. 5.5. (a) Upon determining  
 38 that an application is complete, the department must decide  
 39 whether to:

40 (1) prepare a draft permit for the public comment process;  
 41 or

42 (2) deny the application.



1       The department shall notify the applicant of the decision.

2       (b) If the department decides to prepare a draft permit, the

3       permit must contain the following:

4       (1) Conditions of the permit.

5       (2) Compliance schedules.

6       (3) Monitoring requirements.

7       (c) Within seven (7) days after receiving the completed

8       application, the department shall ~~notify the applicant of the~~ prepare and provide to the applicant a project

9       ~~approximate date~~ decision schedule that specifies target dates by which the

10      department ~~will grant or deny the application~~ intends to:

11      (1) prepare a draft permit;

12      (2) give public notice;

13      (3) complete the public comment period, including any public

14      hearing; and

15      (4) issue a final permit.

16      SECTION 54. IC 14-39-2-5.6 IS ADDED TO THE INDIANA

17      CODE AS A NEW SECTION TO READ AS FOLLOWS

18      [EFFECTIVE UPON PASSAGE]: Sec. 5.6. (a) The department shall

19      hold a public hearing before issuing a permit.

20      (b) Notice of the hearing must be published for two (2)

21      consecutive weeks in a newspaper of general circulation in each

22      county where the carbon sequestration project is proposed to be

23      located. Publication deadlines must comply with department rules.

24      (c) Notice of the hearing must be given to each:

25       (1) mineral lessee;

26       (2) mineral owner; and

27       (3) pore space owner;

28      within the carbon sequestration project and within one-half (1/2)

29      mile of the reservoir's boundaries. Notice shall be completed by

30      mail or third party commercial delivery and addressed to the last

31      address of record for the individual or entity to be served.

32      (d) Notice of the hearing must be given to each surface owner

33      of land overlying the carbon sequestration project and within

34      one-half (1/2) mile of the reservoir's boundaries. Notice shall be

35      completed by mail or third party commercial delivery and

36      addressed to the last address of record for the individual or entity

37      to be served.

38      (e) The department may provide notice of the hearing to any

39      additional person the department deems necessary.

40      (f) Hearing notices required by this section must comply with

41      deadlines set by the department and contain any additional



1 information the department requires.

2 (g) An applicant for a permit shall pay the costs the  
3 department incurs in:

4 (1) publishing the notice for a hearing; and  
5 (2) holding a hearing;

6 on a permit application.

7 (h) Following a public hearing under this section, the  
8 department must post the following on the website for the  
9 department:

10 (1) Whether a permit application has been tentatively denied.  
11 (2) Whether a draft permit was prepared.  
12 (3) Whether any other hearings have been scheduled.  
13 (4) Whether an appeal was granted.

14 (i) Public notice is not required when a request for permit  
15 modification, revocation and reissuance, or termination is denied.  
16 The department must provide written notice of a denial to the  
17 requester and to the storage operator.

18 (j) The department must provide at least thirty (30) days for  
19 public comment.

20 (k) Notice of a public hearing must be given at least thirty (30)  
21 days before the public hearing.

22 (l) The department shall provide public notice of the public  
23 comment period and public hearing as ~~<follows:~~

24 ~~(1) Mailing notice to:~~

25 ~~(A) the storage operator;~~  
26 ~~(B) any property owner affected by the application; and~~  
27 ~~(C) any other local, state, or federal agency>[required  
28 by federal regulations and rules adopted by] the  
29 department<knows has issued or is required to issue a  
30 permit.~~

31 ~~(2) Mailing notice to those on a mailing list who:~~

32 ~~(A) requested in writing to be included on the list;~~  
33 ~~(B) have solicited for "area lists" from participants in  
34 past permit proceedings in the area; and~~  
35 ~~(C) notify the public of the opportunity to be put on the  
36 mailing list through periodic publication in the public  
37 press and in publications of regional and state funded  
38 newsletters, environmental bulletins, or state law  
39 journals.~~

40 ~~(3) Mailing notice to each unit of local government with  
41 jurisdiction over the area where the facility is proposed to be  
42 located and each state agency with authority under state law~~



~~regarding construction or operation of the facility.~~

(4) Mailing or sending by electronic mail notice to state and local oil and gas regulatory agencies and state agencies regulating mineral exploration and recovery, the director of the public water supply supervision program, and all agencies that oversee injection wells in Indiana.

~~(5) For major permits, publication of a notice in a daily or weekly newspaper within the area affected by the facility or activity.~~

**(6) Publication of notice on the website for the department.**

>[.] The department may recuperate expenses for notice from the storage operator.[.]

¶ (m) A notice of the public comment period or public hearing under this section must include the following information:

**(1) The name and address of the office processing the permit action for which notice is being given.**

(2) The name and address of the permittee of the permit applicant and, if different, of the facility or activity being regulated by the permit.

