



Crude Oil Tax Guide

March 2003

**Carole Keeton Strayhorn
Texas Comptroller**



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Comptroller

COMPTROLLER OF PUBLIC ACCOUNTS

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Dear Fellow Taxpayer:

My vision for Texas is paychecks and jobs for Texans—limited government and unlimited opportunity. What we all need from government is less, not more: less mandates, less regulations, less taxation, and less government spending. In order to keep taxes low for all Texans—I go after tax cheats.

As Texas Comptroller, it is my job to collect every penny of taxes honestly due the State. My office is dedicated to helping you better understand Texas' tax laws with publications such as these. This guide contains a great deal of information on crude oil tax reports. These taxes are an essential part of our state tax structure.

As I promised the people of Texas, treating Texas taxpayers as second class citizens has come to a halt. Now in Texas if you overpay your taxes, you are paid back with interest just like you have to pay when you underpay your taxes.

If you have questions, please call my office at 1-800-252-1384 or in Austin at 512/463-4600. From a Telecommunications Device for the Deaf (TDD) only, call 1-800-248-4099 or in Austin 512/463-4621. My staff of trained tax professionals will answer your questions honestly, fairly, and quickly.

As a taxpayer, I share your concerns about how state government spends your hard-earned money. That's why I have pledged to make sure that you are receiving full value for each and every dollar you send to Austin. I guarantee that you will find the Comptroller's office is a lean and efficient operation. And I will continue to be the voice of fiscal responsibility for all Texans!

Sincerely,

Carole Keeton Strayhorn
Texas Comptroller

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Overview to Crude Oil Tax Filing

Original Tax Returns

All active monthly producers/operators and purchasers of crude oil in the state must file the Crude Oil tax report. It must be filed even if there is no oil sold or bought for the month. Complete the active leases with zeros for volume and values or write “Nothing to Report” on the form. Sign, date, and return the report to the Comptroller for processing.

There are several methods of filing your Crude Oil Tax Report.

- If you have not filed a report before, the Comptroller’s office will provide you with a copy of forms #10-132, the “Texas Monthly Report of Taxable Crude Oil” and #10-133, the “Texas Monthly Report of Taxable Crude Oil – Supplement.”
- Preprinted crude oil reports will be sent to you after you have filed returns for approximately two months. These preprinted reports will reflect only lease information that has been reported correctly. If no production is reported on a preprinted lease for four months, the lease will be automatically deleted from your return. Add new lease information to the end of your pre-printed report. It may take several months for these leases to be preprinted on your return.
- Electronic Tax Filing (ETF) – Reports may be filed either by magnetic tape or electronic data interchange (EDI). The EDI method of filing is the Comptroller’s preferred method. See the section on Electronic Tax Filing for more information. Preprinted reports will continue to be sent monthly unless you request otherwise.

If you are no longer active as a producer or purchaser, you must notify the Comptroller’s office. On your report form, mark “Final Report” at the bottom of the return along with the effective date and a brief explanation on the line provided.

Purchasers are required to discontinue purchasing from monthly producers who are delinquent in filing returns.

Amended Tax Returns

In order to adjust or add to previously reported production months, amended returns must be filed. Forms #10-136, “Texas Amended Report of Taxable Crude Oil” and #10-137, “Texas Amended Report of Taxable Crude Oil – Supplement” are used to file these amended reports.

Amendments are used to adjust previously reported data. Use credits or debits to increase or decrease the volumes and values previously reported. The amended report is also used to add lease information not previously reported.

Crude Oil Producer Special Report

This special report, Form #10-140 “Texas Crude Oil Producer Special Report,” is used by annual producers/operators to report a one-time sale or to report oil used, lost, or stolen. The report and payment is due on the 25th day of the month following the transaction.

Adjustment Notices

Whenever a crude oil report is filed, this information will process to your account. If any of this information is incorrect, such as an invalid lease type, county code, lease number, or an invalid secondary taxpayer number, an adjustment notice is generated containing the invalid information. An adjustment notice will also be generated if the volume and values do not balance or are unreasonable. An account examiner will correct these adjustment notices, if possible. If there are remaining items that cannot be corrected by the examiner, these adjustment notices are sent back to the taxpayer for correction. These notices should be corrected and returned within 45 days. The corrections may either be made on these adjustment notices, or if you prefer, an amended report can be filed to make the changes.

If an adjustment notice remains outstanding, the examiner will correct the notice to the best of their ability. Since this may mean a change in the tax liability, these notices should be corrected promptly.

Reporting Requirements for Oil Taken In-Kind

The lease operator is responsible for accounting for 100% of the crude oil production from a property unless the Comptroller has granted a written exception.

To receive this exception, the lease operator must supply Tax Policy Division with a list of all interest owners, interest owners' addresses, and their interest percentage. The lease operator shall account for 100% of the production until the written request is granted. If approved, the interest owner may then reflect the production taken in-kind. All interest owners taking their oil in-kind may be required to file producer reports.

Once the written exception has been granted, all first purchasers will then report the oil purchased from the interest owner taking in-kind. The interest owner's name and tax identification number will be shown as the "other party" on the tax return.

Oil taken in-kind by these interest owners should not be shown on the operator's monthly report. The interest owners will report their portion of the production on the "Texas Monthly Report of Taxable Crude Oil" (Form # 10-132), if required, or by the first purchaser(s).

Crude Oil Reports

Crude Oil Monthly Report

Sample of Texas Monthly Report of Taxable Crude Oil (Form #10-132)

Sample of Texas Monthly Report of Taxable Crude Oil – Supplement (Form #10-133)

Crude Oil Monthly Report Instructions


Exhibit 1

Completed Purchaser Monthly Report of Taxable Crude Oil with Supplement

Exhibit 2

Completed Producer Monthly Report of Taxable Crude Oil with Supplement

Sample of Texas Monthly Report of Taxable Crude Oil (Form #10-132)

 10-132 (Rev. 4-02/20)		TEXAS MONTHLY REPORT OF TAXABLE CRUDE OIL		b. ■	
<input type="checkbox"/> PURCHASER ■ 10100 <input type="checkbox"/> 00990 ■ 1024					
a. T Code <input type="checkbox"/> PRODUCER ■ 10200		RETURN MUST BE FILED EVEN IF NO TAX IS DUE		Do not write in the space above Page 1.	
c. Taxpayer number <input type="checkbox"/>				d. Filing period e. (yymm) <input type="checkbox"/>	
f. Taxpayer name and mailing address <div style="border: 1px solid black; height: 40px; width: 100%;"></div>				g. Due date of this report <div style="border: 1px solid black; height: 20px; width: 100%;"></div>	
				h. ■ i. ■	
<p>• Round to whole barrels. • TYPE OR PRINT • SEE INSTRUCTIONS ON REVERSE SIDE</p> <p>• Two decimals are required on all dollar values. • NOTE: If Item 14 for any lease(s) is "NO," DO NOT complete Items 11, 12, and 16-18 for that lease(s).</p>					
1. Lease name (as recorded with the Texas Railroad Commission)		2. County of production		3. Other party name	
4. Type	5. County code	6. Lease no./Check digit	7. Expanded EOR Baseline <input type="checkbox"/> 1 Incremental <input type="checkbox"/> 2	8. Other party number	9. Are you the lease operator? YES <input type="checkbox"/> 1 NO <input type="checkbox"/> 0
10. Gross barrels (rounded)	11. Exempt barrels (rounded)				
12. Taxable barrels (rounded)	13. Gross value	14. Are you liable for tax? YES <input type="checkbox"/> 1 NO <input type="checkbox"/> 0	15. API gravity	16. Exempt value	17. Trucking costs
18. Net taxable value					
1. Lease name (as recorded with the Texas Railroad Commission)		2. County of production		3. Other party name	
4. Type	5. County code	6. Lease no./Check digit	7. Expanded EOR Baseline <input type="checkbox"/> 1 Incremental <input type="checkbox"/> 2	8. Other party number	9. Are you the lease operator? YES <input type="checkbox"/> 1 NO <input type="checkbox"/> 0
10. Gross barrels (rounded)	11. Exempt barrels (rounded)				
12. Taxable barrels (rounded)	13. Gross value	14. Are you liable for tax? YES <input type="checkbox"/> 1 NO <input type="checkbox"/> 0	15. API gravity	16. Exempt value	17. Trucking costs
18. Net taxable value					
1. Lease name (as recorded with the Texas Railroad Commission)		2. County of production		3. Other party name	
4. Type	5. County code	6. Lease no./Check digit	7. Expanded EOR Baseline <input type="checkbox"/> 1 Incremental <input type="checkbox"/> 2	8. Other party number	9. Are you the lease operator? YES <input type="checkbox"/> 1 NO <input type="checkbox"/> 0
10. Gross barrels (rounded)	11. Exempt barrels (rounded)				
12. Taxable barrels (rounded)	13. Gross value	14. Are you liable for tax? YES <input type="checkbox"/> 1 NO <input type="checkbox"/> 0	15. API gravity	16. Exempt value	17. Trucking costs
18. Net taxable value					
REPORT TOTALS AND TAX COMPUTATION					
j. T Code <input type="checkbox"/> PURCHASER ■ 10110 <input type="checkbox"/> PRODUCER ■ 10210					
19. Total net taxable value		24. Enter overpayments (A "Transfer of Previous Payment" Form 10-141 must be attached)			
20. Total taxable barrels (See instructions)		25. Net amount due (Line 23 minus Line 24)			
21. Tax Due (Line 19 x)		26. Late filing penalty and interest (See instructions)			
22. Regulatory tax and fee assessment (Line 20 x)		27. TOTAL AMOUNT DUE AND PAYABLE (Line 25 plus Line 26)			
23. Amount of tax and fee due (Line 21 plus Line 22)					
<input type="checkbox"/> FINAL REPORT Effective date _____ (Month/Year) Explanation: _____					
Make the amount in Item 27 payable to: STATE COMPTROLLER		FIELD OFFICE NO. Date E.O. name ACID		I declare that the information in this document and any attachments is true and correct to the best of my knowledge and belief. Taxpayer or Duly Authorized Agent sign here Phone (Area code and number) Date	
Mail to: COMPTROLLER OF PUBLIC ACCOUNTS 111 E. 17th Street Austin, Texas 78774-0100					
If you have any questions regarding Crude Oil or Natural Gas Tax, call 1-800-252-1384, toll free, nationwide. The Austin number is 512/463-4600. If you're calling from a Telecommunications Device for the Deaf (TDD), the toll-free number is 1-800-248-4099, or in Austin, 512/463-4621.					

Sample of Texas Monthly Report of Taxable Crude Oil (Back) (Form #10-132)

10-132 (Back)(Rev.4-02/20)

WHO MUST FILE - Every crude oil purchaser and producer who reports monthly must file this report. This report must be filed even if no transactions are reported. If you have no transactions to report, enter zeros in Items 10-18 of the first reporting block and in Items 19-27. If you are no longer required to file this report, mark the "FINAL REPORT" block (at the bottom of the first page), enter the date you became inactive, and give a short explanation in the space provided.

WHEN TO FILE - This report must be filed on or before the 25th day of each month covering transactions of the previous month.

FOR ASSISTANCE - For assistance with any Texas Crude Oil and Natural Gas tax problem, please call 1-800-252-1384 toll free nationwide. In Austin, call 512/463-4600. From a Telecommunications Device for the Deaf (TDD), call 1-800-248-4099 or via 1-800-RELAY-TX. The Austin TDD number is 512/463-4621.

GENERAL INSTRUCTIONS

This report is to be filed by crude oil purchasers and producers, authorized by the Comptroller to report monthly, to account for crude oil purchases and sales.

PURCHASERS

- The first purchaser of crude oil in Texas must report all transactions even though another party may have assumed the tax liability. The first purchaser must pay the tax due on all oil purchased from operators or producers when delivery is made on the lease, unless the Comptroller has given another party written authorization to pay the tax.
- The first purchaser may not take a delivery of crude oil from an operator or producer unless the operator or producer furnishes the purchaser a taxpayer identification number assigned by the Texas Comptroller.
- The first preprinted report block for the statewide lease number 1-255-000255-0 is to pay tax on crude oil that is not identifiable to a specific lease or producer. The tax is due on all crude oil produced or salvaged.

PRODUCERS

- Crude oil producers in Texas who are authorized by the Comptroller to file reports and pay taxes monthly, must file this report by the 25th of the month following the month of the taxable disposition of crude oil produced.
- Producers required to file this report must report **ALL** taxable disposition of crude oil produced even if the purchaser is paying the tax.
- Report by lease any oil used or lost showing yourself as purchaser and pay the tax due.
- Any sales of crude oil to your own account must be reported and tax paid on the producer's report showing yourself as purchaser. Do not report these items on the purchaser's report.
- If you stored crude oil during the month, show yourself as purchaser and pay the tax due. Crude oil on the lease from which it was produced is not considered as taxable storage oil. Generally, storage oil refers to crude oil run to a central storage facility and commingled with crude oil produced by other operators.

Do not change any data preprinted in a reporting block. If the data is not correct, use a blank block and report the correct information. Printed blocks that are not used will be deleted from your preprinted report after four consecutive months.

Round the volume in each reported item to the nearest barrel. Two decimals are required on all dollar values.

Do not report corrections to previous periods on this report. You must use the "Texas Crude Oil Amended Report" to correct previously reported data or to report items omitted from your original report.

SPECIFIC INSTRUCTIONS

- Items a and j** - (T Code) Check the boxes to indicate if you are filing a purchaser or producer report.
- Item e** - Enter the number representing the filing period of the report. Examples: for January 2000, enter 0001; for January 2001, enter 0101.
- Item 1 & 6** - For the lease shown in Item 1, enter the identification number assigned by the Texas Railroad Commission (RRC) in Item 6. Add a leading "0" to the 5-digit lease number assigned by the RRC. Also, enter the check number in the box to the right. The Comptroller's office can give you this number, or you may leave it blank.
- Item 2 & 5** - In Item 5, enter the 3-digit county code for the county of production shown in Item 2. A list of county codes can be found in the Crude Oil Tax Guide.
- Item 3 & 8** - In Item 8, enter the 11-digit taxpayer number of the other party shown in Item 3. This taxpayer number is assigned by the Comptroller's office. If you are a PURCHASER, enter the taxpayer number of the producer from whom you purchased the crude oil. If you are a PRODUCER, enter the taxpayer number of the purchaser to whom you sold the crude oil.
- Item 4** - Enter one of the numeric types listed below.
1 = Oil lease
2 = Enhanced Oil Recovery (EOR) wells approved before January 1, 1994
3 = Two-year inactive wells effective September 1, 1997
4 = EOR wells approved January 1, 1994 through August 31, 1997
5 = EOR wells approved after August 31, 1997
6 = Incremental Production wells (Senate Bill 1440) effective September 1, 1997
7 = Three-year inactive wells effective September 1, 1993
8 = Co-production projects effective January 1, 1994
9 = TERRA wells effective January 1, 1996
10 = Temporary Severance Tax Relief effective February 1, 1999.
- Item 7** - For expanded EOR projects, mark the block to indicate that baseline production or incremental production is being reported. NOTE: If you are reporting incremental production, baseline production must also be reported on a separate line.
- Item 9** - PURCHASER: Skip Item 9 or check "NO."
PRODUCER: If you are the physical operator of the lease, check "YES."
If you are an interest owner, check "NO."
- Item 10** - For crude oil sales, report the purchaser's gross take, temperature corrected and less exclusion for basic sediment and water. For oil lost or used, report the amount of merchantable oil. For oil stored, report your gross runs to storage.
- * Do not complete items 11, 12, 16, 17, or 18 if you are not liable for tax.**
- * Item 11** - Enter the volume of oil not subject to tax because of a governmental exempt status, such as state royalty. (See Rule 3.34 in Crude Oil and Natural Gas Production Tax Rules Publication.)
- * Item 12** - Enter the taxable volume (gross barrels - exempt barrels).
- Item 13** - Enter the total value of the crude oil reported in Item 10. NOTE: Two decimal places are required.
- Item 14** - Complete this block for **ALL** lease types, even if you do not owe any tax. If you mark "YES," complete Items 10-18. If you mark "NO," complete Items 10, 13, 14, and 15.
- Item 15** - Enter your API gravity for the lease number entered in Item 6. This should be a numeric figure to the tenth. (xx.x)
- * Item 16** - Enter the value of oil not subject to tax because of a governmental exempt status, such as state royalty. (See Rule 3.34 in Crude Oil and Natural Gas Production Tax Rules Publication.) NOTE: Two decimal places are required.
- * Item 17** - Enter any physical trucking charges incurred by the producer. NOTE: Two decimal places are required.
- * Item 18** - Enter the value on which tax should be paid. For EOR, incremental production (unless suspended), and co-production projects, enter half of the gross value (minus exempt and trucking). For two-year inactive wells, three-year inactive wells, and TERRA wells, enter "0." NOTE: Two decimal places are required.
- Item 19** - Total of **ALL** net taxable values in Item(s) 18.
- Item 20** - Total of **ALL** taxable barrels reported in Item(s) 12. This includes all legislative exemptions (EOR, inactive wells, etc.) except for TERRA wells.
- Item 21** - Total of **ALL** net taxable values x .046 (4.6%).
- Item 22** - **Reporting Periods Prior to 0109** - Total taxable barrels x .005. The rate of \$.005 per barrel is a combined rate of the Oil Field Clean-up Fee of \$.003125 and the Regulatory Tax of \$.001875 per barrel.
Reporting Periods 0109 and later - Total taxable barrels x .008125. The rate of \$.008125 per barrel is a combined rate of the Oil Field Clean-up Fee of \$.00625 and the Regulatory Tax of \$.001875 per barrel.
- Item 26** - PENALTY: If 1-30 days late, enter 5% of Item 25. If more than 30 days late enter 10% of Item 25.
INTEREST: If any tax is unpaid 61 days after the due date, enter interest on the amount in Item 25. Calculate interest at the rate published online at <http://www.window.state.tx.us> or call the Comptroller toll free at 1-877-44RATE4, for the applicable interest rate.

Under Ch. 559, Government Code, you are entitled to review, request, and correct information we have on file about you, with limited exceptions in accordance with Ch. 552, Government Code. To request information for review or to request error correction, contact us at the address or toll-free number listed on this form.

Sample of Texas Monthly Report of Taxable Crude Oil – Supplement (Form #10-133)



10-133
(Rev. 8-99/14)

TEXAS MONTHLY REPORT OF TAXABLE **CRUDE OIL** - SUPPLEMENT

b. ■

a. T Code PURCHASER ■ 10100 PRODUCER ■ 10200

Do not write in the space above Page of

c. Taxpayer number
■

e. Filing period f. (yy/mm)
■

g.

**NOTE: If Item 14 for any lease(s) is "NO,"
DO NOT complete Items 11, 12 and 16-18
for that lease(s).**

- Round to whole barrels.
- Two decimals are required on all dollar values.

1. Lease name (as recorded with the Texas Railroad Commission) 2. County of production 3. Other party name

4. Type	5. County code	6. Lease no./Check digit	7. Expanded EOR Baseline <input type="checkbox"/> 1 Incremental <input type="checkbox"/> 2	8. Other party number	9. Are you the lease operator? YES <input type="checkbox"/> 1 NO <input type="checkbox"/> 0	10. Gross barrels (rounded)	11. Exempt barrels (rounded)
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12. Taxable barrels (rounded)	13. Gross value	14. Are you liable for tax? YES <input type="checkbox"/> 1 NO <input type="checkbox"/> 0	15. API gravity	16. Exempt value	17. Trucking costs	18. Net taxable value
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12. Taxable barrels (rounded)	13. Gross value	14. Are you liable for tax? YES <input type="checkbox"/> 1 NO <input type="checkbox"/> 0	15. API gravity	16. Exempt value	17. Trucking costs	18. Net taxable value
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4. Type	5. County code	6. Lease no./Check digit	7. Expanded EOR Baseline <input type="checkbox"/> 1 Incremental <input type="checkbox"/> 2	8. Other party number	9. Are you the lease operator? YES <input type="checkbox"/> 1 NO <input type="checkbox"/> 0	10. Gross barrels (rounded)	11. Exempt barrels (rounded)
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12. Taxable barrels (rounded)	13. Gross value	14. Are you liable for tax? YES <input type="checkbox"/> 1 NO <input type="checkbox"/> 0	15. API gravity	16. Exempt value	17. Trucking costs	18. Net taxable value
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Crude Oil Monthly Report

The Texas Monthly Report of Taxable Crude Oil (Form #10-132) is used by both purchasers and monthly producers to file their reports. A taxpayer who is both a producer and purchaser must file two reports. However, producers who only run oil to their own account should only file the monthly producer's report and pay the taxes due.

Due Date

The due date for monthly reports and payments is the 25th day of the month following the month of production. If the due date falls on a Saturday, Sunday or a legal holiday (Section 111.053 of the Tax Code), the report and tax payment is due the next business day.

If paying electronically, order the payment to be drafted the business day before the due date.

The odd-numbered calendar year prepayments, mandated by the Texas Legislature, were repealed by the 76th Legislature. This estimated tax payment was for the production month of July in odd-numbered years (1997, 1999, etc.). The July estimated payment was due on August 15th. The estimate must be equal to the amount of tax due for June or must be the actual tax due for the production month of July. This payment is required for all monthly purchasers and producers. The report for July and any additional tax are due on or before August 25th. The last early tax payment was due for the production month of July 2001 which was due on August 15, 2001.

Who Must File

All first purchasers of crude oil produced in Texas must file a monthly report. All crude oil producers authorized by the Comptroller's office to file monthly, must report all oil produced in Texas on a crude oil monthly report.

Producers set up as annual filers are no longer required to file a report.

Purchasers

The monthly report is designed to enable first purchasers to report total crude oil purchases from each producer. The purchaser reports each producer indicating the lease number and lease type from which the oil was produced. The first purchaser must report, even though the producer may be authorized to pay the tax due.

The first purchaser taking delivery on the lease must withhold and pay the taxes due unless the Comptroller's office has given the producer or another purchaser written authorization to pay tax.

The Comptroller's office may authorize a party other than the first purchaser to report and pay tax.

A list of all producers authorized to pay tax is furnished with the purchaser's preprinted monthly report.

Before moving oil, purchasers *must* obtain the producer's tax identification number as assigned by the Comptroller's office. Failure to obtain and report this number may subject the purchaser to liability for any tax, penalty, and interest due on the oil purchased.