**(3) A brief description of the business conducted at the facility or activity being described in the permit application or the draft permit.**

(4) The name, address, and telephone number of a person that is interested in obtaining information, including copies of the draft permit, fact sheet, and the application.

**(5) A brief description of the comment procedures required by the department and the date, time, and place of a public hearing that will be held, including information regarding how to request a hearing and other procedures by which the public may participate in the final permit decision.**

**(6) Reference to the date of previous public notices related to the permit.**

**(7) The date, time, and place of the hearing**

(8) A brief description of the nature and purpose of the hearing, including applicable rules and procedures.

(9) Any additional information required by the department

(n) During a comment period, any interested person may submit written comments on the draft permit and may request a public hearing, if a hearing has not already been scheduled. A request for a public hearing must:

(1) be in writing; and

(2) state the nature of the issues proposed to be raised in the

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## 1 hearing.

2 All comments shall be considered by the department in making a  
3 final decision whether to issue the permit and must be answered as  
4 required under subsection (p).

**Response to comments must be made available to the public on the website for the department.**

21 SECTION 55. IC 14-39-2-5.7 IS ADDED TO THE INDIANA  
22 CODE AS A NEW SECTION TO READ AS FOLLOWS  
23 [EFFECTIVE UPON PASSAGE]: Sec. 5.7. (a) ~~Except as~~  
24 provided in subsection (b), the department shall identify and  
25 protect all underground sources of drinking water and all aquifers  
26 and parts of aquifers that are underground sources of drinking  
27 water.

28 (b) ~~Unless granted by the department, new~~ If:

### **(1) the department;**

(2) the United States Environmental Protection Agency; or  
(3) both the department and United States Environmental Protection Agency;

**33 determine there is an applicable] aquifer <exemptions may not be**  
**34 issued for Class VI injection wells.**

35 (c) Unless approved by the department, an aquifer is not  
36 designated as an exempted aquifer.

37 (d) An exemption or an expansion to the areal extent of  
38 ~~an existing~~ Class II enhanced oil recovery or enhanced gas  
39 recovery aquifer exemption for the exclusive purpose of Class VI  
40 injection for ~~carbon~~ geologic sequestration ~~is not final until~~  
41 ~~approved~~], then the department does not have to carry out the  
42 duty described in subsection (a).



(c) Except for an approved aquifer exemption expansion that meets criteria established by the department, a new aquifer exemption may not be issued for Class VI injection wells. This subsection includes if an aquifer has not been identified by the department as ~~a revision to the UIC Class VI permit~~ [an underground source of drinking water].

7 SECTION 56. IC 14-39-2-6, AS AMENDED BY P.L.213-2025,  
8 SECTION 137, IS AMENDED TO READ AS FOLLOWS  
9 [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) The department shall  
10 review an application submitted under section 5~~(d)~~ 5(a) of this chapter.  
11 If the department determines that the application submitted under  
12 section 5~~(d)~~ 5(a) of this chapter is complete, the department shall notify  
13 the applicant.

14 (b) The department shall return an application to the applicant if  
15 the department determines that the application is incomplete,  
16 inaccurate, or both.

21 (d) Upon receiving a complete application under this section, the  
22 department shall review the application.

23 (e) Upon receiving notification that an application is complete, the  
24 applicant shall:

25 (1) not more than sixty (60) days after receiving the notice under  
26 this subsection:

27 (A) place for public inspection a copy of the application in  
28 a public library located in each county in which the carbon

31 carbon sequestration project is proposed to be located  
32 notice of the name and address of each library in which a  
33 copy of the application is placed as required by clause (A);  
34 and  
35 (C) provide notice to potentially affected parties and make

35 (C) provide notice to potentially affected parties under rules  
36 adopted by the commission for carbon sequestration  
37 projects; and  
38 (2) provide to the department a copy of such notices, if any.

(2) provide to the department proof of publication of notice under this subsection not more than thirty (30) days after the publication or delivery of the notice.

41 (f) Not later than ninety (90) days after receiving the proof of  
42 publication of notice under subsection (e), the department shall notify

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1 the applicant in writing that:

2 (1) the department has approved the application; or  
 3 (2) the department has denied the application.