The first detail item on the purchaser report is the statewide lease number, 1-255-000255-0. It should be used when the purchaser cannot allocate the production back to a specific lease or producer. The purchaser is responsible for all the tax due on this item for crude oil produced or salvaged.

Example

Skim oil recovered from a salt water disposal system is subject to the production tax and should be included and tax paid under county lease number 1-255-000255-0 listing yourself as the other party.

If this procedure is followed, it is not necessary for the salt water disposal system operator to file a producer report to report the skim oil sold.

Producers

All crude oil producers authorized to pay tax on oil removed from leases must file the monthly report. A producer desiring to pay the tax due on oil sold at the lease must obtain written authorization from the Comptroller's office, or the purchaser will be required to withhold and pay the tax.

The report is designed to enable producers to report total crude oil sales to each purchaser, indicating the lease number from which the oil was produced. **The producers must report all sales even though the purchaser may be paying the tax due on some leases.**

Crude oil is taxable when it is moved from the lease, lost, stolen, or used. When moved for sale, the other party name and number should reflect the actual purchaser. When reporting oil lost, stolen, used, or moved for storage, the producer should show himself as the purchaser and use his taxpayer number for the other party information. Crude oil that is moved off the lease and commingled with other producers' oil in a central storage facility is taxable.

If you stored crude oil during the month, show yourself as the purchaser and pay the taxes. Crude oil stored on the lease from which it was produced is not considered as taxable storage oil. Generally storage oil refers to crude oil which runs through a central storage facility and is commingled with crude oil produced from other operators.

If you have any unusual situations, please call the Comptroller's office for clarification.

Basic Guidelines

To report your crude oil disposition, use the preprinted blocks.

- Do not alter any preprinted data.
- If a preprinted block does not exactly fit your situation, use blank report blocks and complete the required information.
- After four months, preprinted detail information left blank will be dropped.

All crude oil volumes should be reported in barrels (42 standard gallons), rounded to the nearest whole barrel.

The value should be carried to two decimal places. **Do not** round the value.

Each production month stands alone.

- Do not report corrections to previous periods on the current monthly report.
- You must use the Texas Amended Report of Taxable Crude Oil (Form #10-136) to correct previously reported data.
- To correct previously reported data, enter the net adjustment amount for each applicable item on an amended report. Do not use replacement volumes or values.
- Adjustment amounts may be positive or negative figures. Enclose all negative figures in brackets “[]” or parentheses “().”

If no crude oil sales, purchases, uses, losses, or storage occurred during a report period, then write “Nothing to Report” in Block 1 and return the report to avoid receiving a delinquent notice.

If you are no longer required to report, mark “Final Report” with the effective date in the block at the bottom of the report. Include a letter with the final report to notify the Comptroller’s office that your crude oil account is no longer active.

Detail Instructions for Completing the Original Purchaser/Producer Monthly Report Forms

Filer Information

Block #

a & j T-codes

Check the corresponding boxes to indicate if you are filing a purchaser or producer report.

b Document Locator Number (DLN)

Do not use this area.

The Comptroller’s office uses this area to place a microfilm document locator number.

c Taxpayer Number

Enter the 11-digit taxpayer number assigned by the Comptroller’s office to identify your account.

d Filing Period

The month and year of production to be reported.

e Four-Digit Filing Period

Enter the number representing the filing period in YYMM (year/month) format.

Example: For December 2001 enter 0112.

f Taxpayer Name and Mailing Address

Enter your company name and crude oil mailing address as reflected on the Comptroller’s office records. If an address correction is needed, note the new address on the report or notify the Comptroller’s office by telephone.

g Due Date of this Report

Report and payment of taxes, if any due, must be postmarked by the preprinted date.

h & i Used by the Comptroller's Office Only

Do not write in this space.

Lease Detail Information

Block #

1 Lease Name

Enter the name as recorded with the Texas Railroad Commission.

2 County of Production

Enter the county as recorded with the Texas Railroad Commission.

3 Other Party Name

Purchaser: Enter the name of the producer from whom the crude oil was purchased.

Producer: Enter the name of the purchaser to whom the crude oil was sold.

4 Type

Using a numeric figure, enter one of the types listed below:

1 = Oil lease

2 = Enhanced Oil Recovery (EOR) wells approved before January 1, 1994

3 = Two-year inactive wells effective September 1, 1997

4 = EOR wells approved January 1, 1994 through August 31, 1997

5 = EOR wells approved after August 31, 1997

6 = Incremental Production wells effective September 1, 1997

7 = Three-year inactive wells effective September 1, 1993

8 = Co-production projects effective January 1, 1994

9 = TERRA wells effective January 1, 1996

10 = Temporary severance tax relief effective February 1, 1999

5 County Code

Enter the Comptroller's office three-digit code for the county shown in Block 2. See *County Code* listings in this publication.

6 Lease Number/Check Digit

For the lease shown in Block 1, enter the identification number assigned by the Texas Railroad Commission (RRC). A six-digit lease number is required. Add a leading "0" to the five-digit oil lease number assigned by the RRC.

In the same box to the right, enter the check digit which is a mathematically calculated number used by the Comptroller's office. The formula for the calculation of this number is included in this guide.

7 Expanded EOR

For *expanded* EOR projects or incremental production wells, you must make two entries.

On the first entry in Block 7, mark 1 for “Baseline” to report 100% taxable value. The second entry for the same lease on a separate line must be marked 2 for “Incremental” at 50% taxable value.

Note: If you mark Block 7, to report incremental production (2), then a second entry reporting baseline production (1) must also be made for that same lease.

The *expanded* EOR may be applicable to Types 2, 4, and 5. Baseline and incremental production will always be reported with Type 6, incremental production exemption wells.

8 Other Party Number

Enter the 11-digit taxpayer number assigned by the Comptroller’s office to your producer or purchaser shown in Block 3.

9 Are You the Lease Operator?

If you are a purchaser, check “No.”

If you are the producer (i.e. physical operator of record) of the lease, check “Yes.” If you are an interest owner taking production “In-Kind,” check “No.”

10 Gross Barrels

For crude oil sales, report the purchaser’s gross take, temperature corrected and less exclusion for Basic Sediment and Water (BS&W).

If the oil is lost, stolen, or used, report the amount of merchantable oil.

If you are reporting oil stored, report your gross runs to storage.

Round to whole barrels.

11 Exempt Barrels

Enter the volume of oil not subject to tax because of a governmental exempt status, such as a state royalty. (See Rule 3.34)

This block is *not* to be used to report volume on wells with an approved legislative exemption status or the volumes where the other party has assumed liability.

Note: Do not complete Blocks 11, 12, and 16 through 18 if the other party is reporting the tax liability.

12 Taxable Barrels

Round the volume to the nearest whole barrels and enter the taxable volume (gross barrels minus exempt barrels).

Note: Exempt barrels should only include governmental status, such as state royalty (see Rule 3.34).

Include barrels reported with an exemption type only if you are liable for the regulatory tax and fee assessment.

Leave Block 12 blank if you are not liable for the tax in Block 14.

13 Gross Value

Enter the total value of the crude oil reported in gross barrels (Block 10).

Report the value even if you said “No” to taxes in Block 14.

Enter dollar and cent figures.

14 Are You Liable for Tax?

Complete Block 14 for all lease types, even if you are not responsible for paying tax on the reported lease.

If “Yes,” complete Blocks 10 through 18.

If you are responsible for paying tax and have an exempt legislative lease (i.e. 2- or 3-year inactive well), Block 14 should be marked “yes.”

If “No,” complete Block 10 and Blocks 13 through 15.

15 API Gravity

Enter API gravity for the lease number entered in Block 6.

This should be a numeric figure carried to the tenth decimal (xx.x).

Note: API gravity is the measure of specific gravity or unit weight of crude oil or any liquid hydrocarbon using the standard method established by the American Petroleum Institute. For reporting purposes, this entry should be the measure of unit weight that is a basis for determining the value (price) of crude oil or any liquid hydrocarbon in a transaction between seller and buyer expressed in units of API gravity. For example, if oil is sold from a lease with a single density, the proper entry is the API gravity of the oil sold from the lease. If oil is sold from a lease or from a central storage facility where oil of varied densities is commingled, then the entry would be the API gravity value that is the basis of payment for the oil in the lease or central storage facility. If payment is based on the measure of specific gravity of the whole mixture, then that value is to be reported; if, however, payment is based on a weighted average of the constituent portions, then report that weighted average for this entry.

16 Exempt Value

Enter the value of oil not subject to tax because of a governmental exempt status, such as state royalty (see Rule 3.34).

Two-decimal value figure is required.

Note: This block is *not* to be used to report values on wells with an approved exemption status created by one of the legislative incentive programs.

This is the value placed on the volume reported in Block 11.

Leave Block 16 blank if you are not liable for the tax on this lease.

17 Trucking Cost

Enter any physical trucking charges, incurred by the producer to the point of sale.

Enter dollar and cent figures.

Leave Block 17 blank if you are not liable for the tax on this lease.

18 Net Taxable Value

Enter the value subject to tax that is to be paid. For EOR, incremental production, and co-production projects, enter one half of the gross value (minus exempt value and trucking costs). For two- and three-year inactive wells, and TERRA wells, enter "0."

Leave Block 18 blank if you are not liable for the tax on this lease.

Report Totals and Tax Computation

It is important that the report totals are entered completely and correctly. The data from the first page as well as any supplemental pages should be included. These totals will be used to balance your report. If your report detail does not agree with the report totals, an adjustment notice will be generated so that the differences can be reconciled.

Block #**19 Total Net Taxable Value**

Enter the sum of all net taxable values in Blocks 18 from the first page and all supplemental pages.

Enter dollar and cent figures.

20 Total Taxable Barrels

Enter the sum of all taxable barrels in Blocks 12 from the first and all supplemental pages.

This sum should include the volumes reported for all exemption types except TERRA (Type 9).

TERRA wells are exempt from the regulatory tax and fee assessment and should not be included in the total of taxable barrels.

21 Tax Due

Multiply the total "Net Taxable Value" (Block 19) by the appropriate tax rate.

Enter dollar and cent figures.

22 Regulatory Tax and Fee Assessment

Multiply the "Total Taxable Barrels" (Block 20) by the appropriate tax rate.

Enter dollar and cent figures.

23 Amount of Tax and Fee Due

Enter the sum of "Tax Due" (Block 21) and the "Regulatory Tax and Fee Assessment" due (Block 22).

Enter dollar and cent figures.

24 Enter Overpayments

Enter the sum of any existing overpayments and/or any credit you wish to apply and include a completed *Crude Oil Transfer of Previous Payment* (Form #10-141).

Note: Entering the credit amount on the report form in Block 24 will not transfer your funds. A completed and signed *Transfer of Previous Payment* must be included.

25 Net Amount Due

Enter the amount of “Tax and Fee Due” (Block 23) less any overpayment amount listed in (Block 24).

26 Late Filing Penalty and Interest

Monthly reports and payments are due on or before the 25th day of the month following the month of production.

Note: If the due date of the report falls on a weekend or legal holiday, then the monthly report and payment are due the following business day. Electronic payments must be ordered for drafting on the business day before the due date.

If your payment of tax due is:

- 1 to 30 days late, penalty is 5% of the net amount due (Block 25).
- more than 30 days late, the penalty is 10% of the net amount due (Block 25).
- more than 60 days late, penalty is 10% of the net amount due, plus interest on the unpaid tax balance based on the number of days the payment is late.

27 Total Amount Due and Payable

Enter the “Net Amount Due” (Block 25) plus any “Penalty and Interest” (Block 26).

Enter dollar and cent figures.

Enter the “Total Amount Due and Payable” in Block 27 and make check payable to:

STATE COMPTROLLER

Mail to:

Comptroller of Public Accounts
Austin, Texas 78774-0100

Crude Oil Monthly Report Exhibits

Exhibit 1

Completed Purchaser Monthly Report of Taxable Crude Oil with Supplement

Exhibit 2

Completed Producer Monthly Report of Taxable Crude Oil with Supplement

Sample of Completed Purchaser Monthly Report of Taxable Crude Oil (Form #10-132)

Computer of Public Accounts Form 10-132 (Rev. 4-02/20)		TEXAS MONTHLY REPORT OF TAXABLE CRUDE OIL		b. <input type="checkbox"/>	
a. T Code <input checked="" type="checkbox"/> PURCHASER ■ 10100 <input type="checkbox"/> PRODUCER ■ 10200		RETURN MUST BE FILED EVEN IF NO TAX IS DUE		Do not write in the space above	
c. Taxpayer number ■ 2-450-82-2892-1		d. Filing period NOVEMBER 2000		e. (yymm) ■ 0011	
f. Taxpayer name and mailing address XYZ PRODUCTION COMPANY 211 E DAVIS ST AUSTIN, TX 78711				g. Due date of this report DECEMBER 26, 2000	
• Round to whole barrels. • Two decimals are required on all dollar values. • SEE INSTRUCTIONS ON REVERSE SIDE					
• TYPE OR PRINT					
NOTE: If Item 14 for any lease(s) is "NO," DO NOT complete Items 11, 12, and 16-18 for that lease(s).					
1. Lease name (as recorded with the Texas Railroad Commission)		2. County of production		3. Other party name	
Report Crude Oil Unidentifiable as to Producer/Lease Scrubber, SWD, etc.		STATEWIDE		XYZ PRODUCTION COMPANY	
4. Type	5. County code	6. Lease no./Check digit	7. Expanded EOR	8. Other party number	9. Are you the lease operator?
■ 1	■ 255	■ 000255 ■ 0	Baseline <input type="checkbox"/> 1 Incremental <input type="checkbox"/> 2	■ 2-450-82-2892-1	YES <input type="checkbox"/> 1 NO <input checked="" type="checkbox"/> 0
12. Taxable barrels (rounded)	13. Gross value	14. Are you liable for tax?	15. API gravity	16. Exempt value	17. Trucking costs
■ 500	■ 9,000.00	YES <input checked="" type="checkbox"/> 1 NO <input type="checkbox"/> 0	■ 20.2	■	■
18. Net taxable value		■ 9,000.00			
1. Lease name (as recorded with the Texas Railroad Commission)		2. County of production		3. Other party name	
THE LAST CHANCE		PANOLA		GUSHER OIL COMPANY	
4. Type	5. County code	6. Lease no./Check digit	7. Expanded EOR	8. Other party number	9. Are you the lease operator?
■ 1	■ 183	■ 002406 ■ 4	Baseline <input type="checkbox"/> 1 Incremental <input type="checkbox"/> 2	■ 1-75-0389725-2	YES <input type="checkbox"/> 1 NO <input checked="" type="checkbox"/> 0
12. Taxable barrels (rounded)	13. Gross value	14. Are you liable for tax?	15. API gravity	16. Exempt value	17. Trucking costs
■ 35	■ 720.00	YES <input checked="" type="checkbox"/> 1 NO <input type="checkbox"/> 0	■ 42.3	■ 90.00	■
18. Net taxable value		■ 630.00			
1. Lease name (as recorded with the Texas Railroad Commission)		2. County of production		3. Other party name	
ONE MORE TIME		WEBB		GUSHER OIL COMPANY	
4. Type	5. County code	6. Lease no./Check digit	7. Expanded EOR	8. Other party number	9. Are you the lease operator?
■ 6	■ 240	■ 010395 ■ 9	Baseline <input checked="" type="checkbox"/> 1 Incremental <input type="checkbox"/> 2	■ 1-75-0389725-2	YES <input type="checkbox"/> 1 NO <input checked="" type="checkbox"/> 0
12. Taxable barrels (rounded)	13. Gross value	14. Are you liable for tax?	15. API gravity	16. Exempt value	17. Trucking costs
■ 20	■ 320.00	YES <input checked="" type="checkbox"/> 1 NO <input type="checkbox"/> 0	■ 35.1	■	■
18. Net taxable value		■ 320.00			
j. T Code <input checked="" type="checkbox"/> PURCHASER ■ 10110 <input type="checkbox"/> PRODUCER ■ 10210					
REPORT TOTALS AND TAX COMPUTATION					
19. Total net taxable value		■ 10,070.00			
20. Total taxable barrels (See instructions)		■ 570			
21. Tax Due (Line 19 x)		■ 463.22			
22. Regulatory tax and fee assessment (Line 20 x)		■ 2.85			
23. Amount of tax and fee due (Line 21 plus Line 22)		■ 466.07			
24. Enter overpayments (A "Transfer of Previous Payment" Form 10-141 must be attached)		■ 0			
25. Net amount due (Line 23 minus Line 24)		■ 466.07			
26. Late filing penalty and interest (See instructions)		■ 0			
27. TOTAL AMOUNT DUE AND PAYABLE (Line 25 plus Line 26)		■ 466.07			
<input type="checkbox"/> FINAL REPORT Effective date _____ (Month/Year)					
Explanation: _____					
Make the amount in Item 27 payable to: STATE COMPTROLLER		FIELD OFFICE NO.		I declare that the information in this document and any attachments is true and correct to the best of my knowledge and belief. Taxpayer or Duly Authorized Agent	
Mail to: COMPTROLLER OF PUBLIC ACCOUNTS 111 E. 17th Street Austin, Texas 78774-0100		Date E.O. name ACID		sign here Phone (Area code and number) Date	
If you have any questions regarding Crude Oil or Natural Gas Tax, call 1-800-252-1384, toll free, nationwide. The Austin number is 512/463-4600. If you're calling from a Telecommunications Device for the Deaf (TDD), the toll-free number is 1-800-248-4099, or in Austin, 512/463-4621.					

EXHIBIT 1

Completed Purchaser Monthly Report of Taxable Crude Oil with Supplement

Transaction 1.

This is an example of total crude oil purchases unidentifiable as to producer/lease, such as scrubber oil, salt water disposal system oil, etc. In order to pay taxes due, the purchaser is required to report the crude oil using their own taxpayer number, with the statewide lease number 1-255-000255-0. An API gravity is reported in Block 15.

Transaction 2.

For The Last Chance lease number 1-183-002406-4 in Panola County, 40 barrels of crude oil was purchased from producer Gusher Oil Corporation. Of the 40 barrels produced, 5 of the barrels are exempt, i.e., governmental owned interest, leaving 35 Taxable Barrels in Block 12. The Gross Value of the barrels is \$720.00. The taxpayer marked “yes” to tax liability and reported the API gravity of 42.3. An Exempt Value is reported of \$90.00. The Gross Value less the Exempt Value make up the Net Taxable Value of \$630.00.

Transaction 3.

XYZ Production Company also purchased 20 barrels of crude oil from Gusher Oil Corporation that was produced from a lease approved for Incremental Production Well Exemption, Type 6. Under the One More Time lease, number 6-240-010395-9, for the *baseline production*, the Gross Barrels and Taxable Barrels were reported as 20 barrels. The Gross Value is reported as \$320.00. The purchaser marked “yes” to tax liability. API gravity must be reported. In this example, the API was reported at 35.1. The Net Taxable Value, for baseline production, is \$320.00.

Sample of Completed Supplement to Purchaser Monthly Report of Taxable Crude Oil (Form #10-133)


 10-133 (Rev. 8-99/14)		TEXAS MONTHLY REPORT OF TAXABLE CRUDE OIL - SUPPLEMENT			b. ■	
a. T Code <input checked="" type="checkbox"/> PURCHASER ■ 10100 <input type="checkbox"/> PRODUCER ■ 10200				Do not write in the space above Page 2 of 2		
c. Taxpayer number ■ 2-450-82-2892-1			e. Filing period NOVEMBER 2000		f. (yyymm) ■ 0011	
g. XYZ PRODUCTION COMPANY			NOTE: If Item 14 for any lease(s) is "NO," DO NOT complete Items 11, 12 and 16-18 for that lease(s).			
• Round to whole barrels.			• Two decimals are required on all dollar values.			
1. Lease name (as recorded with the Texas Railroad Commission)		2. County of production		3. Other party name		
ONE MORE TIME		WEBB		GUSHER OIL CORP		
4. Type	5. County code	6. Lease no./Check digit	7. Expanded EOR	8. Other party number	9. Are you the lease operator?	
■ 6	■ 240	■ 010395 ■ 9	Baseline <input type="checkbox"/> 1 Incremental <input checked="" type="checkbox"/> 2	■ 1-75-0389725-2	YES <input type="checkbox"/> 1 NO <input checked="" type="checkbox"/> 0	
10. Gross barrels (rounded)	11. Exempt barrels (rounded)					
■ 15	■ 0					
12. Taxable barrels (rounded)	13. Gross value	14. Are you liable for tax?	15. API gravity	16. Exempt value	17. Trucking costs	
■ 15	■ 240.00	YES <input checked="" type="checkbox"/> 1 NO <input type="checkbox"/> 0	■ 31.51	■	■	
18. Net taxable value	■ 120.00					
1. Lease name (as recorded with the Texas Railroad Commission)		2. County of production		3. Other party name		
ANDERSON		BASTROP		GUSHER OIL CORP		
4. Type	5. County code	6. Lease no./Check digit	7. Expanded EOR	8. Other party number	9. Are you the lease operator?	
■ 1	■ 011	■ 022222 ■ 9	Baseline <input type="checkbox"/> 1 Incremental <input checked="" type="checkbox"/> 2	■ 1-75-0389725-2	YES <input type="checkbox"/> 1 NO <input checked="" type="checkbox"/> 0	
10. Gross barrels (rounded)	11. Exempt barrels (rounded)					
■ 400	■					
12. Taxable barrels (rounded)	13. Gross value	14. Are you liable for tax?	15. API gravity	16. Exempt value	17. Trucking costs	
■	■ 7,200.00	YES <input type="checkbox"/> 1 NO <input checked="" type="checkbox"/> 0	■ 31.09	■	■	
18. Net taxable value	■					

EXHIBIT 1 (continued)

Transaction 4. (Supplement)

On the same lease number 6-240-01395-9, on a separate line, the purchaser entered the same identifying information (lease name/number and other party name/number) to show the *Incremental Production*. The Gross Barrels and Taxable Barrels were reported as 15 barrels. The Gross Value was reported as \$240.00 with an API gravity of 35.1. The Net Taxable Value is 50% of the Gross Value, \$120.00.

Transaction 5. (Supplement)

In Bastrop County, the purchaser for the Anderson lease number 1-011-022222-9 reported a volume of 400 barrels in Gross Barrels, Block 10. *No* volume is reported in Block 12 because the purchaser is *NOT* responsible for remitting the taxes. A Gross Value for the barrels reported is shown as \$7,200.00 in Block 13. The purchaser marked "NO" for taxes due in Block 14. The purchaser is required to complete the API gravity, shown in Block 15 as 30.9. No other blocks need to be completed.

Note: DO NOT report volumes or values in Blocks 11, 12 or 16-18 unless you are responsible for taxes on the reported lease.

Sample of Completed Producer Monthly Report of Taxable Crude Oil (Form #10-132)

10-132 (Rev. 4-02/20)		TEXAS MONTHLY REPORT OF TAXABLE CRUDE OIL		b. ■
<input type="checkbox"/> PURCHASER ■ 10100 <input type="checkbox"/> 00990 ■ 1024				
a. T Code <input checked="" type="checkbox"/> PRODUCER ■ 10200		Do not write in the space above		Page 1.
c. Taxpayer number ■ 1-75-0389725-2		RETURN MUST BE FILED EVEN IF NO TAX IS DUE		d. Filing period NOVEMBER 2000
e. (yyymm) ■ 0011				
f. Taxpayer name and mailing address GUSHER OIL CORP 112 WAY LANE HOUSTON, TX 78701				g. Due date of this report DECEMBER 26, 2000
h. ■ i. ■				NOTE: If Item 14 for any lease(s) is "NO," DO NOT complete Items 11, 12, and 16-18 for that lease(s).
• Round to whole barrels. • Two decimals are required on all dollar values.		• TYPE OR PRINT • SEE INSTRUCTIONS ON REVERSE SIDE		
1. Lease name (as recorded with the Texas Railroad Commission)		2. County of production		3. Other party name
THE LAST CHANCE		PANOLA		XYZ PRODUCTION COMPANY
4. Type	5. County code	6. Lease no./Check digit	7. Expanded EOR	8. Other party number
■ 1	■ 183	■ 002406 ■ 4	Baseline <input type="checkbox"/> 1 Incremental <input type="checkbox"/> 2	■ 2-450-82-2892-1
9. Are you the lease operator?	10. Gross barrels (rounded)	11. Exempt barrels (rounded)		
YES <input checked="" type="checkbox"/> 1 NO <input type="checkbox"/> 0	■ 40	■		
12. Taxable barrels (rounded)	13. Gross value	14. Are you liable for tax?	15. API gravity	16. Exempt value
■	■ 720.00	YES <input type="checkbox"/> 1 NO <input checked="" type="checkbox"/> 0	4 2 . 3	■
17. Trucking costs	18. Net taxable value			
■	■			
1. Lease name (as recorded with the Texas Railroad Commission)		2. County of production		3. Other party name
ONE MORE TIME		WEBB		XYZ PRODUCTION COMPANY
4. Type	5. County code	6. Lease no./Check digit	7. Expanded EOR	8. Other party number
■ 6	■ 240	■ 010395 ■ 9	Baseline <input checked="" type="checkbox"/> 1 Incremental <input type="checkbox"/> 2	■ 2-450-82-2892-1
9. Are you the lease operator?	10. Gross barrels (rounded)	11. Exempt barrels (rounded)		
YES <input checked="" type="checkbox"/> 1 NO <input type="checkbox"/> 0	■ 20	■		
12. Taxable barrels (rounded)	13. Gross value	14. Are you liable for tax?	15. API gravity	16. Exempt value
■	■ 320.00	YES <input type="checkbox"/> 1 NO <input checked="" type="checkbox"/> 0	3 5 . 1	■
17. Trucking costs	18. Net taxable value			
■	■			
1. Lease name (as recorded with the Texas Railroad Commission)		2. County of production		3. Other party name
ONE MORE TIME		WEBB		XYZ PRODUCTION COMPANY
4. Type	5. County code	6. Lease no./Check digit	7. Expanded EOR	8. Other party number
■ 6	■ 240	■ 010395 ■ 9	Baseline <input type="checkbox"/> 1 Incremental <input checked="" type="checkbox"/> 2	■ 2-450-82-2892-1
9. Are you the lease operator?	10. Gross barrels (rounded)	11. Exempt barrels (rounded)		
YES <input checked="" type="checkbox"/> 1 NO <input type="checkbox"/> 0	■ 15	■		
12. Taxable barrels (rounded)	13. Gross value	14. Are you liable for tax?	15. API gravity	16. Exempt value
■	■ 240.00	YES <input type="checkbox"/> 1 NO <input checked="" type="checkbox"/> 0	3 5 . 1	■
17. Trucking costs	18. Net taxable value			
■	■			
j. T Code <input type="checkbox"/> PURCHASER ■ 10110 <input checked="" type="checkbox"/> PRODUCER ■ 10210		REPORT TOTALS AND TAX COMPUTATION		
19. Total net taxable value		11,375.00		
20. Total taxable barrels (See instructions)		1500		
21. Tax Due (Line 19 x)		523.25		
22. Regulatory tax and fee assessment (Line 20 x)		7.50		
23. Amount of tax and fee due (Line 21 plus Line 22)		530.75		
24. Enter overpayments (A "Transfer of Previous Payment" Form 10-141 must be attached)		0		
25. Net amount due (Line 23 minus Line 24)		530.75		
26. Late filing penalty and interest (See instructions)		0		
27. TOTAL AMOUNT DUE AND PAYABLE (Line 25 plus Line 26)		530.75		
<input type="checkbox"/> FINAL REPORT Effective date _____ (Month/Year) Explanation: _____				
Make the amount in Item 27 payable to: STATE COMPTROLLER		FIELD OFFICE NO.		I declare that the information in this document and any attachments is true and correct to the best of my knowledge and belief. Taxpayer or Duly Authorized Agent
Mail to: COMPTROLLER OF PUBLIC ACCOUNTS 111 E. 17th Street Austin, Texas 78774-0100		Date E.O. name ACID		
		sign here		Phone (Area code and number)
				Date
If you have any questions regarding Crude Oil or Natural Gas Tax, call 1-800-252-1384, toll free, nationwide. The Austin number is 512/463-4600. If you're calling from a Telecommunications Device for the Deaf (TDD), the toll-free number is 1-800-248-4099, or in Austin, 512/463-4621.				

EXHIBIT 2

Completed Producer Monthly Report of Taxable Crude Oil with Supplement

Transaction 1.

The producer is not responsible for remitting the tax on this lease. XYZ Production Company is the purchaser and is the responsible party for all taxes due. The producer is required to complete Block 10 and Blocks 13 through 15 *only*. In the example on the adjacent page, the producer shows a volume of 40 for Gross Barrels, in Block 10 and a Gross Value of \$720.00 on the The Last Chance Lease. The producer marked “No” to the question “Are you liable for tax?” in Block 14 and reported the API gravity of 42.3 in Block 15. No additional information is needed.

Transaction 2.

In Webb County, XYZ Production Company purchased a total of 35 barrels of crude oil from the producer Gusher Oil Corporation on a lease approved for Incremental Production Well Exemption, lease Type 6. Under the One More Time Lease, number 6-240-010395-9, *for the baseline production*, in Block 10, the Gross Barrels is reported as 20 barrels. Block 11, Exempt Barrels, is blank because it is *not* to be used to report volume on wells with an approved exemption status. Again, Block 12, Taxable Barrels is left blank, because the taxpayer has marked “No” to Block 14. Gross value, \$320.00, is reported in Block 13 and API gravity in Block 15. Blocks 16 through 18 are left blank.

Transaction 3.

On the same lease number 6-240-010395-9, on a separate line, the same identifying information (lease name/number and other party name/number) is entered to show the *incremental production*. All Type 6 leases must have two entries, one for baseline production and the other showing the incremental production. If one of the two entries is not reported, an adjustment notice will be created. The Gross Barrels are reported as 15 barrels and the Gross Value is reported as \$240.00. The producer marked “No” to taxes in Block 14 because the purchaser XYZ Production paid the taxes and the regulatory tax and fee assessment. The API gravity of 35.1 is completed in Block 15, and Blocks 16 through 18 are left blank.

Sample of Completed Supplement to Producer Monthly Report of Taxable Crude Oil (Form #10-133)



10-133
(Rev. 8-99/14)

**TEXAS MONTHLY REPORT
OF TAXABLE CRUDE OIL -
SUPPLEMENT**

b. ■

a. T Code PURCHASER ■ 10100 PRODUCER ■ 10200

Do not write in the space above Page 2 of 2

c. Taxpayer number
■ 1-75-03897252-2

e. Filing period
NOVEMBER 2000

f. (yy/mm)
■ 0011

g. GUSHER OIL CORP

**NOTE: If Item 14 for any lease(s) is "NO,"
DO NOT complete Items 11, 12 and 16-18
for that lease(s).**

- Round to whole barrels.
- Two decimals are required on all dollar values.

1. Lease name (as recorded with the Texas Railroad Commission) ANDERSON				2. County of production BASTROP		3. Other party name XYZ PRODUCTION CO							
4. Type ■ 1	5. County code ■ 011	6. Lease no./Check digit ■ 022222 ■ 9	7. Expanded EOR Baseline <input type="checkbox"/> 1 Incremental <input type="checkbox"/> 2		8. Other party number ■ 2-450-82-2892-1	9. Are you the lease operator? YES <input checked="" type="checkbox"/> 1 NO <input type="checkbox"/> 0		10. Gross barrels (rounded) ■ 400	11. Exempt barrels (rounded) ■ 0				
12. Taxable barrels (rounded) ■ 400		13. Gross value ■ 7200.00		14. Are you liable for tax? YES <input checked="" type="checkbox"/> 1 NO <input type="checkbox"/> 0		15. API gravity ■ 30.9		16. Exempt value ■ 0		17. Trucking costs ■ 200.00		18. Net taxable value ■ 7000.00	
1. Lease name (as recorded with the Texas Railroad Commission) WARD				2. County of production BASTROP		3. Other party name GUSHER OIL CORP							
4. Type ■ 7	5. County code ■ 013	6. Lease no./Check digit ■ 055555 ■ 7	7. Expanded EOR Baseline <input type="checkbox"/> 1 Incremental <input type="checkbox"/> 2		8. Other party number ■ 3-12345-6789-0	9. Are you the lease operator? YES <input checked="" type="checkbox"/> 1 NO <input type="checkbox"/> 0		10. Gross barrels (rounded) ■ 600	11. Exempt barrels (rounded) ■ 0				
12. Taxable barrels (rounded) ■ 600		13. Gross value ■ 10,800.00		14. Are you liable for tax? YES <input checked="" type="checkbox"/> 1 NO <input type="checkbox"/> 0		15. API gravity ■ 20.3		16. Exempt value ■		17. Trucking costs ■		18. Net taxable value ■	
1. Lease name (as recorded with the Texas Railroad Commission) ALEXANDER				2. County of production HARRIS		3. Other party name A-Z OIL PRODUCERS							
4. Type ■ 8	5. County code ■ 101	6. Lease no./Check digit ■ 033333 ■ 7	7. Expanded EOR Baseline <input type="checkbox"/> 1 Incremental <input type="checkbox"/> 2		8. Other party number ■ 3-12345-6789-0	9. Are you the lease operator? YES <input checked="" type="checkbox"/> 1 NO <input type="checkbox"/> 0		10. Gross barrels (rounded) ■ 500	11. Exempt barrels (rounded) ■ 0				
12. Taxable barrels (rounded) ■ 500		13. Gross value ■ 9,000.00		14. Are you liable for tax? YES <input checked="" type="checkbox"/> 1 NO <input type="checkbox"/> 0		15. API gravity ■ 28.0		16. Exempt value ■ 0		17. Trucking costs ■ 250.00		18. Net taxable value ■ 4375.00	

EXHIBIT 2 (continued)

Transaction 4. (Supplement)

In Bastrop County, for the Anderson lease number 1-011-222222-9 the producer is responsible for remitting the tax. The Gross Barrels and Taxable Barrels were reported as 400 barrels. Gross Value was reported as \$7,200.00. The taxpayer marked “Yes” for taxes in Block 14. The API gravity is 30.9. Trucking Cost of \$200.00 reduces the Net Taxable Value to \$7,000.00.

Transaction 5. (Supplement)

The Ward lease was approved as a Type 7 (three-year inactive well). The producer is liable for tax on this lease. A volume of 600 is shown in both Blocks 10 and 12 with a value of \$10,800.00 in Block 13. There were no exempt or trucking costs (Blocks 16 and 17). Block 18 is zero because *no* Net Taxable Value is due on a lease approved for this exemption. However, the producer is responsible for the regulatory tax and fee assessment and must show Taxable Barrels in Block 12 and “Yes” in Block 14.

Transaction 6. (Supplement)

The Alexander lease in Harris County was approved as a Type 8 (co-production). The Gross Barrels and Taxable Barrels of 500 are reported with a value of \$9,000.00. The API gravity is reported as 28.0. The Trucking Cost of \$250.00 is subtracted from the Gross Value before reporting the Net Taxable Value in Block 18 at 50%. So \$8,750.00 (\$9,000.00-\$250.00) is multiplied by 50%. The result, \$4,375.00, is shown in the Net Taxable Value block.

Crude Oil Amended Report

Sample of Texas Amended Report of Taxable Crude Oil (Form #10-136)

Sample of Texas Amended Report of Taxable Crude Oil – Supplement (Form #10-137)

Crude Oil Amended Report Instructions


Exhibit 3

**Completed Purchaser Amended Report of Taxable Crude Oil with Supplement –
Reporting Periods Filed After January 1999**

Exhibit 4

**Completed Producer Amended Report of Taxable Crude Oil with Supplement –
Reporting Periods Filed Prior to January 1999**

Sample of Texas Amended Report of Taxable Crude Oil (Form #10-136)

 10-136 (Rev. 9-01/18)	TEXAS AMENDED REPORT OF TAXABLE CRUDE OIL	b. ■	
<input type="checkbox"/> PURCHASER ■ 10120 <input type="checkbox"/> 00990 ■ 1024			
a. T Code <input type="checkbox"/> PRODUCER ■ 10220		Do not write in the space above Page 1.	
c. Taxpayer number ■		USE THIS REPORT TO ADJUST OR SUPPLEMENT YOUR ORIGINAL REPORT	
d. Filing period ■		e. (yy/mm) ■	
f. Taxpayer name and mailing address 		• TYPE OR PRINT • SEE INSTRUCTIONS ON REVERSE SIDE	
g. ■		h. ■	
• Round to whole barrels. • Two decimals are required on all dollar values.			
1. Lease name (as recorded with the Texas Railroad Commission)		2. County of production	
3. Other party name			
4. Type	5. County code	6. Lease no./Check digit	7. Expanded EOR Baseline <input type="checkbox"/> 1 <input type="checkbox"/> 2 Incremental <input type="checkbox"/> 1 <input type="checkbox"/> 2
8. Other party number		9. Are you the lease operator? YES <input type="checkbox"/> 1 <input type="checkbox"/> 0 NO <input type="checkbox"/> 1 <input type="checkbox"/> 0	
10. Gross barrels (rounded)		11. Exempt barrels (rounded)	
12. Taxable barrels (rounded)	13. Gross value	14. Are you liable for tax? YES <input type="checkbox"/> 1 <input type="checkbox"/> 0 NO <input type="checkbox"/> 1 <input type="checkbox"/> 0	15. API gravity
16. Exempt value		17. Trucking costs	
18. Net taxable value			
1. Lease name (as recorded with the Texas Railroad Commission)		2. County of production	
3. Other party name			
4. Type	5. County code	6. Lease no./Check digit	7. Expanded EOR Baseline <input type="checkbox"/> 1 <input type="checkbox"/> 2 Incremental <input type="checkbox"/> 1 <input type="checkbox"/> 2
8. Other party number		9. Are you the lease operator? YES <input type="checkbox"/> 1 <input type="checkbox"/> 0 NO <input type="checkbox"/> 1 <input type="checkbox"/> 0	
10. Gross barrels (rounded)		11. Exempt barrels (rounded)	
12. Taxable barrels (rounded)	13. Gross value	14. Are you liable for tax? YES <input type="checkbox"/> 1 <input type="checkbox"/> 0 NO <input type="checkbox"/> 1 <input type="checkbox"/> 0	15. API gravity
16. Exempt value		17. Trucking costs	
18. Net taxable value			
1. Lease name (as recorded with the Texas Railroad Commission)		2. County of production	
3. Other party name			
4. Type	5. County code	6. Lease no./Check digit	7. Expanded EOR Baseline <input type="checkbox"/> 1 <input type="checkbox"/> 2 Incremental <input type="checkbox"/> 1 <input type="checkbox"/> 2
8. Other party number		9. Are you the lease operator? YES <input type="checkbox"/> 1 <input type="checkbox"/> 0 NO <input type="checkbox"/> 1 <input type="checkbox"/> 0	
10. Gross barrels (rounded)		11. Exempt barrels (rounded)	
12. Taxable barrels (rounded)	13. Gross value	14. Are you liable for tax? YES <input type="checkbox"/> 1 <input type="checkbox"/> 0 NO <input type="checkbox"/> 1 <input type="checkbox"/> 0	15. API gravity
16. Exempt value		17. Trucking costs	
18. Net taxable value			
1. Lease name (as recorded with the Texas Railroad Commission)		2. County of production	
3. Other party name			
4. Type	5. County code	6. Lease no./Check digit	7. Expanded EOR Baseline <input type="checkbox"/> 1 <input type="checkbox"/> 2 Incremental <input type="checkbox"/> 1 <input type="checkbox"/> 2
8. Other party number		9. Are you the lease operator? YES <input type="checkbox"/> 1 <input type="checkbox"/> 0 NO <input type="checkbox"/> 1 <input type="checkbox"/> 0	
10. Gross barrels (rounded)		11. Exempt barrels (rounded)	
12. Taxable barrels (rounded)	13. Gross value	14. Are you liable for tax? YES <input type="checkbox"/> 1 <input type="checkbox"/> 0 NO <input type="checkbox"/> 1 <input type="checkbox"/> 0	15. API gravity
16. Exempt value		17. Trucking costs	
18. Net taxable value			
1. Lease name (as recorded with the Texas Railroad Commission)		2. County of production	
3. Other party name			
i. T Code <input type="checkbox"/> PURCHASER ■ 10130 <input type="checkbox"/> PRODUCER ■ 10230 AMENDED REPORT TOTALS AND TAX COMPUTATION			
19. Total net taxable value		24. Enter overpayments (A "Transfer of Previous Payment" Form 10-141 must be attached)	
20. Total taxable barrels (See instructions)		25. Net amount due (Line 23 minus Line 24)	
21. Tax Due (Line 19 x)		26. Late filing penalty and interest (See instructions)	
22. Regulatory tax and fee assessment (Line 20 x)		27. TOTAL AMOUNT DUE AND PAYABLE (Line 25 plus Line 26)	
23. Amount of tax and fee due (Line 21 plus Line 22)			
Make the amount in Item 27 payable to: STATE COMPTROLLER		FIELD OFFICE NO.	
Mail to: COMPTROLLER OF PUBLIC ACCOUNTS 111 E. 17th Street Austin, Texas 78774-0100		Date E.O. name ACID	
I declare that the information in this document and any attachments is true and correct to the best of my knowledge and belief. Taxpayer or Duly Authorized Agent sign here Phone (Area code and number) Date			
If you have any questions regarding Crude Oil or Natural Gas Tax, call 1-800-252-1384, toll free, nationwide. The Austin number is 512/463-4600. If you're calling from a Telecommunications Device for the Deaf (TDD), the toll-free number is 1-800-248-4099, or in Austin, 512/463-4621.			

Sample of Texas Amended Report of Taxable Crude Oil (Back) (Form #10-136)

10-136 (Back)(Rev.9-01/18)

GENERAL INSTRUCTIONS

--See the Crude Oil Tax Guide (Pub. #96-161) for instructions for amending production periods prior to January 1999.--

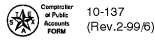
This amended report is for crude oil purchasers and producers to correct information previously reported or that should have been reported on the monthly report.

- **TO CORRECT PREVIOUSLY REPORTED DATA (Items 10-18)** - Enter the net adjustment amount for each applicable item. **DO NOT USE REPLACEMENT VOLUMES OR VALUES.** Adjustment amounts entered may be positive or negative figures. Please enclose all negative figures in brackets.
EXAMPLE: Under Item 10, you previously reported 100 bbls; it should have been 150 bbls. Your net adjustment will be 50 bbls.
- **TO REPORT NEW DATA** - Enter the total amount for each item as it should have been reported on the monthly report.
- **TO DELETE DATA REPORTED IN ERROR (Items 4-8)** - Data reported under the wrong lease number, expanded EOR project, and/or other party number should be entered as negative figures with brackets []. This item should be completely reversed, identical to how it was originally reported. Also, complete an additional block for the correct information along with the volume and values as positive figures.
- **PLEASE TYPE ALL INFORMATION** so that your return can be processed quickly and accurately.
- **ROUND ALL OIL VOLUMES** to the nearest whole barrel (42 U.S. gallons).