4 SECTION 57. IC 14-39-2-6.2 IS ADDED TO THE INDIANA  
 5 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 6 [EFFECTIVE UPON PASSAGE]: **Sec. 6.2. (a) Before issuing a**  
 7 **permit, the department shall consult with the department of**  
 8 **environmental management and determine whether the carbon**  
 9 **sequestration project will cause pollution or create a nuisance.**

10 **(b) Before issuing a permit, the department shall make the**  
 11 **following findings or assess the following sources of information:**

12 **(1) That the storage operator is in compliance with all**  
 13 **applicable laws governing the storage facility.**

14 **(2) That the storage operator shows that the storage facility**  
 15 **is reasonably expected to retain the carbon dioxide stored in**  
 16 **the storage facility.**

17 **(3) That the storage operator shows that the carbon dioxide**  
 18 **in the storage facility is stable by showing that either:**

19 **(A) the stored carbon dioxide is essentially stationary; or**  
 20 **(B) if the stored carbon migrates, the migration is**  
 21 **unlikely to cross the boundaries of the storage facility.**

22 **(4) That the storage operator has made a good faith effort to**  
 23 **secure the consent of all individuals who own the reservoir's**  
 24 **pore space.**

25 **(5) That the storage operator has made a good faith effort to**  
 26 **obtain the consent of all pore space owners located within the**  
 27 **proposed storage facility.**

28 **(6) That the storage operator has obtained the consent of the**  
 29 **pore space owners of the pore space underlying at least**  
 30 **seventy percent (70%) of the surface area above the**  
 31 **proposed storage facility or amended proposed storage**  
 32 **facility.**

33 **(7) That all pore space owners that do not agree to integrate**  
 34 **their interests to develop the pore space as a proposed**  
 35 **storage facility for the underground storage of carbon**  
 36 **dioxide are equitably compensated.**

37 **(8) That a carbon sequestration project will not adversely**  
 38 **affect the interests of the mineral owners or mineral lessees**  
 39 **or the interests have been addressed in an arrangement**  
 40 **entered into by the mineral owners or mineral lessees and**  
 41 **the storage operator.**

42 **(9) That the proposed storage facility will not adversely**



1 affect surface waters or aquifers.

2 (10) That substances that compromise the storage reservoir

3 will not enter into the stored carbon dioxide.

4 (11) That the storage facility will neither endanger human

5 health nor unduly endanger the environment.

6 (12) That the storage facility is in the public interest.

7 (13) That the horizontal and vertical boundaries of the

8 storage reservoir are defined. These boundaries shall include

9 buffer areas to ensure that the storage facility is operated

10 safely and as contemplated.

11 (14) That the storage operator will establish monitoring

12 facilities and protocols to assess the location and migration

13 of carbon dioxide injected for storage and to ensure

14 compliance with all permit, statutory, and administrative

15 requirements.

16 (15) The final area of review based on modeling, using data

17 obtained during logging and testing of the well and the

18 formation as required by the department.

19 (16) Any relevant updates, based on data obtained during

20 logging and testing of the well and the formation, to the

21 information on the geologic structure and hydrogeologic

22 properties of the proposed storage site and overlying

23 formations, submitted to satisfy the requirements of the

24 department.

25 (17) Information on the compatibility of the carbon dioxide

26 stream with fluids in each injection zone and minerals in

27 both the injection and each confining zone, based on the

28 results of the formation testing program, and with the

29 materials used to construct the well.

30 (18) The results of the formation testing program required

31 by the department.

32 (19) Final injection well construction procedures that meet

33 the requirements of the department.

34 (20) The status of corrective action on wells in the area of

35 review.

36 (21) All available logging and testing program data on the

37 well required by the department.

38 (22) A demonstration of a mechanical integrity test.

39 (23) Any updates to the:

40 (A) proposed area of review and corrective action plan;

41 (B) testing and monitoring plan;

42 (C) injection well plugging plan;

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(D) post-injection site care and site closure plan; or  
(E) emergency and remedial response plan;  
resulting from testing performed during the application process.

**(24) Any other information the department determines should be reviewed.**

(c) The department may include in a permit all things necessary to:

(1) carry out the purposes of this chapter; and

**(2) protect and adjust the respective rights and obligations of individuals affected by a carbon sequestration project.**

SECTION 58. IC 14-39-2-7, AS AMENDED BY P.L.213-2025, SECTION 138, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. **(a)** If the department approves an application under section 6 of this chapter, the department shall issue to the applicant a carbon sequestration project permit.

(b) When the department issues a permit, it shall also issue a certificate that contains the following information:

**(1) The date the permit was issued.**

**(2) A description of the area containing the carbon sequestration project.**

(3) Any additional information the department deems appropriate.

(c) The department shall file a copy of the certificate with the county recorder in the county or counties in which the storage facility is located.

SECTION 59. IC 14-39-2-7.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 7.1 (a)** If a person wishes to challenge a determination made by the department, the person may request an informal hearing by the division of reclamation prior to filing for a formal administrative hearing under IC 4-21.5.

**(b) If the challenging person requests to have an informal hearing, the request must include the following:**

**(1) The name, address, telephone number, and electronic mail address of the person requesting the informal hearing.**

**(2) The department decision for which the person is seeking informal review.**

(3) The names of other persons who are subject to the determination made by the department and their addresses, telephone numbers, and electronic mail addresses.