SPECIFIC INSTRUCTIONS

- Items a and i - (T Code)** Check the boxes to indicate if you are filing a purchaser or producer report.
- Item c -** Enter your eleven-digit taxpayer number if it is not pre printed.
- Item e -** Enter the number representing the production period of the report you are amending.
EXAMPLE: For the production period of January 1999, enter 9901.
- Item 1 & 6 -** For the lease shown in Item 1, enter the identification number assigned by the Texas Railroad Commission (TRC) in Item 6. Add a leading "0" to the 5-digit lease number assigned by the TRC. Also, enter the check number in the box to the right. The Comptroller's office can give you this number, or you may leave it blank.
- Item 2 & 5 -** In Item 5, enter the 3-digit county code for the county of production shown in Item 2. A list of county codes can be found in the Crude Oil Tax Guide.
- Item 3 & 8 -** In Item 8, enter the 11-digit taxpayer number of the other party shown in Item 3. This taxpayer number is assigned by the Comptroller's office. If you are a PURCHASER, enter the taxpayer number of the producer from whom you purchased the crude oil. If you are a PRODUCER, enter the taxpayer number of the purchaser to whom you sold the crude oil.
- Item 4 -** Enter one of the numeric types listed below.
1 = Oil lease
2 = Enhanced Oil Recovery (EOR) wells approved before January 1, 1994
3 = Two-year inactive wells effective September 1, 1997
4 = EOR wells approved January 1, 1994 through August 31, 1997
5 = EOR wells approved after August 31, 1997
6 = Incremental Production wells (Senate Bill 1440) effective September 1, 1997
7 = Three-year inactive wells effective September 1, 1993
8 = Co-production projects effective January 1, 1994
9 = TERRA wells effective January 1, 1996
10 = Temporary Severance Tax Relief effective February 1, 1999.
- Item 7 -** For expanded EOR projects, mark the block to indicate that baseline production or incremental production is being reported. NOTE: If you are reporting incremental production, baseline production must also be reported on a separate line.
- Item 9 -** PURCHASER: Skip Item 9 or check "NO."
PRODUCER: If you are the physical operator of the lease, check "YES." If you are an interest owner, check "NO."
- Item 10 -** For crude oil sales, report the purchaser's gross take, temperature corrected and less exclusion for basic sediment and water. For oil lost or used, report the amount of merchantable oil. For oil stored, report your gross runs to storage.
- * If you are not liable for tax, do not complete Items 11, 12, 16, 17, or 18 unless you are reversing previously reported data.**
- * Item 11 -** Enter the volume of oil not subject to tax because of a governmental exempt status, such as state royalty. (See Rule 3.34 in Crude Oil and Natural Gas Production Tax Rules Publication.)
- * Item 12 -** Enter the taxable volume (gross barrels - exempt barrels).
- Item 13 -** Enter the total value of the crude oil reported in Item 10. NOTE: Two decimal places are required.
- Item 14 -** Complete this block for ALL lease types, even if you do not owe any tax. If you mark "YES," complete Items 15-18. If you mark "NO," DO NOT complete Items 16-18.
- Item 15 -** Enter your API gravity for the lease number entered in Item 6. This should be a numeric figure to the tenth. (xx.x)
- * Item 16 -** Enter the value of oil not subject to tax because of a governmental exempt status, such as state royalty. (See Rule 3.34 in Crude Oil and Natural Gas Production Tax Rules Publication.) NOTE: Two decimal places are required.
- * Item 17 -** Enter any physical trucking charges incurred by the producer. NOTE: Two decimal places are required.
- * Item 18 -** Enter the value on which tax should be paid. For EOR, incremental production (unless suspended), and co-production projects, enter half of the gross value (minus exempt and trucking). For two-year inactive wells, three-year inactive wells, and TERRA wells, enter "0." NOTE: Two decimal places are required.
- Item 19 -** Total of ALL net taxable values in Item(s) 18.
- Item 20 -** Total of ALL taxable barrels reported in Item(s) 12. This includes all legislative exemptions (EOR, inactive wells, etc.) except for TERRA wells.
- Item 21 -** Total of ALL net taxable values x .046 (4.6%).
- Item 22 - Reporting Periods Prior to 0109 -** Total taxable barrels x .005. The rate of \$.005 per barrel is a combined rate of the Oil Field Clean-up Fee of \$.003125 and the Regulatory Tax of \$.001875 per barrel.
Reporting Periods 0109 and later - Total taxable barrels x .008125. The rate of \$.008125 per barrel is a combined rate of the Oil Field Clean-up Fee of \$.00625 and the Regulatory Tax of \$.001875 per barrel.
- Item 26 - PENALTY:** If 1-30 days late, enter 5% of Item 25. If more than 30 days late enter 10% of Item 25.
INTEREST: If any tax is unpaid 61 days after the due date, enter interest on the amount in Item 25. Calculate interest at the rate published online at <<http://www.window.state.tx.us>> or call the Comptroller toll free at 1-877-44RATE4, for the applicable interest rate.

Sample of Texas Amended Report of Taxable Crude Oil – Supplement (Form #10-137)



TEXAS AMENDED REPORT OF TAXABLE CRUDE OIL - SUPPLEMENT

b. ■

a. T Code PURCHASER ■ 10120 PRODUCER ■ 10220

Do not write in the space above Page of

c. Taxpayer number

d. Filing period e. (yy/mm)

f.

- Round to whole barrels.
- Two decimals are required on all dollar values.

1. Lease name (as recorded with the Texas Railroad Commission)				2. County of production		3. Other party name				
4. Type	5. County code	6. Lease no./Check digit	7. Expanded EOR Baseline <input type="checkbox"/> 1 Incremental <input type="checkbox"/> 2		8. Other party number	9. Are you the lease operator? YES <input type="checkbox"/> 1 NO <input type="checkbox"/> 0		10. Gross barrels (rounded)	11. Exempt barrels (rounded)	
12. Taxable barrels (rounded)	13. Gross value		14. Are you liable for tax? YES <input type="checkbox"/> 1 NO <input type="checkbox"/> 0		15. API gravity	16. Exempt value		17. Trucking costs	18. Net taxable value	
1. Lease name (as recorded with the Texas Railroad Commission)				2. County of production		3. Other party name				
4. Type	5. County code	6. Lease no./Check digit	7. Expanded EOR Baseline <input type="checkbox"/> 1 Incremental <input type="checkbox"/> 2		8. Other party number	9. Are you the lease operator? YES <input type="checkbox"/> 1 NO <input type="checkbox"/> 0		10. Gross barrels (rounded)	11. Exempt barrels (rounded)	
12. Taxable barrels (rounded)	13. Gross value		14. Are you liable for tax? YES <input type="checkbox"/> 1 NO <input type="checkbox"/> 0		15. API gravity	16. Exempt value		17. Trucking costs	18. Net taxable value	
1. Lease name (as recorded with the Texas Railroad Commission)				2. County of production		3. Other party name				
4. Type	5. County code	6. Lease no./Check digit	7. Expanded EOR Baseline <input type="checkbox"/> 1 Incremental <input type="checkbox"/> 2		8. Other party number	9. Are you the lease operator? YES <input type="checkbox"/> 1 NO <input type="checkbox"/> 0		10. Gross barrels (rounded)	11. Exempt barrels (rounded)	
12. Taxable barrels (rounded)	13. Gross value		14. Are you liable for tax? YES <input type="checkbox"/> 1 NO <input type="checkbox"/> 0		15. API gravity	16. Exempt value		17. Trucking costs	18. Net taxable value	
1. Lease name (as recorded with the Texas Railroad Commission)				2. County of production		3. Other party name				
4. Type	5. County code	6. Lease no./Check digit	7. Expanded EOR Baseline <input type="checkbox"/> 1 Incremental <input type="checkbox"/> 2		8. Other party number	9. Are you the lease operator? YES <input type="checkbox"/> 1 NO <input type="checkbox"/> 0		10. Gross barrels (rounded)	11. Exempt barrels (rounded)	
12. Taxable barrels (rounded)	13. Gross value		14. Are you liable for tax? YES <input type="checkbox"/> 1 NO <input type="checkbox"/> 0		15. API gravity	16. Exempt value		17. Trucking costs	18. Net taxable value	
1. Lease name (as recorded with the Texas Railroad Commission)				2. County of production		3. Other party name				
4. Type	5. County code	6. Lease no./Check digit	7. Expanded EOR Baseline <input type="checkbox"/> 1 Incremental <input type="checkbox"/> 2		8. Other party number	9. Are you the lease operator? YES <input type="checkbox"/> 1 NO <input type="checkbox"/> 0		10. Gross barrels (rounded)	11. Exempt barrels (rounded)	
12. Taxable barrels (rounded)	13. Gross value		14. Are you liable for tax? YES <input type="checkbox"/> 1 NO <input type="checkbox"/> 0		15. API gravity	16. Exempt value		17. Trucking costs	18. Net taxable value	

Crude Oil Amended Report

General Guidelines for Filing an Amended Report

The *Texas Crude Oil Amended Report* (Form #10-136) is a form used by purchasers and monthly producers to amend or supplement a regular monthly report.

If you need to amend more than one month, you must file a separate amendment for each individual month. *Do not* combine totals of reports for different months on the cover page of one report. Each production month must have its own cover page with calculated totals.

Verify that an amended report does not duplicate corrections made on an adjustment notice.

The instructions printed on the back of the amended report form only apply to the reporting periods beginning with January 1999 production. See the next section for instructions on amending reporting periods prior to January 1999 production.

To receive blank *Amended Report* forms with your preprinted *Monthly Report*, call our nationwide toll free number, 1-800-531-5441, ext. 3-3731. If you do not want them mailed monthly, the Comptroller's office will supply them upon request.

To Amend Previously Reported Data

- Always identify the information you are adjusting. If amending data prior to January 1999, items 2-5 and 8 must be completed. If amending data after December 1998, items 1-8 must be completed.
- Enter the net adjustment amount for each applicable block.
- *Net adjustment is the difference between what was previously reported and what should be reported.*
- *Do not use replacement volumes or values, except for API Gravity in Block 15. Using replacement figures could double your tax liability.*
- Adjustment amounts entered may be positive or negative figures. Please enclose all negative figures in brackets “[]” or parentheses “().”

To Report New Data

Complete Blocks 1 through 18 the same as an original filing. Enter the unreported volumes and values for each taxpayer name, number, and lease number. Complete Blocks 19 through 27 with any tax due or with “0” for no tax liability.

To Delete Data Reported in Error

Data reported under the wrong “Other Party Number,” “Lease Type/County of Production/Lease Number,” or “Expanded EOR,” should be entered as negative figures. To report a negative figure enclose in brackets or parentheses under the wrong taxpayer number, lease type, county, lease number, and/or expanded EOR as previously reported. Complete another line reentering the correct taxpayer

number, lease type, county, lease number, and/or expanded EOR with your volumes and values as positive figures.

Instructions for Amended Report Form

All amendments must be filed on the new *Amended Report* form. *No amendments will be accepted on the old format beginning January 1999.*

It is very important to remember that the January 1999 reporting period determines the way an amended report is filed.

- The identifying data blocks which are Blocks “a” through “i,” Blocks “2” and “3,” and the Report Totals Blocks “19” through “27” will be completed the same for amending all reporting periods.

The following are the differences:

- Blocks 4 through 18 (with the exception of Block 10 “Gross Barrels” and Block 13 “Gross Value”) will be filed differently for amending report periods filed prior to or after January 1999.

Report Detail

Block #

a & i T-codes

Amendments are not preprinted. You must mark the corresponding boxes to indicate if you are amending a purchaser or producer report.

Mark the appropriate T-Code in Block “a” located at the top and Block “i” in the “Report Totals” section in the middle of the report.

b Document Locator Number (DLN)

Do not use this area.

The Comptroller’s office uses this area to insert a microfilm document locator number.

c Taxpayer Number

Enter the 11-digit taxpayer number assigned by the Comptroller’s office to identify your account.

d Filing Period

The month and year of production to be amended.

e Four-Digit Filing Period

Enter the number representing the filing period in YYMM (year/month) format.

Example: For February 2001 enter 0102.

f Taxpayer Name and Mailing Address

Enter your company name and crude oil mailing address as reflected on Comptroller records. If an address correction is needed, note the new address on the report or notify the Comptroller’s office by phone.

g & h Used by the Comptroller’s office Only

Do not write in this space.

Lease Detail Information

Block

1 Lease Name

Enter the name as recorded with the Texas Railroad Commission.

For amending periods prior to January 1999 this is not required.

2 County of Production

Enter the county as recorded with the Texas Railroad Commission. This should be the name of the county in which the crude oil was produced.

Writing in the information will assist the Comptroller's office in making corrections should an error occur.

3 Other Party Name

Purchaser: Enter the name of the producer from whom the crude oil was purchased.

Producer: Enter the name of the purchaser to whom the crude oil was sold.

Writing in the name will assist the Comptroller's office in making corrections should an error occur.

Block 4. Type

Prior to January 1999

Use Block 4 to report a Project Code for amending periods prior to January 1999.

To add a Project Code not previously reported or when correcting volumes and values with a Project Code previously reported, complete Block 4 with the Project Code Number.

For amending Enhanced Oil Recovery (EOR) production periods prior to September 1, 1997, use the project code that was *last reported*.

To add new data not previously reported under an EOR code for filing periods prior to September 1, 1997, use the Project Code that was in *effect at that time*. (See *Quick Reference: Enhanced Oil Recovery*.)

Beginning January 1999

To add new data or corrections, use the applicable *Lease Type* listed below:

- 1 = Oil lease
- 2 = Enhanced Oil Recovery (EOR) wells approved before January 1, 1994
- 3 = Two-year inactive wells effective September 1, 1997
- 4 = EOR wells approved January 1, 1994 through August 31, 1997
- 5 = EOR wells approved after August 31, 1997
- 6 = Incremental Productions wells effective September 1, 1997
- 7 = Three-year inactive wells effective September 1, 1993
- 8 = Co-production projects effective January 1, 1994
- 9 = TERRA wells effective January 1, 1996
- 10 = Temporary severance tax relief effective February 1, 1999

Block 5. County Code**Prior to January 1999**

If a County Code was left blank or reported wrong on a previous report, order a *History* to see how the data processed for further correction.

Drop the 4th check digit that appeared on your previous reports and enter the 3-digit code, assigned by the Comptroller's office, for the county shown in Block 2.

To avoid reporting errors that will create an adjustment notice, see *County Code* listings in this publication.

Beginning January 1999

Enter the Comptroller's office 3-digit code for the county shown in Block 2.

To avoid reporting errors that will create an adjustment notice, see *County Code* listings in this publication.

To amend a County Code left blank or reported incorrectly, you must back out the County Code exactly as it is recorded on the Comptroller's computer system. A *History* will assist you in filing these corrections.

Any volumes and values reported under the wrong County Code must be entered as negative figures enclosed in parentheses or brackets.

Complete another line reentering the correct County Code with volumes and values as positive figures.

Block 6. Lease Number/Check Digit**Prior to January 1999**

To avoid adjustment notices, when amending converted data, leave Block 6 blank. A lease number was not required prior to January 1999.

For converted data, one lease for each county has been assigned.

Converted county data will show on your *History* with a "default" lease number beginning with 800. The last three digits of the lease number will be the county number.

Example: Production reported in Ector County (068) will display a lease number of 800068.

If you must enter a lease number, the reported lease number will not appear on your *History*. The Comptroller's computer system defaults to the converted lease number.

Beginning January 1999

For amending lease numbers left blank or reported incorrectly, you must credit out the data under that lease number exactly the way it is recorded on the Comptroller's computer system. A *History* will aid you in filing these corrections.

Any volumes and values reported under the incorrect Lease/Check Digit Number must be entered as negative figures enclosed in brackets or parentheses .

Complete another line reentering the correct Lease/Check Digit Number with volumes and values as positive figures.

For adding new data, enter the identification number assigned by the Texas Railroad Commission (RRC). Oil leases consist of a five-digit number. Because the Comptroller requires a six-digit number, add a leading "0" to the RRC identification number.

Note: The check digit is a mathematically calculated digit used by the Comptroller's office. If you need this number, call our toll-free number to verify or obtain the check digit. The formula for calculating the lease check digit is included in this guide.

Block 7. Expanded EOR

Prior to January 1999

Leave Blank

Beginning January 1999

To add *expanded* EOR projects or incremental production wells not previously reported on the original monthly report, two entries may be required.

In some cases, only one line may be needed to make a correction.

Example: If you originally reported "Incremental Production," in Block 7, at a 50% taxable value, but failed to report "Baseline" at 100% taxable value for the same lease; then, only one entry is needed. You need only to amend the report to add your data for "Baseline."

Note: If you mark the box within Block 7 to report incremental production, your baseline production must also be reported on a separate line. This *may* be applicable to Types 2, 4, and 5. Baseline production will always be reported with incremental production when reporting a Type 6.

Block 8. Other Party Number

This block will be amended the same way for all reporting periods.

To amend Other Party Numbers left blank or reported incorrectly, you must credit out the taxpayer number exactly as it is recorded on the Comptroller's computer system. A *History* will assist you in filing these corrections.

Any volumes and values reported under the incorrect Other Party Number must be entered as negative figures enclosed in brackets or parentheses.

Complete another line reentering the correct Other Party Number with volumes and values as positive figures.

Block 9. Are You the Lease Operator?

Prior to January 1999

You may leave blank for reporting periods prior to January 1999.

Beginning January 1999

If you are a purchaser, check "No."

If you are the producer (i.e. physical operator of record) of the lease, check "Yes."

If you are an interest owner, check "No."

Block 10. Gross Barrels

This block will be amended the same way for all reporting periods.

For reporting new barrels for crude oil sales, report the purchaser's gross take, temperature corrected and less exclusion for Basic Sediment and Water (BS&W).

For oil lost, stolen, or used, report the amount of merchantable oil.

If you are reporting oil stored, report your gross runs to storage.

If you are adjusting the volume of barrels, then enter the net adjustment. *Net Adjustment* is the difference between what was previously reported and what should be reported.

Adjusted volumes entered may be positive or negative figures. Enclose all negative figures in brackets or parentheses.

Round to whole barrels.

Block 11. Exempt Barrels

Prior to January 1999

For amending periods prior to January 1999, Block 11 will serve as your Deductions Block.

Prior to January 1999, this block was used to show either a governmental exempt status (Rule 3.34) or to allocate liability to the Other Party. Any adjustment to these volumes will be reported in **Block 11**.

If you are adjusting the volume of barrels, enter the *net adjustment*. Net Adjustment is the difference between what was previously reported and what should be reported.

Adjusted volumes entered may be positive or negative figures. Enclose all negative figures in brackets or parentheses.

Round to whole barrels.

Beginning January 1999

Note: This block is not to be used to report volume on wells with an approved exemption status or the volumes where the other party has assumed liability.

Enter the volume of oil not subject to tax because of a governmental exempt status, such as a state royalty. (See Rule 3.34)

If you are adjusting the volume of barrels enter the net adjustment. *Net adjustment* is the difference between what was previously reported and what should be reported.

Adjusted volume entered may be positive or negative figures. Enclose all negative figures in brackets or parentheses.

Round to whole barrels.

Block 12. Taxable Barrels

Prior to January 1999

To add new data, enter the taxable volume. This is the sum volume of gross barrels minus deductions.

The reported volume in Block 12 should only be the barrels on which you are responsible for remitting the tax.

If you are adjusting the volume of barrels enter the net adjustment. *Net adjustment* is the difference between what was previously reported and what should be reported.

Adjusted volume entered may be positive or negative figures. Enclose all negative figures in brackets or parentheses.

Round to whole barrels.

Beginning January 1999

To add new data, enter the taxable volume. This is sum volume of gross barrels minus exempt barrels. Exempt barrels should only include governmental exempt status, such as state royalty.

If you are adjusting the volume of barrels enter the net adjustment. *Net adjustment* is the difference between what was previously reported and what should be reported.

Adjusted volume entered may be positive or negative figures. Enclose all negative figures in brackets or parentheses.

Round to whole barrels.

Block 13. Gross Value

This Block will be amended the same way for all reporting periods.

To report new data, enter the total value of the crude oil reported in Gross Barrels (Block 10).

Report the value even if you are saying “No” to taxes in Block 14.

If you are adjusting the value enter the net adjustment. *Net adjustment* is the difference between what was previously reported and what should be reported.

Adjusted values entered may be positive or negative figures. Enclose all negative figures in brackets or parentheses.

Enter dollar and cent figures.

Block 14. Are You Liable for Tax?

Prior to January 1999

Block 14 is not required for production months prior to January 1999.

Beginning January 1999

Complete Block 14 for *all* lease types, even if you are not responsible for paying tax on the reported lease.

- If you mark “Yes,” complete Blocks 15, 16, 17, and 18.
- If you mark “No,” *do not* complete Blocks 16, 17, and 18. No taxable barrels should be indicated in Block 12.
- If you are responsible for paying tax, and have an exempt legislative lease (i.e. 2- or 3-year inactive wells, Block 14 should be marked “Yes.”

Block 15. API Gravity

Prior to January 1999

For periods prior to January 1999 leave blank.

Beginning January 1999

API gravity, the standard method established by the American Petroleum Institute, is the measure of specific gravity or unit weight of crude oil or any liquid hydrocarbon. For reporting purposes, this entry should be the measure of unit weight that is a basis for determining the value (price) for crude oil or of any liquid hydrocarbon in a transaction between seller and buyer expressed in units of API gravity.

To add new data, enter API gravity for the lease number entered in Block 6.

- This numeric figure should be carried to the tenth decimal (xx.x).
- Amended data reported for API gravity will replace previously reported data.

Block 16. Exempt Value**Prior to January 1999**

For periods prior to January 1999, Block 16 will be used to report Value previously reported under the Other Party's liability.

Prior to January 1999, if you showed a value in the Purchaser/Producer liability blocks to allocate liability to the Other Party, then any adjustment to the value will be reported in Block 16.

If you are adjusting the value enter the net adjustment. *Net Adjustment* is the difference between what was previously reported and what should be reported.

Adjusted value entered may be positive or negative figures. Enclose all negative figures in brackets or parentheses.

Enter dollar and cent figures.

Beginning January 1999

For new data enter the value of oil not subject to tax because of a governmental exempt status, such as state royalty (see Rule 3.34).

This is the value placed on the volume reported in Block 11 and only for leases you marked "Yes" in Block 14.

If you are adjusting the value, then enter the *net adjustment*. Net Adjustment is the difference between what was previously reported and what should be reported.

Adjusted values entered may be positive or negative figures. Enclose all negative figures in brackets or parentheses.

The value reported will reduce or add to the reported Gross and/or Net Taxable Value.

Enter dollar and cent figures.

Note: This block is *not* to be used to report values on wells with an approved exemption status created by one of the legislative incentive programs.

Block 17. Trucking Cost**Prior to January 1999**

For periods prior to January 1999 leave Block 17 blank.

The Comptroller's computer system will not record Trucking Cost reported on an amended report period prior to January 1999.

Any Trucking Cost that was not previously reported will have to be taken from your Net Taxable Value or from the Exempt Value (Block 16) to adjust trucking costs allocated to the other party.

Beginning January 1999

For new data, enter the value of any physical trucking charges not previously reported.

Values should only be reported in Block 17 if you marked "Yes" in Block 14.

If you are adjusting the value, enter the *net adjustment*. Net adjustment is the difference between what was previously reported and what should be reported.

Adjusted values entered may be positive or negative figures. Enclose all negative figures in brackets or parentheses.

Enter dollar and cent figures.

Block 18. Net Taxable Value**Prior to January 1999**

For new data, enter the value subject to tax that is to be paid.

This is the value computed after deducting any Exempt Value (other party liability or governmental exempt interest, Rule 3.34) in Block 16 and any trucking costs.

For EOR, incremental production, and co-production projects, enter one half of the gross value after deducting exempt values and trucking costs, if applicable.

For two- and three-year inactive wells, temporary severance tax relief and TERRA wells, enter "0."

If you are adjusting the value enter the *net adjustment*. Net adjustment is the difference between what was previously reported and what should be reported.

Adjusted values entered may be positive or negative figures. Enclose all negative figures in brackets or parentheses.

Enter dollar and cent figures.

Beginning January 1999

For new data enter the value subject to tax that is to be paid.

Values can only be reported in Block 18 if you are liable for the tax, and only when "Yes" is marked in Block 14.

This is the value computed after deducting any Exempt Value in Block 16 and Trucking Costs in Block 17.

For EOR, incremental production wells, and co-production projects, enter one half of the gross value (minus exempt value and trucking costs).

For two- and three-year inactive wells, temporary severance tax relief and TERRA wells, enter "0."

If you are adjusting the value enter the *net adjustment*. Net Adjustment is the difference between what was previously reported and what should be reported.

Adjusted values entered may be positive or negative figures. Enclose all negative figures in brackets or parentheses.

Enter dollar and cent figures.

Report Totals and Tax Computation

Note: Blocks 19 through 27 will be completed the same way for all amended report totals. It is important that the report totals are entered completely and correctly. The data from the first page as well as any supplemental pages should be included. These totals will be used to balance your report. If your report detail does not agree with the report totals, an adjustment notice will be generated so that the differences can be reconciled.

Block #**19 Total Net Taxable Value**

Enter the sum of all net taxable values in Blocks 18 from the first page and all supplement pages.

Adjusted values entered may be positive or negative figures. Enclose all negative figures in brackets or parentheses.

Enter dollar and cent figures.

20 Total Taxable Barrels

Enter the sum of all taxable barrels reported in Block 12 from the first and all supplemental pages.

This sum should include the taxable barrels reported in Block 12 for all EOR projects, two- and three-year inactive leases, incremental production wells, and co-production projects.

Leases classified under TERRA are exempt from regulatory tax and fee assessment. These barrels should not be included in the total.

Adjusted volumes entered may be positive or negative figures. Enclose all negative figures in brackets or parentheses.

21 Tax Due

Multiply the total net taxable value (Block 19) by the appropriate tax rate.

Adjusted value entered may be positive or negative figures. Enclose all negative figures in brackets or parentheses.

Enter dollar and cent figures.

22 Regulatory Tax and Fee Assessment

Multiply the “Total Taxable Barrels” (Block 20) by the appropriate tax rate and round to the nearest *cent*.

Adjusted volumes entered may be positive or negative figures. Enclose all negative figures in brackets or parentheses.

Enter the results in Block 22.

23 Amount of Tax and Fee Due

Enter the sum of “Tax Due” (Block 21) and the “Regulatory Tax and Fee Assessment” due (Block 22).

Adjusted value entered may be positive or negative figures. Enclose all negative figures in brackets or parentheses.

Enter dollar and cent figures.

24 Enter Overpayments

Enter the sum of any existing overpayments and/or any credit you wish to apply and include a completed *Crude Oil Transfer of Previous Payment* (Form #10-141) with the report.

Note: Entering the credit amount on the report form in Block 24 will not transfer your funds. A completed and signed *Crude Oil Transfer of Previous Payment* (Form 10-141) must be included.

25 Net Amount Due

Enter the amount of “Tax and Fee Due” (Block 23) less any “Overpayment” amount listed in Block 24.

Adjusted value entered may be positive or negative figures. Enclose all negative figures in brackets or parentheses.

26 Late Filing Penalty and Interest

Monthly reports and payments are due on or before the 25th day of the month following the month of production.

Note: If the due date of the report falls on a weekend or federal holiday, then the monthly report and payment are due the following business day. Electronic payments must be entered on the business day before the due date. If your payment of tax due is:

- 1 to 30 days late, penalty is 5% of the net amount due (Block 25).
- more than 30 days late, the penalty is 10% of the net amount due (Block 25).
- more than 60 days late, penalty is 10% of the net amount due, plus interest on the unpaid tax balance based on the number of days the payment is late.

27 Total Amount Due and Payable

Enter the net amount due (Block 25) plus any penalty and interest (Block 26).

Enter dollar and cent figures.

Remit the amount in Block 27 payable to:

STATE COMPTROLLER

Mail to:

Comptroller of Public Accounts
Austin, Texas 78774-0100

Crude Oil Amended Report Exhibits

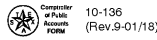
Exhibit 3

**Completed Purchaser Amended Report of Taxable Crude Oil with Supplement –
Report Period Filed After January 1999**

Exhibit 4

**Completed Purchaser Amended Report of Taxable Crude Oil with Supplement –
Report Period Filed Prior to January 1999**

Sample of Completed Purchaser Amended Report of Taxable Crude Oil – Filed After January 1999 (Form #10-136)



TEXAS AMENDED REPORT OF TAXABLE CRUDE OIL

PURCHASER ■ 10120 PRODUCER ■ 10220
 00990 ■ 1024

b. ■

Do not write in the space above Page 1.

c. Taxpayer number
 ■ 2-450-82-2892-1

USE THIS REPORT TO ADJUST OR SUPPLEMENT YOUR ORIGINAL REPORT

d. Filing period
 ■ JANUARY 1999
 e. (yy/mm) ■ 9901

f. Taxpayer name and mailing address
 XYZ PRODUCTION COMPANY
 211 E DAVIS ST
 AUSTIN, TX 78711

- TYPE OR PRINT
- SEE INSTRUCTIONS ON REVERSE SIDE

g. ■ h. ■

- Round to whole barrels.
- Two decimals are required on all dollar values.

1. Lease name (as recorded with the Texas Railroad Commission) THE LAST CHANCE
 2. County of production PANOLA
 3. Other party name GUSHER OIL CORP

4. Type ■ 1	5. County code ■ 183	6. Lease no./Check digit ■ 002406	7. Expanded EOR Baseline <input type="checkbox"/> 1 Incremental <input type="checkbox"/> 2 ■ 4	8. Other party number ■ 1-75-0389725-2	9. Are you the lease operator? YES <input type="checkbox"/> 1 NO <input checked="" type="checkbox"/> 0	10. Gross barrels (rounded) ■ 0	11. Exempt barrels (rounded) ■ 0
12. Taxable barrels (rounded) ■ 0	13. Gross value ■ (52.50)	14. Are you liable for tax? YES <input checked="" type="checkbox"/> 1 NO <input type="checkbox"/> 0	15. API gravity ■ 21.1	16. Exempt value ■ 0	17. Trucking costs ■ 0	18. Net taxable value ■ (52.50)	

1. Lease name (as recorded with the Texas Railroad Commission) ANDERSON
 2. County of production BASTROP
 3. Other party name GUSHER OIL CORP

4. Type ■ 1	5. County code ■ 011	6. Lease no./Check digit ■ 022222	7. Expanded EOR Baseline <input type="checkbox"/> 1 Incremental <input type="checkbox"/> 2 ■ 9	8. Other party number ■ 1-75-0389725-2	9. Are you the lease operator? YES <input type="checkbox"/> 1 NO <input checked="" type="checkbox"/> 0	10. Gross barrels (rounded) ■ 50	11. Exempt barrels (rounded) ■
12. Taxable barrels (rounded) ■	13. Gross value ■ 900.00	14. Are you liable for tax? YES <input type="checkbox"/> 1 NO <input checked="" type="checkbox"/> 0	15. API gravity ■ 20.9	16. Exempt value ■	17. Trucking costs ■	18. Net taxable value ■	

1. Lease name (as recorded with the Texas Railroad Commission) CAMPOS
 2. County of production JACK
 3. Other party name SMITH PIPELINE

4. Type ■ 1	5. County code ■ 119	6. Lease no./Check digit ■ 044444	7. Expanded EOR Baseline <input type="checkbox"/> 1 Incremental <input type="checkbox"/> 2 ■ 4	8. Other party number ■ 1-75-9876743-2	9. Are you the lease operator? YES <input type="checkbox"/> 1 NO <input checked="" type="checkbox"/> 0	10. Gross barrels (rounded) ■ (1097)	11. Exempt barrels (rounded) ■ 0
12. Taxable barrels (rounded) ■ (1097)	13. Gross value ■ (19,746.00)	14. Are you liable for tax? YES <input checked="" type="checkbox"/> 1 NO <input type="checkbox"/> 0	15. API gravity ■ 18.2	16. Exempt value ■ 0	17. Trucking costs ■	18. Net taxable value ■ (19,746.00)	

i. T Code PURCHASER ■ 10130 PRODUCER ■ 10230 **AMENDED REPORT TOTALS AND TAX COMPUTATION**

19. Total net taxable value	■ 847.50	24. Enter overpayments (A "Transfer of Previous Payment" Form 10-141 must be attached)	■ 0
20. Total taxable barrels (See instructions)	■ 100	25. Net amount due (Line 23 minus Line 24)	■ 39.49
21. Tax Due (Line 19 x)	■ 38.99	26. Late filing penalty and interest (See instructions)	■ 0
22. Regulatory tax and fee assessment (Line 20 x)	■ .50	27. TOTAL AMOUNT DUE AND PAYABLE (Line 25 plus Line 26)	■ 39.49
23. Amount of tax and fee due (Line 21 plus Line 22)	■ 39.49		

Make the amount in Item 27 payable to:
 STATE COMPTROLLER
 Mail to: COMPTROLLER OF PUBLIC ACCOUNTS
 111 E. 17th Street
 Austin, Texas 78774-0100

FIELD OFFICE NO.
 Date
 E.O. name ACID

I declare that the information in this document and any attachments is true and correct to the best of my knowledge and belief.
 Taxpayer or Duly Authorized Agent
 sign here
 Phone (Area code and number) Date

If you have any questions regarding Crude Oil or Natural Gas Tax, call 1-800-252-1384, toll free, nationwide. The Austin number is 512/463-4600. If you're calling from a Telecommunications Device for the Deaf (TDD), the toll-free number is 1-800-248-4099, or in Austin, 512/463-4621.

Exhibit 3

Completed Purchaser Amended Report of Taxable Crude Oil with Supplement – Report Period Filed After January 1999

Transaction 1.

The purchaser identified a reporting error on the January 1999 report. The value on The Last Chance lease, was overstated by \$1.50/barrel for crude oil purchased from the producer, Gusher Oil Corporation, in Panola County. The Gross Value and the Net Taxable Value must be adjusted by \$52.50 (\$1.50 multiplied by 35 barrels produced). The API gravity was changed to 21.1 from the original reported gravity of 23.4. The 21.1 gravity figure replaces the gravity figure originally reported. The adjusted value of \$52.50 is shown as a negative figure in brackets to create the credit.

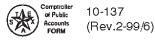
Transaction 2.

The purchaser noticed that 50 of the barrels for the Anderson lease in Bastrop County were not reported. The 50 barrels were added to the Gross Barrels and additional value of \$900.00 was added to Gross Value. Block 12, Taxable Barrels, is left blank because the purchaser is not responsible for taxes on this lease. Block 12 should only be completed when a party is liable for taxes or when reversing previously reported data. In this example the producer, Gusher Oil Corporation, is remitting all taxes and fee assessments. The purchaser marked “no” to taxes and completed the API gravity in Block 15 and left Blocks 16 through 18 blank.

Transaction 3.

An incorrect producer was reported for the Campos lease in Jack County by the purchaser. The purchaser adjusted the data reported for the volume and value blocks to a zero balance. The purchaser will then enter the correct data in the next lines, as shown in Transaction 4 on the following page.

**Sample of Completed Supplement to Purchaser Amended Report of Taxable Crude Oil –
Filed After January 1999 (Form #10-137)**



**TEXAS AMENDED REPORT
OF TAXABLE CRUDE OIL -
SUPPLEMENT**

b. ■

a. T Code PURCHASER ■ 10120 PRODUCER ■ 10220

Do not write in the space above Page 2 of 2

c. Taxpayer number
■ 2-450-82-2892-1

d. Filing period
JANUARY 1999

e. (yymm)
■ 9901

f. XYZ PRODUCTIONS

• Round to whole barrels. • Two decimals are required on all dollar values.

1. Lease name (as recorded with the Texas Railroad Commission) CAMPOS				2. County of production JACK		3. Other party name STAR OF TEXAS CO						
4. Type ■ 1	5. County code ■ 119	6. Lease no./Check digit ■ 044444 ■ 4	7. Expanded EOR Baseline <input type="checkbox"/> 1 Incremental <input type="checkbox"/> 2		8. Other party number ■ 1-75-777789-0		9. Are you the lease operator? YES <input type="checkbox"/> 1 NO <input checked="" type="checkbox"/> 0		10. Gross barrels (rounded) ■ 1097	11. Exempt barrels (rounded) ■ 0		
12. Taxable barrels (rounded) ■ 1097		13. Gross value ■ 19,746.00		14. Are you liable for tax? YES <input checked="" type="checkbox"/> 1 NO <input type="checkbox"/> 0		15. API gravity ■ 1 8 . 2		16. Exempt value ■ 0		17. Trucking costs ■		18. Net taxable value ■ 19,746.00
1. Lease name (as recorded with the Texas Railroad Commission) CUMMINS UNIT				2. County of production HARRIS		3. Other party name EASTEX INC						
4. Type ■ 8	5. County code ■ 101	6. Lease no./Check digit ■ 011111 ■ 3	7. Expanded EOR Baseline <input type="checkbox"/> 1 Incremental <input type="checkbox"/> 2		8. Other party number ■ 1-76-1313131-4		9. Are you the lease operator? YES <input checked="" type="checkbox"/> 1 NO <input type="checkbox"/> 0		10. Gross barrels (rounded) ■ 100	11. Exempt barrels (rounded) ■ 0		
12. Taxable barrels (rounded) ■ 100		13. Gross value ■ 1800.00		14. Are you liable for tax? YES <input checked="" type="checkbox"/> 1 NO <input type="checkbox"/> 0		15. API gravity ■ 1 9 . 1		16. Exempt value ■ 0		17. Trucking costs ■		18. Net taxable value ■ 900.00

EXHIBIT 3 (continued)

Transaction 4. (Supplement)

The correct producer, Star of Texas Company, is then entered in Blocks 3 and 8 with the same volume and value amounts (without brackets).

Transaction 5. (Supplement)

The purchaser failed to report the Cummins Unit lease for Harris County under Type 8. The 100 barrels are entered in the Gross and Taxable Barrels blocks. The API gravity is reported as 19.1. Because co-production is taxed at 50% value, Gross Value is multiplied by 50%. The result, \$900.00, is shown in the Net Taxable Value block.

Sample of Completed Producer Amended Report of Taxable Crude Oil – Filed Prior to January 1999 (Form #10-136)

10-136
(Rev. 9-01/18)

**TEXAS AMENDED REPORT
OF TAXABLE CRUDE OIL**

PURCHASER ■ 10120 00990 ■ 1024

a. T Code PRODUCER ■ 10220

c. Taxpayer number
■ 1-12-2334455-6

**USE THIS REPORT TO ADJUST OR
SUPPLEMENT YOUR ORIGINAL REPORT**

Do not write in the space above

Page 1.

d. Filing period
NOVEMBER 1998

e. (yy/mm)
■ 9811

f. Taxpayer name and mailing address

BIG TIME CRUDE
211 SMITH ST
DALLAS, TX 78762

- TYPE OR PRINT
- SEE INSTRUCTIONS ON REVERSE SIDE

- Round to whole barrels.
- Two decimals are required on all dollar values.

1. Lease name (as recorded with the Texas Railroad Commission)	2. County of production	3. Other party name
	CRANE	RAMIREZ GAS COMPANY

4. Type	5. County code	6. Lease no./Check digit	7. Expanded EOR Baseline <input type="checkbox"/> 1 Incremental <input type="checkbox"/> 2	8. Other party number	9. Are you the lease operator? YES <input type="checkbox"/> 1 NO <input type="checkbox"/> 0	10. Gross barrels (rounded)	11. Exempt barrels (rounded)
	052			3-01154-3210-1		(75)	(75)
12. Taxable barrels (rounded)	13. Gross value	14. Are you liable for tax? YES <input type="checkbox"/> 1 NO <input checked="" type="checkbox"/> 0	15. API gravity	16. Exempt value	17. Trucking costs	18. Net taxable value	
	(1,350.00)			(1,350.00)			

1. Lease name (as recorded with the Texas Railroad Commission)	2. County of production	3. Other party name
	HARRIS	GARZA GAS CO

4. Type	5. County code	6. Lease no./Check digit	7. Expanded EOR Baseline <input type="checkbox"/> 1 Incremental <input type="checkbox"/> 2	8. Other party number	9. Are you the lease operator? YES <input type="checkbox"/> 1 NO <input checked="" type="checkbox"/> 0	10. Gross barrels (rounded)	11. Exempt barrels (rounded)
	101			1-72-0345926-2		(400)	(400)
12. Taxable barrels (rounded)	13. Gross value	14. Are you liable for tax? YES <input checked="" type="checkbox"/> 1 NO <input type="checkbox"/> 0	15. API gravity	16. Exempt value	17. Trucking costs	18. Net taxable value	
400				(7,200.00)		7,200.00	

1. Lease name (as recorded with the Texas Railroad Commission)	2. County of production	3. Other party name
	LIVE OAK	GARZA GAS CO

4. Type	5. County code	6. Lease no./Check digit	7. Expanded EOR Baseline <input type="checkbox"/> 1 Incremental <input type="checkbox"/> 2	8. Other party number	9. Are you the lease operator? YES <input type="checkbox"/> 1 NO <input checked="" type="checkbox"/> 0	10. Gross barrels (rounded)	11. Exempt barrels (rounded)
	149			1-72-0345926-2		1100	0
12. Taxable barrels (rounded)	13. Gross value	14. Are you liable for tax? YES <input checked="" type="checkbox"/> 1 NO <input type="checkbox"/> 0	15. API gravity	16. Exempt value	17. Trucking costs	18. Net taxable value	
1100	19,800.00					0	

i. T Code PURCHASER ■ 10130 PRODUCER ■ 10230

AMENDED REPORT TOTALS AND TAX COMPUTATION

19. Total net taxable value	3,150.00	24. Enter overpayments (A "Transfer of Previous Payment" Form 10-141 must be attached)	0
20. Total taxable barrels (See instructions)	1150	25. Net amount due (Line 23 minus Line 24)	0
21. Tax Due (Line 19 x)	144.90	26. Late filing penalty and interest (See instructions)	0
22. Regulatory tax and fee assessment (Line 20 x)	5.75	27. TOTAL AMOUNT DUE AND PAYABLE (Line 25 plus Line 26)	150.65
23. Amount of tax and fee due (Line 21 plus Line 22)	150.65		

Make the amount in Item 27 payable to:
STATE COMPTROLLER

Mail to: **COMPTROLLER OF PUBLIC ACCOUNTS**
111 E. 17th Street
Austin, Texas 78774-0100

FIELD OFFICE
NO.

Date

E.O. name ACID

I declare that the information in this document and any attachments is true and correct to the best of my knowledge and belief.

Taxpayer or Duly Authorized Agent

sign here

Phone (Area code and number) Date

If you have any questions regarding Crude Oil or Natural Gas Tax, call 1-800-252-1384, toll free, nationwide. The Austin number is 512/463-4600. If you're calling from a Telecommunications Device for the Deaf (TDD), the toll-free number is 1-800-248-4099, or in Austin, 512/463-4621.

EXHIBIT 4

Completed Producer Amended Report of Taxable Crude Oil with Supplement – Report Period Filed Prior to January 1999

Transaction 1.

The producer discovered that the barrels and value of the barrels were overstated. The Gross Barrels need to be reduced by 75 barrels and the Gross Value reduced by \$1,350.00. Our producer, Big Time Crude, reported the Purchaser, Ramirez Gas Company, responsible for the taxes in Crane County on the last report. Therefore, the barrels previously reported as Deductions are now reported in Block 11 as Exempt Barrels and need to be reduced by 75 barrels. The Exempt Value that represented the other party liability also required us to reduce the value by \$1,350.00 under Exempt Value. All the volumes and values are entered with brackets to create the credit.

Transaction 2.

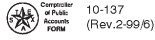
The producer on the original/last report showed a split liability. In the deductions block on the old form, the producer, Big Time Crude, has a volume and a purchaser liability reported. Later the producer discovered that tax is due by the producer on 400 barrels. The Gross Barrels did not change, but the 400 barrels in Exempt Barrels, and the value of \$7,200.00 in Exempt Value are credited out in order to take the liability away from the purchaser. The producer will add the 400 barrels back into Taxable Barrels and Net Taxable Value of \$7,200.00 to show the volumes and values as a producer liability.

Transaction 3.

The producer failed to report a Type 7 lease on the last report in Live Oak County. The Gross Barrels and Taxable Barrels of 1100 are entered. A Gross Value of \$19,800.00 is shown in Block 13. The taxpayer said “Yes” to taxes although *no* Net Taxable Value is due. In this example the producer must pay the Regulatory Tax and Fee assessment in the report totals, because he marked “yes” for tax due.

Note: The type is left blank unless a project code is reported.

**Sample of Completed Supplement to Producer Amended Report of Taxable Crude Oil –
Filed Prior to January 1999 (Form #10-137)**



**TEXAS AMENDED REPORT
OF TAXABLE CRUDE OIL -
SUPPLEMENT**

b. ■

a. T Code PURCHASER ■ 10120 PRODUCER ■ 10220

Do not write in the space above Page 2 of 2

c. Taxpayer number
■ 1-12-2334455-6

d. Filing period
NOVEMBER 1998

e. (yymm)
■ 9811

f. BIG TIME CRUDE

• Round to whole barrels. • Two decimals are required on all dollar values.