(4) The reason for the person's objection to the



1                   **determination made by the department.**

2                   **(5) Evidence presented by the person in support of the**  

3                   **reasons the person believes the department made an**  

4                   **improper determination.**

5                   **(c) Not later than thirty (30) days after receiving a request for**  

6                   **an informal hearing under this section, the department must**  

7                   **schedule an informal hearing and notify the requester and any**  

8                   **other person who is subject to the determination at issue of the**  

9                   **informal hearing date by first class mail paid for by the requester.**

10                  **The date of the scheduled hearing must be at least thirty (30) days**

11                  **after the date of the notice.**

12                  **(d) The department must post information regarding the date,**  

13                  **time, and place of the public hearing on the department's website.**

14                  **(e) An informal hearing under this section must follow the**  

15                  **public access requirements of IC 5-14-1.5.**

16                  **(f) A determination by the department under this section is**  

17                  **subject to review and appeal under IC 4-21.5.**

18                  SECTION 60. IC 14-39-2-11, AS AMENDED BY P.L.25-2025,  

19                  SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

20                  UPON PASSAGE]: Sec. 11. (a) A mineral owner or mineral lessee

21                  shall provide written notice to a storage operator at least thirty-one (31)

22                  days prior to drilling a well if the mineral owner or mineral lessee

23                  wishes to drill a well not more than:

24                  (1) three hundred thirty (330) feet from the surface location of a

25                  well pursuant to a UIC Class VI permit; or

26                  (2) five hundred (500) feet from the uppermost confining zone

27                  of a carbon sequestration facility within the boundary of the

28                  storage facility pursuant to a UIC Class VI permit.

29                  Drilling permitted by this subsection must be conducted in cooperation

30                  with a storage operator.

31                  (b) A well drilled under subsection (a) must be drilled in

32                  compliance with the requirements of

33                  (1) the department to preserve the integrity of the storage

34                  facility.

35                  (2) a UIC Class VI permit; and

36                  (3) any other applicable regulations.

37                  SECTION 61. IC 14-39-2-11.5, AS AMENDED BY

38                  P.L.213-2025, SECTION 142, IS AMENDED TO READ AS

39                  FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11.5. (a) A person

40                  may not:

41                  (1) drill, deepen, or operate a nonproduction well drilled to

42                  investigate and obtain data on geological, structural, or



1                   hydrogeological stratigraphic intervals for the suitability of  
 2                   underground formations for carbon sequestration; or  
 3                   (2) convert a well for oil and gas purposes (as defined by  
 4                   IC 14-8-2-317) for carbon dioxide investigations;  
 5                   without first obtaining a permit **to create and operate an**  
 6                   **investigatory carbon dioxide well** issued by the department under this  
 7                   section.  
 8                   (b) A person issued a permit under this section shall do the  
 9                   following:  
 10                   (1) Comply with the conditions of the permit to the satisfaction  
 11                   of the department;  
 12                   (2) Correct any adverse environmental impact that results from  
 13                   noncompliance with a permit;  
 14                   (3) Provide for the proper operation and maintenance of all:  
 15                   (A) facilities;  
 16                   (B) treatment systems; and  
 17                   (C) control and related appurtenances;  
 18                   that are installed or used by the person to comply with the permit  
 19                   conditions.  
 20                   (c) A permit issued under this section does not convey to the  
 21                   holder a property right or an exclusive privilege.  
 22                   (d) An application for a permit under subsection (a) must include  
 23                   the following:  
 24                   (1) The name, address, telephone number, and electronic mail  
 25                   address of the applicant.  
 26                   (2) The signature of the applicant or the applicant's designee.  
 27                   The applicant must be the operator identified in the permit  
 28                   application.  
 29                   (3) An identification of the plat of land or lease where the well  
 30                   is to be located, along with a description of the property  
 31                   boundaries, lease lines, and storage area tract boundary,  
 32                   including the acreage within the tract, as applicable.  
 33                   (4) The location of the proposed well as certified by a  
 34                   professional surveyor registered under IC 25-21.5.  
 35                   (5) The surface elevation of the proposed well and the method  
 36                   used for determining that elevation.  
 37                   (6) The depth of the proposed well.  
 38                   (7) Proof of a surface use agreement executed by the applicant  
 39                   and the surface owner, including an agreement specifying that in  
 40                   acting as authorized under a permit issued by the department  
 41                   under this section, the operator does not commit trespass with  
 42                   respect to the subsurface estate in any case in which the