1. Lease name (as recorded with the Texas Railroad Commission)				2. County of production		3. Other party name							
				CRANT		RAMIREZ GAS COMPANY							
4. Type	5. County code	6. Lease no./Check digit	7. Expanded EOR		8. Other party number	9. Are you the lease operator?		10. Gross barrels (rounded)	11. Exempt barrels (rounded)				
■ 2	■ 052	■	Baseline <input type="checkbox"/> 1	Incremental <input type="checkbox"/> 2	■ 30115432101	YES <input type="checkbox"/> 1	NO <input type="checkbox"/> 0	■ (350)	■ 0				
12. Taxable barrels (rounded)		13. Gross value		14. Are you liable for tax?		15. API gravity		16. Exempt value		17. Trucking costs		18. Net taxable value	
■ (350)		■ (6,300.00)		YES <input checked="" type="checkbox"/> 1 NO <input type="checkbox"/> 0		■■■■.■■		■ 0		■ 0		■ (3,150.00)	
1. Lease name (as recorded with the Texas Railroad Commission)				2. County of production		3. Other party name							
				LIVE OAK		RAMIREZ GAS COMPANY							
4. Type	5. County code	6. Lease no./Check digit	7. Expanded EOR		8. Other party number	9. Are you the lease operator?		10. Gross barrels (rounded)	11. Exempt barrels (rounded)				
■	■ 149	■	Baseline <input type="checkbox"/> 1	Incremental <input type="checkbox"/> 2	■ 30115432101	YES <input type="checkbox"/> 1	NO <input type="checkbox"/> 0	■ (100)	■ 0				
12. Taxable barrels (rounded)		13. Gross value		14. Are you liable for tax?		15. API gravity		16. Exempt value		17. Trucking costs		18. Net taxable value	
■ (100)		■ (1800.00)		YES <input checked="" type="checkbox"/> 1 NO <input type="checkbox"/> 0		■■■■.■■		■ 0		■ 0		■ (1,800.00)	
1. Lease name (as recorded with the Texas Railroad Commission)				2. County of production		3. Other party name							
				LIVE OAK		RAMIREZ GAS COMPANY							
4. Type	5. County code	6. Lease no./Check digit	7. Expanded EOR		8. Other party number	9. Are you the lease operator?		10. Gross barrels (rounded)	11. Exempt barrels (rounded)				
■ 5	■ 149	■	Baseline <input type="checkbox"/> 1	Incremental <input type="checkbox"/> 2	■ 30115432101	YES <input type="checkbox"/> 1	NO <input type="checkbox"/> 0	■ 100	■ 0				
12. Taxable barrels (rounded)		13. Gross value		14. Are you liable for tax?		15. API gravity		16. Exempt value		17. Trucking costs		18. Net taxable value	
■ 100		■ 1800.00		YES <input checked="" type="checkbox"/> 1 NO <input type="checkbox"/> 0		■■■■.■■		■ 0		■ 0		■ 900.00	

EXHIBIT 4 (continued)

Transaction 4. (Supplement)

For a Project Code 2 in Crane County, the producer reduced the Gross and Taxable Barrels by 350 barrels. The Gross Value is reduced by \$6,300.00. For a Project Code 2, the Net Taxable Value is 50% of the Gross Value. The Net Taxable Value for this entry is \$3,150.00. The adjusted volumes and values are shown as negative figures, in parentheses, to create the credit.

Transaction 5. (Supplement)

In Live Oak County, the Gross/Taxable Barrels of 100 and the Gross/Net Taxable Value of \$1,800.00 should have been reported under a Project Code 5. The producer credited out the volumes and values and reentered on the next line.

Transaction 6. (Supplement)

With a Project Code 5 reported as the type, the Gross/Taxable Barrels of 100 are reentered as positive figures for Live Oak County. The Gross Value is reentered as \$1,800.00. The \$900.00 entered in Net Taxable Value is 50% of the Gross Value. These values are reported as positive figures.

Crude Oil Adjustment Notice

Sample of Texas Taxable Crude Oil Adjustment Notice (Form #10-208)

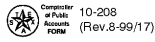
Sample of Texas Taxable Crude Oil Adjustment Notice – Supplement (Form #10-209)

Crude Oil Adjustment Notice Instructions

Exhibit 5

Completed Crude Oil Adjustment Notice with Supplement

Sample of Texas Taxable Crude Oil Adjustment Notice (Form #10-208)



TEXAS TAXABLE CRUDE OIL ADJUSTMENT NOTICE

b. ■

Do not write in the space above

Page 1 of

a. T Code ■

c. Taxpayer number
■

d. Last report type

e. Date of notice

f. Last report DLN

g. Filing period

h. (yymm)

i.

Taxpayer name and mailing address

- CORRECTIONS MUST BE FILED EVEN IF NO TAX IS DUE
- DO NOT WRITE IN SHADED AREAS
- TYPE OR PRINT
- SEE INSTRUCTIONS ON REVERSE SIDE

j. ■

k. ■

• Round to whole barrels
• Two decimals required on all dollar values

Comment:		REPORTED ON LAST REPORT	NET REPORTED THIS PERIOD	ENTER NET ADJUSTMENT
	9. Are you the lease operator?			<input type="checkbox"/> YES ¹ <input type="checkbox"/> NO ⁰
1. Lease name	10. Gross barrels			■
	11. Exempt barrels			■
2. County of production	12. Taxable barrels			■
	13. Gross value			■
3. Other party name	14. Are you liable for tax?			<input type="checkbox"/> YES ¹ <input type="checkbox"/> NO ⁰
4. Type	15. API gravity			■ [] [] . [] []
5. County code	16. Exempt value			■
6. Lease no.	17. Trucking costs			■
7. Expanded EOR	18. Net taxable value			■
8. Other party number				

I. T Code ■	ADJUSTMENT SUMMARY AND TAX COMPUTATION	TAXABLE VALUE	TAXABLE BARRELS
	Totals reported on last report		
	Totals calculated by the Comptroller		
	Enter total net adjustment	19. ■	20. ■

If TOTALS REPORTED ON LAST REPORT are different from TOTALS CALCULATED BY THE COMPTROLLER, you must either adjust the detail items you reported to equal the totals you reported OR you must accept the Comptroller's totals.

21. Tax Due (Multiply Item 19 by) 21. ■

22. Regulatory tax and fee assessment (Multiply Item 20 by) 22. ■

23. Amount of tax and fee due (Item 21 plus item 22) 23. ■

24. Enter overpayments (Attach "Crude Oil Transfer of Previous Payment," Form 10-141) 24. ■

25. Net amount due (Item 23 minus Item 24) 25. ■

26. Late filing penalty and interest (See instructions) 26. ■

27. TOTAL AMOUNT DUE AND PAYABLE (Item 25 plus Item 26) 27. ■

Make the amount in Item 27 payable to:
STATE COMPTROLLER

Mail to: **COMPTROLLER OF PUBLIC ACCOUNTS**
111 E. 17th Street
Austin, Texas 78774-0100

FIELD OFFICE

NO. ■

Date

E.O. name ■ ACID ■

I declare that the information in this document and any attachments is true and correct to the best of my knowledge and belief.

Taxpayer or Duly Authorized Agent

sign here

Phone (Area code and number) _____ Date _____

If you have any questions regarding Crude Oil or Natural Gas tax, call 1-800-252-1384, toll free, nationwide. The Austin number is 512/463-4600. If you're calling from a Telecommunications Device for the Deaf (TDD), the toll-free number is 1-800-248-4099, or in Austin, 512/463-4621.

Sample of Texas Taxable Crude Oil Adjustment Notice (Back) (Form #10-208)

10-208 (Back)(Rev.8-99/17)

ADJUSTMENT NOTICE INSTRUCTIONS

This crude oil adjustment notice was generated when you filed an original or amended report. You will need to correct one or more of the following conditions:

- A. One or more items were incomplete or inaccurate and will print a comment(s). If there is more than one error on an item, there will be numbers listed on the comment line. See the "Comment" section below for a detailed explanation.
- B. The totals on your report, Items 19 and/or 20, did not balance with the totals calculated by the Comptroller. In this case, every item entered from your report will print on the notice.

In each of the above cases, you should correct ONLY the items with "comments" noted and make corrections needed to balance the totals.

To correct previously reported data, enter the net adjustment for that item. **DO NOT USE REPLACEMENT DATA.** Adjustment amounts entered may be positive or negative figures.

EXAMPLE: Under "Gross Value," Item 13, the reported value was \$19,800.00. The actual value should have been \$1,980.00. Your net adjustment would be [17,820.00].

Please enclose all negative figures in brackets.

THE ADJUSTMENT NOTICE FORMAT

Any time an invalid lease type, county code, lease number/check digit, expanded EOR, or other party number is reported, our system will automatically reverse the reported data in the "net adjustment" column. However, the data will not be reversed from the Comptroller's records until you return the adjustment notice to our office. There is a blank section below the reversed data for you to enter the correct information. You must complete Items 1-18 to avoid additional reporting problems.

ROUND ALL VOLUMES. Items 10-12 and Item 20 should be rounded to whole numbers.

DOLLAR VALUES REQUIRE TWO DECIMALS. All dollar values in Items 13, 16-19, and Items 21-27 should include two decimal places. (i.e. \$100.00).

"Reported on Last Report" - The figures printed in this column are the volumes and/or values you reported for this item on the last report entered by the Comptroller's office for this period.

"Net Reported This Period" - The figures printed in this column are the total volumes and/or values you reported for this item on all reports that have been entered by the Comptroller's office for this period.

COMMENT: The Comment block will give the reason(s) that an adjustment is required. Below is an explanation of the comments that may appear.

- Comment 1:** "Lease Type is Missing/Wrong" - The lease type must be 1-10.
- Comment 2:** "Barrels Out of Balance" - Gross barrels less exempt barrels must equal taxable barrels. If you are not liable for tax, do not report exempt or taxable barrels.
- Comment 3:** "Value of Your Volume is Unreasonable" - Gross/exempt value should equal gross/exempt barrels times the market value for crude oil.
- Comment 4:** "Tax Liability Block Incorrect" - If you are liable for tax, check "YES" in Item 14; then, complete Items 15-18. If you are not liable for tax, check "NO" in Item 14; then, Items 16-18 must be zero. If you are reporting a lease with baseline and incremental production, then both entries must have the same indicator checked in the tax liability block.
- Comment 5:** "Net Taxable Value Noncomputable" - If you checked "NO" in Item 14, Items 16-18 must be zero. If you checked "YES" in Item 14:
- For Type 1, Item 13 less Items 16 and 17 must equal Item 18.
 - For Types 2, 4, and 5 (EOR projects), Item 18 must equal 50% of Item 13 (less Items 16 and 17). If Item 7 is checked for incremental production, Item 18 must equal 50% of Item 13 (less Items 16 and 17). If Item 7 is checked for baseline production, Item 13 (less Items 16 and 17) must equal Item 18.
 - For Type 3 (two-year inactive well), Item 18 must be zero.
 - For Type 6, you should have two entries. Both incremental and baseline production should be reported. For incremental production, Item 18 is equal to 50% of Item 13 (less Items 16 and 17). For baseline production, Item 13 (less Items 16 and 17) must equal Item 18. *You must report "baseline" production.*
 - For Type 7 (three-year inactive well), Item 18 must be zero.
 - For Type 8 (co-production projects), Item 18 must equal 50% of Item 13 (less Items 16 and 17).
 - For Type 9 (TERRA), Item 18 must be zero.
 - For Type 10 (temporary severance tax relief), Item 18 must be zero.
- Comment 6:** "Lease Number Missing/Wrong" - Item 6 has an invalid or missing lease number/check digit. The lease number assigned by the Texas Railroad Commission is a five-digit number. These oil leases should be preceded by a zero "0" and should be followed by the check digit assigned by the Comptroller's office for a total of seven digits. *(Enter adjustment in next section completing Items 1-18.)*
- Comment 7:** "Other Party Number Missing/Wrong" - Item 8 has an invalid or missing taxpayer number. *(Enter adjustment in next section completing Items 1-18.)* If you are both the producer and purchaser on this lease, you must report this item on your producer report only and show yourself liable for tax.
- Comment 8:** "County Number Missing/Wrong" - You have reported an invalid three-digit code or omitted the three-digit code. *(Enter adjustment in next section completing Items 1-18.)*
- Comment 9:** "API Gravity Missing/Wrong" - You must report API gravity to the tenth (x.x.x), or you have reported a gravity that is not within an acceptable range.
- Comment 10:** "Credit Net Balance" - Your current data, when applied to previously reported data, has created a credit balance in one or more fields as shown in the "Net Reported This Period" column. This figure(s) may not be negative.
- Comment 11:** "Purchaser Shows Liability for an Annual Producer" - You have reported a producer who is not required to file a report. Correct Items 14-18 in the "Enter Net Adjustment" column to show yourself as liable for tax.
- Comment 12:** "Expanded EOR is Incomplete" - You have reported incremental production but did not report an entry item for baseline production. When incremental production is reported, an entry for baseline production must also be shown. Type 6 should have both baseline and incremental production reported. This item has been reversed in the net adjustment column. Re-enter the expanded EOR information as two separate entries, one for "baseline" and one for "incremental." If this should not have been reported as an expanded EOR project, re-enter the lease without the expanded EOR notation in Item 7.
- Comment 13:** "Statewide Lease Reporting Error" - This applies only to a purchaser report. You have reported an item under the statewide lease number (1-255-000255-0). Under the statewide designation you must show yourself as liable for the tax.
- Comment 14:** "Invalid Period for Lease Type" - The lease type entered indicates an exemption that is not effective for this period. *(Enter adjustment in next section completing Items 1-18.)*
- Comment 15:** "Exempt Value Cannot Be Equal or Greater Than Gross Value" - Only report the value of oil not subject to tax because of a governmental exempt status in Item 16. If this is a legislative exemption (i.e., three-year inactive well exemption), see Comment 5 for instructions.

TAX COMPUTATION INSTRUCTIONS

"Totals Reported on Last Report" - This is the combined total you reported for all items listed on your last report filed and entered by the Comptroller's office for this production period. These figures are listed to help you identify which report created this adjustment notice.

"Totals Calculated by the Comptroller" - This is the combined total calculated by the Comptroller of all items you reported on your last report filed and entered for this production period.

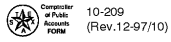
"Enter Total Net Adjustment" - Item 19 should equal to net taxable values (total of Item(s) 18) for this adjustment notice only. Item 20 should equal to the total of taxable barrels (Item(s) 12 for which you are liable). This figure should exclude barrels approved for TERRA (Type 9).

Item 22 - The regulatory tax and fee assessment is based on the taxable barrels for which you are liable for the tax. This includes all legislative exemptions except for TERRA (Type 9).

Item 26 - PENALTY: If 1-30 days late, enter 5% of Item 25. If more than 30 days late, enter 10% of Item 25.

INTEREST: If any tax due is unpaid 61 days after the due date, enter 10% penalty PLUS interest calculated at the rate of 12% per annum on Item 25.

Sample of Texas Taxable Crude Oil Adjustment Notice – Supplement (Form #10-209)



**TEXAS TAXABLE CRUDE OIL
ADJUSTMENT NOTICE -
SUPPLEMENT**

a. T Code

b.

Do not write in the space above

Page of

c. Taxpayer number

d. Date of notice

e. Filing period

f. (yy/mm)

g.

h. Last report type

i. Last report DLN

Comment:		REPORTED ON LAST REPORT	NET REPORTED THIS PERIOD	ENTER NET ADJUSTMENT
	9. Are you the lease operator?			<input type="checkbox"/> YES ¹ <input type="checkbox"/> NO ⁰
1. Lease name	10. Gross barrels			<input type="checkbox"/>
	11. Exempt barrels			<input type="checkbox"/>
2. County of production	12. Taxable barrels			<input type="checkbox"/>
	13. Gross value			<input type="checkbox"/>
3. Other party name	14. Are you liable for tax?			<input type="checkbox"/> YES ¹ <input type="checkbox"/> NO ⁰
4. Type <input type="checkbox"/>	5. County code <input type="checkbox"/>	6. Lease no. <input type="checkbox"/>	Check digit <input type="checkbox"/>	15. API gravity ■ . ■ ■ ■ . ■ ■
7. Expanded EOR <input type="checkbox"/> Base. <input type="checkbox"/> Incr. <input type="checkbox"/>	8. Other party number <input type="checkbox"/>			16. Exempt value <input type="checkbox"/>
	17. Trucking costs			<input type="checkbox"/>
	18. Net taxable value			<input type="checkbox"/>
	9. Are you the lease operator?			<input type="checkbox"/> YES ¹ <input type="checkbox"/> NO ⁰
1. Lease name	10. Gross barrels			<input type="checkbox"/>
	11. Exempt barrels			<input type="checkbox"/>
2. County of production	12. Taxable barrels			<input type="checkbox"/>
	13. Gross value			<input type="checkbox"/>
3. Other party name	14. Are you liable for tax?			<input type="checkbox"/> YES ¹ <input type="checkbox"/> NO ⁰
4. Type <input type="checkbox"/>	5. County code <input type="checkbox"/>	6. Lease no. <input type="checkbox"/>	Check digit <input type="checkbox"/>	15. API gravity ■ . ■ ■ ■ . ■ ■
7. Expanded EOR <input type="checkbox"/> Base. <input type="checkbox"/> Incr. <input type="checkbox"/>	8. Other party number <input type="checkbox"/>			16. Exempt value <input type="checkbox"/>
	17. Trucking costs			<input type="checkbox"/>
	18. Net taxable value			<input type="checkbox"/>
	9. Are you the lease operator?			<input type="checkbox"/> YES ¹ <input type="checkbox"/> NO ⁰
1. Lease name	10. Gross barrels			<input type="checkbox"/>
	11. Exempt barrels			<input type="checkbox"/>
2. County of production	12. Taxable barrels			<input type="checkbox"/>
	13. Gross value			<input type="checkbox"/>
3. Other party name	14. Are you liable for tax?			<input type="checkbox"/> YES ¹ <input type="checkbox"/> NO ⁰
4. Type <input type="checkbox"/>	5. County code <input type="checkbox"/>	6. Lease no. <input type="checkbox"/>	Check digit <input type="checkbox"/>	15. API gravity ■ . ■ ■ ■ . ■ ■
7. Expanded EOR <input type="checkbox"/> Base. <input type="checkbox"/> Incr. <input type="checkbox"/>	8. Other party number <input type="checkbox"/>			16. Exempt value <input type="checkbox"/>
	17. Trucking costs			<input type="checkbox"/>
	18. Net taxable value			<input type="checkbox"/>
	9. Are you the lease operator?			<input type="checkbox"/> YES ¹ <input type="checkbox"/> NO ⁰
1. Lease name	10. Gross barrels			<input type="checkbox"/>
	11. Exempt barrels			<input type="checkbox"/>
2. County of production	12. Taxable barrels			<input type="checkbox"/>
	13. Gross value			<input type="checkbox"/>
3. Other party name	14. Are you liable for tax?			<input type="checkbox"/> YES ¹ <input type="checkbox"/> NO ⁰
4. Type <input type="checkbox"/>	5. County code <input type="checkbox"/>	6. Lease no. <input type="checkbox"/>	Check digit <input type="checkbox"/>	15. API gravity ■ . ■ ■ ■ . ■ ■
7. Expanded EOR <input type="checkbox"/> Base. <input type="checkbox"/> Incr. <input type="checkbox"/>	8. Other party number <input type="checkbox"/>			16. Exempt value <input type="checkbox"/>
	17. Trucking costs			<input type="checkbox"/>
	18. Net taxable value			<input type="checkbox"/>

Crude Oil Adjustment Notice

A *Texas Taxable Crude Oil Adjustment Notice* (Form #10-208) is generated when corrections on the original or amended report are necessary.

The following situations may occur:

1. If an item is incomplete or inaccurate, a comment will be indicated in the “Comment” line.
2. If there is more than one error on an item, a series of numbers will be listed on the “Comment” line. Each number listed on the “Comment” line has an assigned reason code. See the “Comment” section for a detailed explanation.
3. The totals entered under “Net Taxable Value” and “Taxable Barrels” on the last processed report did not balance with the totals calculated by the Comptroller’s office. A message will appear on the first page of the notice stating, “Report Does Not Balance.”

Note: In this situation, every transaction processed from your report will print on the adjustment notice even if the transaction has no error. To correct an out of balance report, you must correct the transaction(s) causing the report total to be out of balance and all transactions with any “Comment(s).”

It is very important to complete and return the generated adjustment notice promptly. An outstanding adjustment notice can prevent

- the generation of a credit or liability notice to the taxpayer;
- the release of a credit refund to the taxpayer, if a production period has a credit balance;
- a taxpayer from knowing of an existing tax liability with penalty and interest assessments. This is because credit or liability notices are not issued when an adjustment notice is outstanding.

General Guidelines

Round all volumes to whole numbers: Do not use decimal figures in Blocks 10 through 12 and Block 20.
Example: Report 5,000 barrels, not 5,000.325 barrels.

All values require dollar and cent figures: All dollar values in Blocks 13, 16 through 19, and 21 through 27 must include two decimal figures.
Example: Report \$100.00 not \$100.

All credit figures must be reported in brackets or parentheses.

Example: A credit of \$500.00 is reported (\$500.00).

To correct previously reported volume and value, enter the **net adjustment**. Net adjustment is the difference between what was previously reported and what should be reported.

Do not use replacement data.

Example: In “Gross Value” (Block 13) the reported value was \$19,800.00. The actual value should have been \$1,980.00. The Net Adjustment is a credit figure of (\$17,820.00) and is reported in brackets or parentheses.

Consolidated Adjustment Notice

If an outstanding adjustment notice is lost, you may request a consolidated adjustment notice. A consolidated adjustment notice prints all the outstanding transactions that need correction for a specific production period.

Sometimes a transaction on a consolidated adjustment notice does not print a reason code on the comment line. If this should occur, place “0’s” in the “Enter Net Adjustment” column so that the item can be reprocessed.

Once the consolidated adjustment notice has been returned and processed, an overpayment or underpayment notice, if any, will be generated and mailed to the taxpayer.

To identify a printed consolidated adjustment notice, Block F, located at the top of the adjustment notice, is printed with eleven zeros.

Block E, located at the top of the adjustment notice, indicates the date that the consolidated adjustment notice was ordered by the Comptroller’s office.

Descriptions of Adjustment Notice Format

“Reported on Last Report” Column

The printed figures for transactions in this column are the volumes and/or values you last reported. These are the figures from the last report processed by the Comptroller’s office for this period.

“Net Reported this Period” Column

The printed figures for transactions in this column are the “total” volumes and/or values reported. These figures are gathered from all original and amended reports filed and are the total of volumes and/or values processed by the Comptroller’s office for this transaction.

“Enter Net Adjustment” Column

Anytime you have reported an invalid

- lease type
- county code
- lease number/check digit
- other party number
- expanded EOR code,

the Comptroller’s system will automatically print the reversal of the reported data in the “Enter Net Adjustment” column. (For correcting errors made in Block 7, see instructions under “Comment 12.”)

However, the data will not be reversed from the Comptroller's records until the corrected adjustment notice is completed and returned for processing.

For these errors, a blank section will follow the preprinted reversed data. This section is used to enter the corrected data. All blocks, 1 through 18, must be completed. For all other errors, adjustments should be made in the "Enter Net Adjustment" column.

Comment Block

The Comment block indicates the reason(s) for the generation of an adjustment notice for each transaction processed. Below is an explanation for each comment code.