1                   subsurface estate is separate from the surface estate.  
 2                   (8) Any other information required by the department that is  
 3                   necessary to administer this section.  
 4                   (e) An applicant shall submit the following with an application for  
 5                   a permit under this section:  
 6                   (1) For each well included in the application, a cash bond of ten  
 7                   dollars (\$10) for each foot of well depth.  
 8                   (2) A permit fee of two hundred fifty dollars (\$250) payable to  
 9                   the department.  
 10                  The department shall deposit all amounts collected under this  
 11                  subsection in the carbon sequestration project program administrative  
 12                  fund established by section 10.5 of this chapter.  
 13                  (f) The department shall incorporate in a permit issued under this  
 14                  section the terms, conditions, and covenants the department considers  
 15                  necessary to protect the public interest.  
 16                  (g) Except as provided in subsection (h), the department shall  
 17                  issue a permit under this section not later than fifteen (15) days after  
 18                  the applicant:  
 19                   (1) demonstrates compliance with all relevant:  
 20                   (A) provisions of this article; and  
 21                   (B) rules adopted under this article;  
 22                   as determined by the department; and  
 23                   (2) submits a complete permit application under this section to  
 24                   the department;  
 25                  unless the fifteen (15) day deadline prescribed by this subsection is  
 26                  otherwise waived by the applicant.  
 27                  (h) The department may deny a permit under this section if the  
 28                  applicant, or an officer, a partner, or a director of the applicant:  
 29                   (1) either:  
 30                   (A) is in violation of this article at the time of the  
 31                   application; or  
 32                   (B) would be in violation if the permit were issued; or  
 33                   (2) has previously demonstrated a pattern of willful violations of  
 34                   this article.  
 35                  (i) Except as provided in subsection (j), a permit issued by the  
 36                  department under this section with respect to a particular well remains  
 37                  in effect until any of the following occurs:  
 38                   (1) The well is plugged and abandoned.  
 39                   (2) The well is converted to another type of well.  
 40                   (3) The permit is revoked by the department under subsection  
 41                   (k).  
 42                  (j) A permit issued by the department under this section expires



1       one (1) year after the date of issuance if the drilling of a well for which  
 2       the permit has been issued has not commenced within that time.

3           (k) The department may revoke a permit issued under this section.

4           (l) Subject to subsection (m), a person holding a permit under this  
 5       section shall plug and abandon a well that is no longer in operation  
 6       under a permit, unless the well is converted to a carbon dioxide  
 7       injection or monitoring well under a UIC Class VI permit.

8           (m) A person holding a permit under this section may defer  
 9       plugging and abandoning a well while an application is pending to  
 10      convert the well into a UIC Class VI permit carbon dioxide injection or  
 11      monitoring well, as long as the well is temporarily capped and  
 12      maintained in the manner prescribed by the department in the permit.

13           (n) After a well is plugged and abandoned or transferred, the  
 14      applicant who paid the cash bond under subsection (e) may request a  
 15      total or partial bond release from the department. The director of the  
 16      division of reclamation shall:

17              (1) release the bond as requested; or

18              (2) deny the bond release.

19           (o) A determination by the department under this section is subject  
 20      to review and appeal under IC 4-21.5.

21           (p) ~~The commission may adopt rules under IC 4-22-2 to  
 22      implement this section.~~

23           SECTION 62. IC 14-39-2-12.1 IS ADDED TO THE INDIANA  
 24      CODE AS A NEW SECTION TO READ AS FOLLOWS  
 25      [EFFECTIVE UPON PASSAGE]: Sec. 12.1. (a) **Except during  
 26      stimulation, a storage operator must ensure that injection pressure  
 27      does not exceed ninety percent (90%) of the fracture pressure of an  
 28      injection zone to ensure that the injection does not initiate new  
 29      fractures or propagate existing fractures in the injection zone.**

30           (b) **Injection pressure may not initiate fractures in a confining  
 31      zone or cause the movement of injection or formation fluids that  
 32      endangers an underground source of drinking water.**

33           (c) **A stimulation program must be approved by the  
 34      department as part of the permit application and incorporated into  
 35      the permit.**

36           **[ (d) A storage operator shall meet injection well operating  
 37      requirements established by the department.**

38           **1 SECTION 63. IC 14-39-2-12.2 IS ADDED TO THE INDIANA  
 39      CODE AS A NEW SECTION TO READ AS FOLLOWS  
 40      [EFFECTIVE UPON PASSAGE]: Sec. 12.2. (a) A UIC Class VI  
 41      permit may be modified at the request of an interested person in  
 42      writing or upon the directive of the department. The request must**



1 contain each fact or reason supporting the request[ and any other  
 2 criteria established by the department].]

3 11 (b) A UIC Class VI permit may be suspended, revoked and  
 4 reissued, or terminated at the request of an interested person in  
 5 writing or upon the directive of the department. The request must  
 6 contain each fact or reason supporting the request.

7 SECTION 64. IC 14-39-2-12.3 IS ADDED TO THE INDIANA  
 8 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 9 [EFFECTIVE UPON PASSAGE]: Sec. 12.3. (a) The department shall  
 10 prepare quarterly and annual reports.

11 (b) The reports shall be submitted to the Regional  
 12 Administrator for the Environmental Protection Agency[and meet  
 13 the requirements of federal regulations adopted by the  
 14 department].

15 (c) Quarterly reports are due:

- 16 (1) May 31;
- 17 (2) August 31;
- 18 (3) November 30; and
- 19 (4) February 28;

20 following the quarter.

21 (d) Annual reports are due not more than sixty (60) days after  
 22 the end of the calendar year.

23 SECTION 65. IC 14-39-2-12.4 IS ADDED TO THE INDIANA  
 24 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 25 [EFFECTIVE UPON PASSAGE]: Sec. 12.4. The department shall  
 26 provide in writing to a state, tribe, or territory included in an area  
 27 of review for a project a map showing the injection well for which  
 28 a permit is sought and the applicable areas of review.

29 SECTION 66. IC 14-39-2-12.5 IS ADDED TO THE INDIANA  
 30 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 31 [EFFECTIVE UPON PASSAGE]: Sec. 12.5. The department may  
 32 require, by written notice on a well by well basis, a storage  
 33 operator to:

- 34 (1) establish and maintain records;
- 35 (2) make reports;
- 36 (3) conduct monitoring; and
- 37 (4) provide any other information required by the  
 38 department;

39 to determine whether the storage operator acted, or is acting, in  
 40 compliance with the Safe Drinking Water Act or other  
 41 requirements of the department.

42 SECTION 67. IC 14-39-2-12.6 IS ADDED TO THE INDIANA



1       CODE AS A NEW SECTION TO READ AS FOLLOWS  
 2       [EFFECTIVE UPON PASSAGE]: Sec. 12.6. (a) Owners or operators  
 3       that are injecting carbon dioxide for the primary purpose of long  
 4       term storage into an oil and gas reservoir must apply for and  
 5       obtain a Class VI geologic sequestration permit when there is an  
 6       increased risk to underground sources of drinking water compared  
 7       to Class II operations.

8       (b) In determining if there is an increased risk to underground  
 9       sources of drinking water, the owner or operator must consider  
 10      the following factors:

- 11       (1) Increase in reservoir pressure within the injection zone.
- 12       (2) Increase in carbon dioxide injection rates.
- 13       (3) Decrease in reservoir production rates.
- 14       (4) Distance between the injection zone and underground  
       sources of drinking water.
- 15       (5) Suitability of the Class II area of review delineation.
- 16       (6) Quality of abandoned well plugs within the area of  
       review.
- 17       (7) The owner's or operator's plan for recovery of carbon  
       dioxide at the cessation of injection.
- 18       (8) The source and properties of injected carbon dioxide.
- 19       (9) Any additional site-specific] factors <specified in 40 CFR  
       144.19(b)>[as determined by the department].

20       SECTION 68. IC 14-39-2-12.7 IS ADDED TO THE INDIANA  
 21       CODE AS A NEW SECTION TO READ AS FOLLOWS  
 22       [EFFECTIVE UPON PASSAGE]: Sec. 12.7. (a) The department shall  
 23       determine when there is an increased risk to underground sources  
 24       of drinking water and a UIC Class VI permit is required, rather  
 25       than a Class II permit.

26       (b) To make this determination, the department must consider  
 27       the following factors:

- 28       (1) Increase in reservoir pressure within an injection zone.
- 29       (2) Increase in carbon dioxide injection rates.
- 30       (3) Decrease in reservoir production rates.
- 31       (4) Distance between an injection zone and underground
- 32       sources of drinking water.
- 33       (5) Suitability of the Class II area of review delineation.
- 34       (6) Quality of abandoned well plugs within the area of
- 35       review.
- 36       (7) A storage operator's plan for recovery of carbon dioxide
- 37       at the cessation of injection.
- 38       (8) The source and properties of injected carbon dioxide.



(9) Any other site specific factors required by the department.

SECTION 69. IC 14-39-2-12.8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 12.8. (a) Compliance with a UIC Class VI permit during the term of the UIC Class VI permit constitutes compliance, for purposes of enforcement.**

**(b) A UIC Class VI permit may be:**

- (1) modified,
- (2) revoked;
- (3) reissued; or
- (4) terminated;

**during its term for cause by the department.**

**(c) The issuance of a UIC Class VI permit does not convey any property rights of any sort, or any exclusive privilege.**

(d) The issuance of a UIC Class VI permit does not authorize any injury to persons or property or invasion of other private rights, or any infringement of state or local law or regulations.