Comment 1: Lease type is missing/wrong

The *Lease Type* must be 1 through 10.

Comment 2: Barrels out of balance

If "Yes" is marked for tax liability in Block 14, gross barrels less exemptions must equal taxable barrels.

If you are not liable for tax, DO NOT report exempt or taxable barrels.

Comment 3: Value of your volume is unreasonable

Gross and exempt values should equal the gross and exempt barrels times the market value for crude oil.

Comment 4: Tax liability block incorrect

If you are liable for tax, check "Yes" in Block 14. Then, complete Blocks 15 through 18. You must check "Yes" even if the Net Taxable Value is equal to "0."

If you are not liable for tax, check "No" in Block 14. Blocks 16 through 18 should be zero or left blank.

Comment 5: Net taxable value noncomputable

If you checked "No" in Block 14, Blocks 16 through 18 should be zero. If you checked "Yes" in Block 14, then:

- For *Type 1*, Block 13 less Blocks 16 and 17 should equal to Block 18.
- For EOR project *Types 2, 4, and 5*:
 - Block 18 should equal 50% of (Block 13 less Blocks 16 and 17).
 - If Block 7 is checked for incremental production, Block 18 must equal 50% of (Block 13 less Blocks 16 and 17).
 - If Block 7 is checked for baseline production, Block 13 less Blocks 16 and 17 must equal Block 18.
- For *Type 3* (Two-Year Inactive Well), Block 18 must be zero.
- For *Type 6* you must have two transactions. Both baseline and incremental production must be reported.
 - For baseline production, Block 13 less Blocks 16 and 17 must equal Block 18. You must report baseline production.

– For incremental production, Block 18 is equal to 50% of (Block 13 less Blocks 16 and 17). If incremental production has been suspended, then Block 18 should equal (Block 13 less Blocks 16 and 17).

- For *Type 7* (Three-Year Inactive Well), Block 18 must be zero.
- For *Type 8* (Co-Production Projects), Block 18 must equal to 50% of (Block 13 less Blocks 16 and 17).
- For *Type 9* (TERRA), Block 18 must be zero.
- For *Type 10* (Temporary Severance Tax Relief), Block 18 must be zero for February-April 1999 production. For May-July 1999 production Block 18 should be equal to Block 13 less Blocks 16 and 17.

Comment 6: Lease number missing/wrong

The lease number assigned by the Texas Railroad Commission is a five-digit number. These oil leases should be preceded by a zero, “0”, and should be followed by the check digit assigned by the Comptroller’s office for a total of seven digits. (Enter adjustment in the next section completing Blocks 1 through 18.)

Comment 6 is indicated when

- an **incorrect county** is reported in Block 5 with a valid Texas Railroad commission lease number.
- an **incorrect type** is reported in Block 4 with a valid Texas Railroad Commission lease number.
- an **invalid lease number** is reported in Block 6 for the Texas Railroad Commission lease number.
- the **check digit number is missing or wrong** in the block next to Block 6.

Comment 7: Other party number missing/wrong

An invalid or missing taxpayer number was reported, or

If you are both the producer and purchaser on this lease, you must report this transaction on your producer report only and show yourself liable for the tax. (Enter adjustment in the next section completing Blocks 1 through 18.)

Comment 8: County number missing/wrong

You have reported an invalid three-digit code or omitted the three-digit code. (Enter adjustment in the next section completing Blocks 1 through 18.) A list of county codes is included in this guide.

Comment 9: API gravity missing/wrong

You must report the API gravity and carry this figure to the tenth decimal (xx.x), or you have reported a gravity that is not within an acceptable range.

Comment 10: Credit net balance

Your current data, when applied to previously reported data, has created a credit balance in one or more fields as shown in the “Net Reported This Period” column. This figure(s) may not be negative.

Comment 11: Purchaser shows liability for an annual producer

You have reported liability for a producer who is not required to file a report. Correct Blocks 14 through 18 in the “Enter Net Adjustment” column to show yourself as liable for tax.

Comment 12: Expanded EOR is incomplete

Incremental production was reported but there was no entry for baseline production.

- When incremental production is reported, an entry for baseline production must also be shown. This item has been reversed in the “Enter Net Adjustment” column.
- Type 6 must be reported with baseline and incremental production.
- Reenter the expanded EOR information as two separate entries. One transaction should be entered for “baseline” and one for “incremental.”
- If this should have not been reported as an expanded EOR project, reenter the lease without the expanded EOR notation in Block 7.

Comment 13: Statewide lease reporting error

This applies only to a purchaser report. You have reported an item under the statewide lease number (1-255-000255-0). Under the statewide designation you must show yourself as liable for the tax.

Comment 14: Invalid period for lease type

The lease type entered indicates an exemption that is not effective for this period. (Enter adjustment in the next section completing Blocks 1 through 18.)

Comment 15: Exempt value cannot be equal to or greater than gross value

Only report the value of oil not subject to tax because of a governmental exempt status in Block 16.

Do not report legislative exemptions (i.e. Three-Year Inactive Well exemption) in the exempt volume and value blocks.

Tax Computation Instructions

Totals Reported on Last Report

Figures may be printed under the taxable value and/or taxable barrels blocks. This is the *combined total you reported* for all items listed on your last report filed and entered by the Comptroller’s office for this production period.

Totals Calculated by the Comptroller

Figures may be printed under the taxable value and/or taxable barrels blocks. This is the *combined total calculated by the Comptroller’s office* of all the items you reported on your last report filed and entered for this production period.

Enter Total Net Adjustment

Block 19 should equal to “Net Taxable Values” [total of Block(s) 18] for this adjustment notice only.

Block 20 should equal to the total of “Taxable Barrels” [total of Block(s) 12 for which you are liable]. This figure should include volumes for exempt well types and exclude barrels approved for TERRA (Type 9).

Tax Due (Block 21)

Multiply the total “Net Taxable Value” in Block 19 by the appropriate tax rate.

Enter dollar and cent figures.

Regulatory Tax and Fee Assessment (Block 22)

The regulatory tax and fee assessment is based on the taxable barrels for which you are liable for the tax. This includes all legislative exemptions except for TERRA (Type 9).

Enter dollar and cent figures.

Amount of Tax and Fee Due (Block 23)

Enter the sum of “Tax Due” (Block 21) and the “Regulatory Tax and Fee Assessment Due” (Block 22).

Enter dollar and cent figures.

Enter Overpayments (Block 24)

Enter the sum of any existing overpayments and/or any credit you wish to apply and include a completed Crude Oil Transfer of Previous Payment (Form #10-141) with the report.

Enter dollar and cent figures.

Net Amount Due (Block 25)

Enter the sum amount of the “Total Tax and Fee Due” in Block 23, less any “Overpayment” listed in Block 24.

Late Filing Penalty and Interest (Block 26)

If your payment of tax due is:

- 1 to 30 days late, penalty is 5% of the net amount due (Block 25).
- more than 30 days late, the penalty is 10% of the net amount due (Block 25).
- more than 60 days late, penalty is 10% of the net amount due, plus interest on the unpaid tax balance based on the number of days the payment is late.

Total Amount Due and Payable (Block 27)

Enter the “Net Amount Due” (Block 25) plus any “Penalty and Interest” (Block 26).

Enter dollar and cent figures.

Remit the amount in Block 27 payable to the:

STATE COMPTROLLER

Mail payment to:
Comptroller of Public Accounts
Austin, TX 78774-0100

Crude Oil Adjustment Notice Exhibit

Exhibit 5
Completed Crude Oil Adjustment Notice with Supplement

Sample of Completed Crude Oil Adjustment Notice (Form #10-208)



TEXAS TAXABLE CRUDE OIL ADJUSTMENT NOTICE

b. ■

Do not write in the space above

Page 1 of 2

a. T Code ■ 10160

c. Taxpayer number
■ 2-450-82-2892-1

d. Last report type
ORIGINAL

e. Date of notice
03-02-01

f. Last report DLN
01060-11-2496

g. Filing period
JANUARY, 2001

h. (yy/mm)
■ 0101

i. Taxpayer name and mailing address
XYZ PRODUCTION COMPANY
211 E DAVIS ST
AUSTIN, TX 78711

- CORRECTIONS MUST BE FILED EVEN IF NO TAX IS DUE
- DO NOT WRITE IN SHADED AREAS
- TYPE OR PRINT
- SEE INSTRUCTIONS ON REVERSE SIDE

j. ■

k. ■

• Round to whole barrels

• Two decimals required on all dollar values

Comment:	REPORTED ON LAST REPORT	NET REPORTED THIS PERIOD	ENTER NET ADJUSTMENT
Comment: LEASE NUMBER MISSING/WRONG			
9. Are you the lease operator?	NO	NO	<input type="checkbox"/> YES ¹ <input checked="" type="checkbox"/> NO ⁰
1. Lease name	10. Gross barrels 40	40	■ (40)
2. County of production PANOLA	11. Exempt barrels 0	0	■ 0
3. Other party name GUSHER OIL CORP	12. Taxable barrels 40	40	■ (40)
4. Type ■ 1 5. County code ■ 183 6. Lease no. ■ 900001 Check digit ■ 2	13. Gross value 800.00	800.00	■ (800.00)
7. Expanded EOR <input type="checkbox"/> Base. ■ 1 <input type="checkbox"/> Incr. ■ 2 8. Other party number ■ 1-75-0389725-2	14. Are you liable for tax? YES	YES	<input checked="" type="checkbox"/> YES ¹ <input type="checkbox"/> NO ⁰
	15. API gravity 32.2	32.2	■ 3 2 . 2
	16. Exempt value 0	0	■ 0
	17. Trucking costs 0	0	■ 0
	18. Net taxable value 800.00	800.00	■ (800.00)
Comment: ENTER INFORMATION REQUESTED FROM PRECEDING SECTION	REPORTED ON LAST REPORT	NET REPORTED THIS PERIOD	ENTER NET ADJUSTMENT
9. Are you the lease operator?			<input type="checkbox"/> YES ¹ <input checked="" type="checkbox"/> NO ⁰
1. Lease name THE LAST CHANCE	10. Gross barrels		■ 40
2. County of production PANOLA	11. Exempt barrels		■ 0
3. Other party name GUSHER OIL CORP	12. Taxable barrels		■ 40
4. Type ■ 1 5. County code ■ 183 6. Lease no. ■ 002406 Check digit ■ 4	13. Gross value		■ 800.00
7. Expanded EOR <input type="checkbox"/> Base. ■ 1 <input type="checkbox"/> Incr. ■ 2 8. Other party number ■ 1-75-0389725-2	14. Are you liable for tax? YES		<input checked="" type="checkbox"/> YES ¹ <input type="checkbox"/> NO ⁰
	15. API gravity		■ 3 2 . 2
	16. Exempt value		■ 0
	17. Trucking costs		■ 0
	18. Net taxable value		■ 800.00

I. T Code ■ 10170	ADJUSTMENT SUMMARY AND TAX COMPUTATION	TAXABLE VALUE	TAXABLE BARRELS
Totals reported on last report	25,000.00	2,000.00
Totals calculated by the Comptroller	25,000.00	2,000.00
Enter total net adjustment	19. ■ 9250.00	20. ■ 860

If TOTALS REPORTED ON LAST REPORT are different from TOTALS CALCULATED BY THE COMPTROLLER, you must either adjust the detail items you reported to equal the totals you reported OR you must accept the Comptroller's totals.

21. Tax Due (Multiply Item 19 by .046)	21. ■ 425.50
22. Regulatory tax and fee assessment (Multiply Item 20 by .005)	22. ■ 4.30
23. Amount of tax and fee due (Item 21 plus item 22)	23. ■ 429.80
24. Enter overpayments (Attach "Crude Oil Transfer of Previous Payment," Form 10-141)	24. 0
25. Net amount due (Item 23 minus Item 24)	25. 429.80
26. Late filing penalty and interest (See instructions)	26. 0
27. TOTAL AMOUNT DUE AND PAYABLE (Item 25 plus Item 26)	27. ■ 429.80

Make the amount in Item 27 payable to:
STATE COMPTROLLER

Mail to: COMPTROLLER OF PUBLIC ACCOUNTS
111 E. 17th Street
Austin, Texas 78774-0100

FIELD OFFICE
NO. _____
Date _____
E.O. name _____ ACID _____

I declare that the information in this document and any attachments is true and correct to the best of my knowledge and belief.

Taxpayer or Duly Authorized Agent
sign here _____
Phone (Area code and number) _____ Date _____

If you have any questions regarding Crude Oil or Natural Gas tax, call 1-800-252-1384, toll free, nationwide. The Austin number is 512/463-4600. If you're calling from a Telecommunications Device for the Deaf (TDD), the toll-free number is 1-800-248-4099, or in Austin, 512/463-4621.

EXHIBIT 5

Completed Crude Oil Adjustment Notice with Supplement

Transaction 1.

The purchaser reported an incorrect lease number. The Comptroller's computer system will automatically credit out the volumes and values reported with the incorrect lease number. This is shown under the Enter Net Adjustment column with volumes and values in brackets to credit out the incorrect data. A blank area, immediately below this transaction, is designated for reentry of correct information. (See Transaction 2.)

Transaction 2.

The correct lease number with the identifying data is repeated in the blocks below. The volumes and values must be reentered in the column under Net Adjustment without brackets.

EXHIBIT 5 (continued)

Transaction 3.


The purchaser made a typing error in the Taxable Barrels block. The volume should have been 400 barrels, not 40 barrels. The net adjustment of 360 is entered in the Net Adjustment Column.

The purchaser also reported a “No” in Block 14, “Are you liable for tax?”. This error caused two comments, “Tax Liability Block Incorrect” and “Net Taxable Value Noncomputable,” because taxable barrels and taxable value were reported.

Transaction 4.

The purchaser previously indicated liability for an annual producer. The purchaser is actually liable for the tax and must change the Block “Are You Liable for Tax?” to “yes.” The taxpayer must add the 500 barrels to Block 12 because 500 barrels were not previously reported. In the Net Adjustment column, the Exempt Value, Trucking Cost, and the Net Taxable Value must be computed.

Sample of Completed Supplement to Crude Oil Adjustment Notice (Form #10-209)

 10-209 (Rev. 12-97/10)		TEXAS TAXABLE CRUDE OIL ADJUSTMENT NOTICE - SUPPLEMENT		Page 2 of 2	
a. T Code <input type="checkbox"/> 10160		b. <input type="checkbox"/>		Do not write in the space above	
c. Taxpayer number <input type="checkbox"/> 2-450-82-2892-1		d. Date of notice <input type="checkbox"/> 03-02-01		e. Filing period <input type="checkbox"/> JANUARY 2001	
f. (yy/mm) <input type="checkbox"/> 0101		g. <input type="checkbox"/>		h. Last report type <input type="checkbox"/> ORIGINAL	
i. Last report DLN <input type="checkbox"/> 01060-11-2496		9. XYZ PRODUCTION COMPANY			

Comment:	REPORTED ON LAST REPORT	NET REPORTED THIS PERIOD	ENTER NET ADJUSTMENT
2, 4, 5 SEE BACK			
1. Lease name KELLY #2	9. Are you the lease operator? NO	NO	<input type="checkbox"/> YES ¹ <input checked="" type="checkbox"/> NO ⁰
2. County of production HARRIS	10. Gross barrels 400	400	
3. Other party name GUSHER OIL CORP	11. Exempt barrels 0	0	
4. Type <input type="checkbox"/> 1 <input checked="" type="checkbox"/> 101	12. Taxable barrels 40	40	<input type="checkbox"/> 360
5. County code 101	13. Gross value 7600.00	7600.00	
6. Lease no. 012345	14. Are you liable for tax? NO	NO	<input checked="" type="checkbox"/> YES ¹ <input type="checkbox"/> NO ⁰
Check digit 6	15. API gravity 20.1	20.1	<input type="checkbox"/> [2] [0] [.] [1]
7. Expanded EOR <input type="checkbox"/> Base. <input type="checkbox"/> Incr. <input checked="" type="checkbox"/> 1	16. Exempt value 0	0	<input type="checkbox"/> 0
8. Other party number 17503897252	17. Trucking costs 0	0	<input type="checkbox"/> 0
	18. Net taxable value 7600.00	7600.00	<input type="checkbox"/> 0
Comment: PURCHASER SHOWS LIABILITY FOR AN ANNUAL PRODUCER			
1. Lease name MATTHEW #1	9. Are you the lease operator? NO	NO	<input type="checkbox"/> YES ¹ <input checked="" type="checkbox"/> NO ⁰
2. County of production JACK	10. Gross barrels 500	500	<input type="checkbox"/> 0
3. Other party name TOM INC	11. Exempt barrels 0	0	<input type="checkbox"/> 0
4. Type <input type="checkbox"/> 1 <input checked="" type="checkbox"/> 119	12. Taxable barrels 0	0	<input type="checkbox"/> 500
5. County code 119	13. Gross value 9250.00	9250.00	<input type="checkbox"/> 0
6. Lease no. 011111	14. Are you liable for tax? NO	NO	<input checked="" type="checkbox"/> YES ¹ <input type="checkbox"/> NO ⁰
Check digit 0	15. API gravity 19.2	19.2	<input type="checkbox"/> [1] [9] [.] [2]
7. Expanded EOR <input type="checkbox"/> Base. <input type="checkbox"/> Incr. <input checked="" type="checkbox"/> 2	16. Exempt value 0	0	<input type="checkbox"/> 0
8. Other party number 30011223344	17. Trucking costs 0	0	<input type="checkbox"/> 0
	18. Net taxable value 0	0	<input type="checkbox"/> 9250.00

Crude Oil Producer Special Report

Sample of Texas Crude Oil Producer Special Report (Form #10-140)

Crude Oil Producer Special Report Instructions

Sample of Texas Crude Oil Producer Special Report (Form #10-140)

10-140
(Rev. 4-02/16)

TEXAS CRUDE OIL PRODUCER
SPECIAL REPORT

b. ■

a. T Code • 10060 • 00990 • 1024

Do not write in the space above

Page 1.

c. Taxpayer number
■

d. Filing period
■

e. (yy/mm)
■

f. Taxpayer name and mailing address
■

g. ■

h. ■

- TYPE OR PRINT
- SEE INSTRUCTIONS ON REVERSE SIDE

- Round to whole barrels.
- Two decimals are required on all dollar values.

1. Lease name (as recorded with the Texas Railroad Commission) 2. County of production 3. Your/other party name

4. Type ■	5. County code ■	6. Lease no./Check digit ■	7. Expanded EOR Baseline <input type="checkbox"/> 1 Incremental <input type="checkbox"/> 2 ■	8. Your/other party number ■	9. Are you the lease operator? YES <input type="checkbox"/> 1 NO <input type="checkbox"/> 0 ■	10. Gross barrels (rounded) ■	11. Exempt barrels (rounded) ■
--------------	---------------------	-------------------------------	--	---------------------------------	---	----------------------------------	-----------------------------------

12. Taxable barrels (rounded) ■	13. Gross value ■	14. You are liable for tax? 1 ■	15. API gravity [][] + [] ■	16. Exempt value ■	17. Trucking costs ■	18. Net taxable value ■
------------------------------------	----------------------	---------------------------------------	--------------------------------------	-----------------------	-------------------------	----------------------------

1. Lease name (as recorded with the Texas Railroad Commission) 2. County of production 3. Your/other party name

4. Type ■	5. County code ■	6. Lease no./Check digit ■	7. Expanded EOR Baseline <input type="checkbox"/> 1 Incremental <input type="checkbox"/> 2 ■	8. Your/other party number ■	9. Are you the lease operator? YES <input type="checkbox"/> 1 NO <input type="checkbox"/> 0 ■	10. Gross barrels (rounded) ■	11. Exempt barrels (rounded) ■
--------------	---------------------	-------------------------------	--	---------------------------------	---	----------------------------------	-----------------------------------

12. Taxable barrels (rounded) ■	13. Gross value ■	14. You are liable for tax? 1 ■	15. API gravity [][] + [] ■	16. Exempt value ■	17. Trucking costs ■	18. Net taxable value ■
------------------------------------	----------------------	---------------------------------------	--------------------------------------	-----------------------	-------------------------	----------------------------

1. Lease name (as recorded with the Texas Railroad Commission) 2. County of production 3. Your/other party name

4. Type ■	5. County code ■	6. Lease no./Check digit ■	7. Expanded EOR Baseline <input type="checkbox"/> 1 Incremental <input type="checkbox"/> 2 ■	8. Your/other party number ■	9. Are you the lease operator? YES <input type="checkbox"/> 1 NO <input type="checkbox"/> 0 ■	10. Gross barrels (rounded) ■	11. Exempt barrels (rounded) ■
--------------	---------------------	-------------------------------	--	---------------------------------	---	----------------------------------	-----------------------------------

12. Taxable barrels (rounded) ■	13. Gross value ■	14. You are liable for tax? 1 ■	15. API gravity [][] + [] ■	16. Exempt value ■	17. Trucking costs ■	18. Net taxable value ■
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i. T Code • 10070

REPORT TOTALS AND TAX COMPUTATION

19. Total net taxable value ■ _____

20. Total taxable barrels (See instructions) ■ _____

21. Tax Due (Line 19 x) ■ _____

22. Regulatory tax and fee assessment (Line 20 x) ■ _____

23. Amount of tax and fee due (Line 21 plus Line 22) ■ _____

24. Late filing penalty and interest (See instructions) _____

25. TOTAL AMOUNT DUE AND PAYABLE (Line 23 plus Line 24) ■ _____

Please mark reason: Lost Stolen Unaccounted for Other (Specify) _____

Make the amount in Item 25 payable to:
STATE COMPTROLLER

Mail to: COMPTROLLER OF PUBLIC ACCOUNTS
111 E. 17th Street
Austin, Texas 78774-0100

FIELD OFFICE NO. _____

Date _____

E.O. name _____ ACID _____

I declare that the information in this document and any attachments is true and correct to the best of my knowledge and belief.

Taxpayer or Duly Authorized Agent

sign here

Phone (Area code and number) _____ Date _____

If you have any questions regarding Crude Oil or Natural Gas Tax, call 1-800-252-1384, toll free, nationwide. The Austin number is 512/463-4600. If you're calling from a Telecommunications Device for the Deaf (TDD), the toll-free number is 1-800-248-4099, or in Austin, 512/463-4621.