(e) The term of a UIC Class VI permit is during the operating life of the storage facility and the post-injection site care period.

(f) The department shall incorporate into a UIC Class VI permit conditions established by the department either expressly or by reference.

1 SECTION 70. IC 14-39-2-13, AS AMENDED BY P.L.213-2025,  
SECTION 143, IS AMENDED TO READ AS FOLLOWS  
[EFFECTIVE UPON PASSAGE]: Sec. 13. (a) A certificate of project  
completion shall be issued upon application by the storage operator if  
the department finds that the storage operator does the following:

- (1) The storage operator is in compliance with all applicable laws governing the storage facility.
- (2) The storage operator shows that the storage facility is reasonably expected to retain the carbon dioxide stored in the storage facility.
- (3) The storage operator shows that the carbon dioxide in the storage facility is stable by showing that either:
  - (A) the stored carbon dioxide is essentially stationary; or
  - (B) if the stored carbon migrates, the migration is unlikely to cross the boundaries of the storage facility.
- (4) The storage operator shows that all wells, equipment, and facilities used after the closure period are in good condition and retain mechanical integrity.
- (5) The storage operator shows that injection wells have been

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plugged.

(6) The storage operator shows that equipment and facilities, not including fixed structures and long term monitoring equipment and wells, have been removed.

(7) The storage operator proves that the reclamation work required by the department where the project ceases to inject carbon dioxide is completed.

(8) The following with respect to site closure:

(A) The storage operator has provided a notice of intent for site closure to the United States Environmental Protection Agency.

(B) The United States Environmental Protection Agency has authorized site closure.

(C) The storage operator has provided:

- (i) the site closure report required under 40 CFR 146.93(f) (as in effect January 1, 2022) to the United States Environmental Protection Agency; or

(ii) a comparable report to the state regulatory body if the state assumes primacy for UIC Class VI permitting.

(d) Once a certificate of completion is issued, the following apply:

(1) Except as provided in subsection (e), the state will assume ownership of and responsibility for the storage facility.

ownership or and responsibility for the storage facility.

(2) The state will assume responsibility for all regulatory requirements associated with the storage facility, and the storage operator and the owner of the storage facility are released from responsibility for all regulatory requirements associated with the storage facility.

(3) The state will assume any potential liability associated with the storage facility.

(4) The department may, at a reasonable time, enter property on which a carbon dioxide injection well or monitoring well for the

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1 storage facility is located to inspect and maintain the well or  
 2 storage facility. Except in the event of an emergency, the  
 3 department shall provide advance notice to the owner of the  
 4 surface property of the date the department intends to enter the  
 5 property. The notice required by this subdivision must be  
 6 provided at least five (5) business days before the department  
 7 intends to enter the property. The notice must be delivered by:

8 (A) United States mail;  
 9 (B) private courier;  
 10 (C) personal delivery; or  
 11 (D) any other manner agreed to in writing between the  
 12 department and the owner of the surface property.

13 (e) The state may:

14 (1) assume ownership of and responsibility for; or  
 15 (2) accept transfer of;

16 a storage facility with respect to which an interest in or rights to  
 17 property are conveyed by a lease agreement only if the lessor and  
 18 lessee agree in the lease agreement to transfer the storage facility to the  
 19 state. In a transfer described in this subsection, the state assumes  
 20 ownership of and responsibility for the storage facility only and does  
 21 not assume any other ownership interest, responsibility, or liability  
 22 under any other provisions of the lease agreement.

23 (f) Unless there is documentation to the contrary, the storage  
 24 operator has title to the carbon dioxide injected into and stored in a  
 25 storage facility, and the storage operator holds title until the department  
 26 issues a certificate of completion.

27 **(g) A storage operator shall notify the department in writing  
 28 at least one hundred twenty (120) days before site closure. At this  
 29 time, if changes were made to the original post-injection site care  
 30 and site closure plan, the storage operator must provide the revised  
 31 plan to the department.**

32 **(h) A storage operator shall monitor the site following  
 33 injection ceasing to show the position of the carbon dioxide plume  
 34 and pressure front and demonstrate that underground sources of  
 35 drinking water are not endangered.**

36 **(i) Following the cessation of injection, the storage operator  
 37 shall continue to conduct monitoring as specified in the department  
 38 approved post-injection site care and site closure plan for at least  
 39 fifty (50) years, unless an alternative time frame is approved by the  
 40 department. The monitoring must continue until the carbon  
 41 sequestration project no longer endangers underground sources of  
 42 drinking water.**



36 (1) The fact that the land has been used to sequester carbon  
37 dioxide.  
38 (2) The name of the state agency, local authority, or tribe  
39 with which the survey plat was filed, as well as the address of  
40 the Environmental Protection Agency regional office to  
41 which it was submitted.  
42 (3) The volume of fluid injected, the injection zone or zones



into which it was injected, and the period over which injection occurred.

(p) The storage operator shall retain, for at least ten (10) years following site closure, records collected during the post-injection site care period. The storage operator shall deliver the records to the department at the conclusion of the retention period, and the department must retain the records at a location designated by the department for that purpose.

[ (q) A storage operator shall comply with any other post-injection site care and site closure requirements established by the department.

1 SECTION 71. IC 14-39-2-14.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14.5. (a) **The following activities are prohibited:**

### **(1) Unauthorized injection.**

## **(2) Movement of fluid into underground sources of drinking water.**

### (3) Nonexperimental Class VI wells for carbon sequestration.

**(b) Other violations of this article include the following:**

### **(1) Clerical errors or mistakes in reporting requirements.**

(2) Basic operation and facility management requirements.  
(3) Maintenance requirements that may cause damage to

**(4) Creating harmful environmental conditions or hazardous property.**

#### **(4) Creating favourable environmental conditions of hazardous conditions**

(5) An action that likely results in environmental damage.

(c) An action that likely results in environmental damage.

(6) An action that could result in harm to persons or death.

(c) Mitigating factors that may affect a violation received by a storage operator under this article are as follows:

**(1) Whether the storage operator made a good faith effort to abate a violation.**

## (2) The ability of the storage operator to abate the violation

- (2) The ability of the storage operator to abuse the violation.
- (3) The cost to the department to enforce the violation.

(4) Whether there was an economic hardship.

(4) Whether there was an economic benefit to the storage operator for committing the violation.

(5) Any other factor that may warrant a reduction of a civil

(3) Any other factor that may warrant a reduction of a civil penalty assessed for a violation.

SECTION 144, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 15. (a) A person that violates a requirement under this article is subject to a civil penalty under this



1       section.

2       (b) Except as provided in subsection (d), a person that violates a  
 3       requirement under this article shall pay to the department a civil  
 4       penalty as follows:

5       (1) ~~One thousand dollars (\$1,000)~~ **Two thousand five hundred**  
 6       **dollars (\$2,500) each day** for a first violation.

7       (2) Five thousand dollars (\$5,000) **each day** for a second  
 8       violation.

9       (3) Ten thousand dollars (\$10,000) **each day** for a third and each  
 10      subsequent violation.

11      (c) If a person issued a civil penalty under subsection (b) for a  
 12      violation of a requirement under this article does not remedy the  
 13      violation in the time prescribed by the department, the person is subject  
 14      to a cessation order issued by the department. A person that is issued  
 15      a cessation order under this section must pay a civil penalty of seven  
 16      hundred fifty dollars (\$750) per day, for not more than thirty (30) days,  
 17      for each day the violation remains unremedied.

18      (d) If a person does not obtain from the department a certificate or  
 19      permit required under this article:

20       (1) the person shall pay to the department a civil penalty of ten  
 21       thousand dollars (\$10,000); and

22       (2) the department shall issue to the person a cessation order in  
 23       accordance with subsection (c).

24      (e) **A person who knowingly and intentionally violates this**  
 25      **article commits a Class A misdemeanor. Each violation under this**  
 26      **subsection:**

27       (1) **is assessable individually; and**

28       (2) **will result in an assessed penalty of at least five thousand**  
 29       **dollars (\$5,000) each day based on the:**

30       (A) **severity of the violation;**

31       (B) **risk to:**

32       (i) **the environment;**

33       (ii) **individuals; or**

34       (iii) **property; and**

35       (C) **actions of the violator to abate the violation.**

36      (f) **The department shall provide for public participation in the**  
 37      **enforcement process for a violation under this article.**

38      (g) A civil penalty or cessation order assessed or issued under  
 39      this section is subject to review and appeal under IC 4-21.5.

40      (h) The department shall deposit civil penalties collected under  
 41      this chapter in the carbon dioxide storage facility trust fund established  
 42      by section 10 of this chapter.



1 SECTION 73. IC 14-39-2-15.5 IS ADDED TO THE INDIANA  
2 CODE AS A NEW SECTION TO READ AS FOLLOWS  
3 [EFFECTIVE UPON PASSAGE]: **Sec. 15.5. If any part of this article**  
4 **or 312 IAC 30 is found to be invalid, the remainder of this article**  
5 **or 312 IAC 30, as applicable, is upheld.**

6 SECTION 74. IC 35-52-14-52 IS ADDED TO THE INDIANA  
7 CODE AS A NEW SECTION TO READ AS FOLLOWS  
8 [EFFECTIVE JULY 1, 2026]: **Sec. 52. IC 14-39-2-15 defines a crime**  
9 **concerning carbon sequestration.**

10 SECTION 75. **An emergency is declared for this act.**

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