Sample of Texas Crude Oil Producer Special Report (Form #10-140)

10-140 (Back)(Rev.4-02/16)

INSTRUCTIONS FOR COMPLETING TEXAS CRUDE OIL PRODUCER SPECIAL REPORT

WHO MUST FILE - This report must be submitted by annual crude oil producers/operators in order to pay taxes on oil used, lost, stolen, or otherwise unaccounted for after it has been produced and measured. Failure to file this return and pay applicable tax may result in collection action as prescribed by Title 2 of the Texas Tax Code. This report may also be used to report a one time sale of crude oil. (One time sale means oil has not been sold more than one time in a twelve month period.)

WHEN TO FILE - This report must be filed and tax paid on or before the 25th day of the month covering transactions made during the previous month.

FOR ASSISTANCE - For assistance with any Texas Crude Oil and Natural Gas tax problem, please call 1-800-252-1384 toll free nationwide. In Austin, call 512/463-4600. From a Telecommunications Device for the Deaf (TDD), call 1-800-248-4099 or via 1-800-RELAY-TX. The Austin TDD number is 512/463-4621.

GENERAL INFORMATION

- Type or print
- Do not write in shaded areas
- Complete all required information

Under Ch. 559, Government Code, you are entitled to review, request, and correct information we have on file about you, with limited exceptions in accordance with Ch. 552, Government Code. To request information for review or to request error correction, contact us at the address or toll-free number listed on this form.

SPECIFIC INSTRUCTIONS

Items 1 & 6 - For the lease shown in Item 1, enter the identification number assigned by the Texas Railroad Commission (RRC) in Item 6. Add a leading "0" to the five-digit lease number assigned by the RRC. Also, enter the check number in the box to the right. The Comptroller's office can give you this number, or you may leave it blank.

Items 2 & 5 - In Item 5, enter the 3-digit county code for the county of production shown in Item 2. A list of county codes can be found in the Crude Oil Tax Guide.

Items 3 & 8 - In Item 8, enter the 11-digit taxpayer number assigned by the Comptroller's office of the other party shown in Item 3. **FOR OIL THAT WAS LOST, STOLEN OR UNACCOUNTED FOR**, enter your name and taxpayer number. **FOR A ONE TIME SALE OF CRUDE OIL**, enter the first purchaser's name.

Item 4 - Enter one of the numeric types listed below.

- 1 = Oil lease
- 2 = Enhanced Oil Recovery (EOR) wells approved before January 1, 1994
- 3 = Two-year inactive wells effective September 1, 1997
- 4 = EOR wells approved January 1, 1994 through August 31, 1997
- 5 = EOR wells approved after August 31, 1997
- 6 = Incremental Production wells (Senate Bill 1440) effective September 1, 1997
- 7 = Three-year inactive wells effective September 1, 1993
- 8 = Co-production projects effective January 1, 1994
- 9 = TERRA wells effective January 1, 1994
- 10 = Temporary Severance Tax Relief effective February 1, 1999.

Item 7 - For expanded EOR projects, mark block "1" to indicate that baseline production is being reported on this lease. Mark block "2" to indicate that incremental production is being reported. NOTE: If you are reporting incremental production (2), baseline production (1) must also be reported on a separate line.

Item 9 - PRODUCER: If you are the physical operator of the lease, check "YES." If you are an interest owner, check "NO."

Item 10 - Enter the total number of merchantable barrels sold, used, lost, stolen or unaccounted for.

Item 11 - Enter the volume of oil not subject to tax because of a **governmental** exempt status, such as state royalty (see Rule 3.34).

Item 12 - Enter the taxable barrels (gross barrels minus exempt barrels).

Item 13 - Enter the total value of the crude oil reported in **Item 10**. NOTE: Two decimal places are required.

Item 14 - You are liable for tax, complete Items 15-18.

Item 15 - Enter your API gravity for the lease number entered in Item 6. This should be a numeric figure to the tenth. (xx.x)

Item 16 - Enter the value of oil not subject to tax because of an exempt status, such as state royalty (see Rule 3.34). NOTE: Two decimal places are required.

Item 17 - Enter any **physical** trucking charges incurred by the producer. NOTE: Two decimal places are required.

Item 18 - Enter the value on which tax should be paid. For EOR, incremental production (unless suspended), and co-production projects, enter one half of the gross value (minus exempt and trucking). For two-year and three-year inactive wells, and TERRA wells, enter "0."

Item 19 - Total of all net taxable values in item(s) 18.

Item 20 - Total of ALL taxable barrels reported in Item(s) 12. This includes all legislative exemptions (EOR, inactive wells, incremental production, etc.) except for TERRA wells.

Item 21 - Total of all net taxable values x .046 (4.6%).

Item 22 - **Reporting Periods Prior to 0109** - Total taxable barrels x .005. The rate of \$.005 per barrel is a combined rate of the Oil Field Clean-up Fee of \$.003125 and the Regulatory Tax of \$.001875 per barrel.
Reporting Periods 0109 and later - Total taxable barrels x .008125. The rate of \$.008125 per barrel is a combined rate of the OilField Clean-up Fee of \$.00625 and the Regulatory Tax of \$.001875 per barrel.

Item 23 - Total of values reported on line 21 plus 22.

Item 24 - PENALTY: If 1-30 days late, enter 5% of Item 23. If more than 30 days late enter 10% of Item 23.
INTEREST: If any tax is unpaid 61 days after the due date, enter interest on the amount in Item 25. Calculate interest at the rate published online at <<http://www.window.state.tx.us>> or call the Comptroller toll free at 1-877-44RATE4, for the applicable interest rate.

Crude Oil Producer Special Report

Who Must File

In order to pay taxes on oil used, lost, stolen, or otherwise unaccounted for after it has been produced and measured, annual crude oil producers/operators must file a *Texas Crude Oil Producer Special Report* (Form #10-140). Failure to file this report and pay applicable tax may result in collection action as prescribed by *Title 2* of the *Texas Tax Code*. This report may also be used to report a one-time sale of crude oil. (One-time sale means oil has not been sold more than one time in a twelve month period.)

When to File

This report must be filed and tax paid on or before the 25th day of the month covering transactions made during the previous month.

For Assistance

Special Report forms may be obtained by writing or calling the Comptroller's office in Austin. For assistance call 1-800-252-1384 toll free nationwide. In Austin, call 512/463-4600. From a Telecommunication Device for the Deaf (TDD), call 1-800-248-4099 or via 1-800-RELAY-TX. The Austin TDD number is 512/463-4621.

Report Detail

Block

a & j T-Code

Comptroller's Office Transaction Code for this report. Place an (X) in the block in front of the T-Code 10060 (at the top) and T-Code 10070 (located in the middle).

b Comptroller's Use

Do not write in this space.

A Document Locator Number (DLN) will be recorded in this block when your report is processed.

c Taxpayer Number

The 11-digit number used to identify your account. This number is the number assigned to you by the Comptroller's office.

d Filing Period

The month and year covered by this report.

e YYMM

Enter the number representing the filing period of the report in year month format (YYMM).

Example: For February 2001 enter 0102.

f. Taxpayer Name and Mailing Address

Your business name and address as reflected on the Comptroller's records. If an address correction is needed, enter the correct address with a change of address notation or notify the Comptroller's office by telephone.

g & h. Comptroller's Use

Do not write in these spaces.

Lease Detail Information

Block #

1 & 6 Lease Name and Lease Number

For the lease name shown in Block 1, enter the identification number assigned by the Texas Railroad Commission (RRC) in Block 6.

In Block 6, add a leading "0" to the five-digit lease number assigned by the RRC.

Also, enter the check digit in the box to the right. The Comptroller's office can give you this number, or you may leave it blank.

2 & 5 County of Production and County Code

In Block 2, write in the name of the county.

In Block 5, enter the 3-digit county code for the county of production shown in Block 2.

A list of *County Codes* can be found in this publication.

3 & 8 Your or Other Party Name and Your or Other Party Number

In Block 3, write in the taxpayer name.

In Block 8, enter the 11-digit taxpayer number assigned by the Comptroller's office of the other party shown in Block 3.

Note:

- For oil that was lost, stolen or unaccounted for, enter your name and taxpayer number.
- For a one-time sale of crude oil, enter the first purchaser's name.

4 Type

Enter one of the types listed below. A numeric figure should be used.

1 = Oil lease

2 = Enhanced Oil Recovery (EOR) wells approved before January 1, 1994

3 = Two-year inactive wells effective September 1, 1997

4 = EOR wells approved January 1, 1994 through August 31, 1997

5 = EOR wells approved after August 31, 1997

6 = Incremental Production wells (Senate Bill 1440) effective September 1, 1997

7 = Three-year inactive wells effective September 1, 1993

8 = Co-production projects effective January 1, 1994

9 = TERRA wells effective January 1, 1994

10 = Temporary severance tax relief effective February 1, 1999

7 Expanded EOR

For *expanded* EOR projects and incremental production leases, you must make two entries.

On the first entry in Block 7, mark 1 for “Baseline” to report the portion that is 100% taxable.

The second entry for the same lease on a separate line must be marked 2 for “Incremental” at 50% taxable value.

Note: If you mark the box within Block 7, to report incremental production *on a separate line*, your baseline production must also be reported. This *may* be applicable to *Types 2, 4, and 5*.

Baseline production will always be reported with incremental production exemption wells when reporting a Type 6.

9 Are You the Lease Operator?

If you are the physical operator of the lease, check “Yes.” If you are an interest owner, check “No.”

10 Gross Barrels

Enter the total number of merchantable barrels sold, used, lost, stolen or unaccounted for.

All barrels should be rounded to whole numbers, *no decimals*.

11 Exempt Barrels

Enter the volume of oil not subject to tax because of a *governmental exempt* status, such as state royalty (see Rule 3.34).

Round to whole barrels, *no decimals*.

12 Taxable Barrels

Enter the taxable barrels (gross barrels minus exempt barrels).

Round to whole barrels, *no decimals*.

13 Gross Value

Enter the total value of the crude oil reported in Block 10.

Enter as dollar and cent figures.

14 You are Liable for Tax.

You must pay taxes on the volumes reported. A “Yes” will always be preprinted.

Complete Items 15 through 18.

15 API Gravity

Enter API gravity for the lease number entered in Block 6. This should be a numeric figure carried to the tenth decimal (xx.x).

16 Exempt Value

Enter the value of oil not subject to tax because of an exempt status, such as state royalty (see Rule 3.34).

This should be the value associated with the volume reported in Block 11.

Enter as dollar and cent figures.

17 Trucking Cost

For a one-time sale, enter any **physical** trucking charges incurred.

Enter as dollar and cent figures.

18 Net Taxable Value

Enter the value on which tax should be paid, minus any value reported for exempt and trucking cost.

For EOR, incremental production, and co-production projects, enter one half of (gross value minus any value reported for exempt and trucking cost).

For two- and three-year inactive wells, temporary severance tax relief, and TERRA wells enter "0."

Enter as dollar and cent figures.

19 Total Net Taxable Values

Total of *all* net taxable values reported in Block(s) 18.

Enter as dollar and cent figures.

20 Total Taxable Barrels

Enter the sum of all taxable barrels for which you are liable for the tax.

This sum should include the volumes reported for all EOR projects, two- and three-year inactive leases, incremental production wells, and co-production projects.

Leases classified under TERRA, Type 9, are exempt from the regulatory tax and fee assessment.

21 Tax Due

Multiply the total of all net taxable values reported in Block 19 by the appropriate tax rate and enter the total in Block 21. The current rate is .046.

Enter as dollar and cent figures.

22 Regulatory Tax and Fee Assessment

Multiply the total taxable barrels by the current rate and enter the total in Block 22.

Enter as dollar and cent figures.

23 Amount of Tax and Fee Due

Total of values reported on Block 21 plus Block 22.

24 Late Filing Penalty and Interest

Penalty: If 1-30 days late, enter 5% of Block 23. If more than 30 days late, enter 10% of Block 23.

Interest: If any tax due on Block 23 is unpaid 61 days after the due date, enter 10% penalty *plus* interest on the unpaid tax balance based on the number of days the payment is late.

25 Total Amount Due and Payable

Enter the "Net Amount Due" (Block 23) plus any penalty and interest from Block 24.

Enter dollar and cent figures.

Remit the amount in Block 25 payable to:

STATE COMPTROLLER

Mail to:

Comptroller of Public Accounts

Austin, Texas 78774-0100

Note: At the bottom of the report, mark the reason for filing this report. Indicate if the oil was lost, stolen, unaccounted for, or other.

Crude Oil Payment Forms

Crude Oil Application of Payment

Sample of Crude Oil Application of Payment (Form #10-142)

Crude Oil Application of Payment Instructions

Crude Oil Application of Payment

A Crude Oil Application of Payment (Form #10-142) is used only when a payment is made with an actual check or money order. When a check or money order is received that contains payments for more than one month, the Application of Payment distributes the payments accordingly.

This form is not to be used when a payment is made by Electronic Fund Transfer (EFT). However, if a payment is made by EFT, but an actual check is being submitted for prior periods, then an *Application of Payment* must be submitted with the check.

The “Total of Payment Applied to Current and Prior Periods” entered in Block h on the *Application of Payment* must equal the amount of the check or money order in Block e. If a check or money order contains payments for more than seven prior reporting periods, then another *Application of Payment* must be attached to list the additional periods. Each additional *Application of Payment* must show the page number (i.e. “Page 1 of 3”) and the total of each page must be indicated separately in Block h.

Do not list credits on the Application of Payment. If amended reports consist of different periods reflecting credits and liabilities, then the credits can be transferred to offset the liabilities by properly completing and submitting a *Crude Oil Transfer of Previous Payment* (Form #10-141). If a liability remains after the offset, then a check or money order must be submitted with an *Application of Payment* to indicate the distribution of the payment(s).

Crude Oil Transfer of Previous Payment

Sample of Crude Oil Transfer of Previous Payment (Credit) (Form #10-141)

Crude Oil Transfer of Previous Payment Instructions

Sample of Crude Oil Transfer of Previous Payment (Form #10-141)

Comptroller of Public Accounts
10-141 (Rev. 10-97/12)

b. ■

FORM 10-141

CRUDE OIL TRANSFER OF PREVIOUS PAYMENT (CREDIT)

c. Taxpayer number
■

d. Taxpayer name and mailing address

- **Instructions on reverse**
- **Do not write in shaded area**

Use this form to transfer credits from one reporting period to another.

a. T Code ■ **10490**

COLUMN A Transfer TO Year / Month	COLUMN B Amount Transferred DO NOT USE BRACKETS	COLUMN C Transfer FROM Year / Month	c / c
y y m m	\$ ■	y y m m	■
1. ■	\$ ■	■	■
2.	\$		
3.	\$		
4.	\$		
5.	\$		
6.	\$		
7.	\$		
8.	\$		1
9. Total Amount Transferred	\$ ■		

(Each page should be totaled separately)

Mail to: COMPTROLLER OF PUBLIC ACCOUNTS
111 E. 17th Street
Austin, Texas 78774-0100

I declare that the information in this document and any attachments is true and correct to the best of my knowledge and belief.
Taxpayer or authorized agent
sign here ▶
Daytime phone _____ Date _____

For tax assistance call 1-800-252-1384 toll free nationwide. The Austin number is 512-463-4600.
(From a Telecommunications Device for the Deaf (TDD) ONLY call 1-800-248-4099 toll free. The Austin TDD number is 512-463-4621.)

Sample of Crude Oil Transfer of Previous Payment (Form #10-141)

Form 10-141 (Back)(Rev. 10-97/12)

INSTRUCTIONS

- Item c / c** – This shaded area is for Comptroller's use only.
- Item c** – Enter the eleven-digit taxpayer number
- Item d** – Enter the taxpayer's name and mailing address.
- Column A** – Enter the Year / Month *to* which the credit is to be transferred.
- Column B** – Enter the amount of the credit to be transferred. DO NOT BRACKET AMOUNTS.
- Column C** – Enter the Year / Month *from* which the credit is to be transferred.
DO NOT ENTER ON A SINGLE LINE THE SAME YEAR / MONTH IN
COLUMNS A AND C.
- Item 9** – Enter the total amount of credits to be transferred in Column B. Each page should be totaled separately.

SPECIAL CONDITIONS

To transfer credits between natural gas and crude oil accounts that have the **same** taxpayer identification numbers—

Indicate the transfer in the blank space to the left of Column A.

EXAMPLE: from crude oil to natural gas.

Transfer of Previous Payment

The *Crude Oil Transfer of Previous Payment* (Form #10-141) has a dual purpose.

This form:

- distributes credits to periods with liabilities, and
- distributes payments for prior periods when using the electronic fund transfer (EFT) method of payment.

When to use a Transfer of Previous Payment Form

If an electronic fund transfer, or EFT payment, contains a payment for the current month and payments for prior reporting periods, then a *Transfer of Previous Payment* must be filed.

If an amended report reflects a credit amount, then the credit may be used to pay a liability reflected on another reporting period by filing a *Transfer of Previous Payment*.

Note: *On line 24 of the original and amended report forms, if a credit amount is entered, then the Transfer of Previous Payment form must also be filed.*

Description of Columns

Column A designates the reporting period where a liability is to be paid and is considered the “Transfer To” column. The reported format in Column A is YYMM (year/month). For example, for the January 2001 reporting period, the reported format is “0101.”

- When distributing credits to periods with liabilities, Column A shows the reporting period in which a liability amount currently exists.
- When using the electronic fund transfer (EFT) method of payment, Column A designates the prior reporting period that is being paid.

Example: An EFT payment was submitted and applied to the current reporting period of May 2001. This EFT payment also included a payment for a penalty and interest assessment for the January 2000 reporting period. To transfer the payment from the current period of May 2001 to the January 2000 period, “0001” is indicated in Column A.

Column B designates the amount to be transferred. Do not show the amount in Column B in brackets or parentheses.

Column C is the production month where a credit amount is to be transferred from and is considered the “Transfer Out” column. The reported format in Column C is YYMM (year/month). In the above example, the credit existed for May 2001; so, 0105 would be displayed in Column C.

-
- When distributing credits to periods with liabilities, Column C designates the reporting period in which a credit amount currently exists.
 - When using the electronic fund transfer (EFT) method of payment, Column C designates the reporting period where the lump sum EFT payment was applied.

Each Transfer of Previous Payment form filed must be totaled separately in Block 9.

Special Conditions

There could be a need to transfer funds from one tax account to another. Using the space to the left of Column A, on the transfer form, indicate the accounts affected.

Example: If condensate was paid, in error, to your crude oil tax account, in the space to the left of Column A write, “from Crude Oil to Natural Gas.”

Note: The transferring of funds can only be done under the same taxpayer identification number.

Electronic Reporting

Electronic Tax Filing

A recommended format for entering and filing your crude oil tax return is the Comptroller's Electronic Tax Filing Data Entry Program (referred to as PETRO). All that is needed for this method of filing is a personal computer and modem or Internet access.

This electronic form of filing, referred to as EDI (electronic data interchange), has numerous benefits:

- It is available at no cost.
- It eliminates the expense of preparing and mailing paper reports.
- It reduces the errors associated with mailing, handling, and manual data entry involved with paper returns.
- Processing time is reduced because the data is transmitted directly to the Comptroller's computer with the need for minimal human intervention. This ensures that your data appears on your account promptly and accurately.
- You receive a confirmation number when your data is received by the Comptroller's office. This is comparable to a certified mail receipt.
- You may also make electronic payments along with your report.

If a taxpayer pays \$100,000.00 or more in crude oil tax, payments must be made by electronic funds transfer (EFT). If a taxpayer meets the criteria for EFT, they are also required to file their reports electronically.

For more information regarding this method of crude oil tax reporting, please call 1-800-442-3453. A "Natural Gas and Crude Oil Electronic Tax Filing System" guide is also available. Ask for a copy of Publication #96-342.

Original and amended reports may also be filed by magnetic tape. A "Crude Oil Magnetic Tape Reporting System" guide is available by requesting Publication # 96-253.

See the "Helpful Information" section for additional contact numbers and addresses.

Electronic Funds Transfer

Electronic Funds Transfer (EFT) enables payments to be electronically transferred from your financial institution to the Comptroller's bank. Texas law requires every crude oil taxpayer who paid \$100,000 or more in tax the preceding state fiscal year (September 1 through August 31) to pay by EFT.

A Texnet Enrollment form must be completed before the electronic payment can be submitted. This form can be accessed from the Comptroller's website. Electronic payments must be submitted prior to 6:00 p.m.(CST) on the business day before the due date.

Publication #96-275 is available with more information or contact the Electronic Reporting Section at 1-800-531-5441, extension 3-3630. See the "Helpful Information" section for additional contact numbers and addresses.

Crude Oil Tax Notices

Crude Oil Tax Notices

A tax notice will be mailed when a crude oil tax account has a balance for a specific reporting period. Each notice includes a mini-history showing all the payments, transfer-in(s), and transfer-out(s) for the specific period and other production months with open balances. The mini-history contains necessary information for the reconciliation process.

Notices are issued once the corrections on all adjustment notices for the specific period are processed and only if the reporting period is within the four-year statute of limitations deadline.

The following notices may be issued:

1. **Tax Statement of Account, Underpayment Notice**, indicates the tax, penalty, and interest assessment for a specific reporting period. This notice also indicates the daily interest assessment, if any.
2. **Texas Notice of Tax/Fee Due** indicates the tax, penalty, and interest assessment for a specific reporting period. The Notice of Tax Due is also called a Deficiency Determination. This notice indicates the daily interest assessment, if any.

Liability must be resolved within thirty days. After thirty days from the date of the notice, the Notice of Tax Due becomes final.

- The *Taxpayer Rights Summary*, located at the bottom of the notice, presents possible collection actions that can be taken by the Comptroller's office if the liability is not satisfied. Collection action will be taken after the date printed.
- The *Summary of Procedures for Handling Disagreements* found on the back of the Notice of Tax Due explains two options for handling the disagreement with the tax/fee bill.

Once a Notice of Tax Due is issued, the outstanding liability balance on this notice will remain due and payable until the liability is satisfied.

3. **Tax Statement of Account** indicates the tax, penalty, and interest assessment after the issuance of a prior Texas Notice of Tax Due. The issuance of this notice occurs when an existing liability balance remains after processing a payment, transfer-in, or transfer-out. The daily interest assessment is also indicated, if any.

Examples: Three Types of Notices Issued

The following pages include examples of the three types of notices issued.

Example 1: Tax Statement of Account, Underpayment Notice

- Tax Statement of Account, Underpayment Notice, Form #00-206
- Taxpayer Mini History listing all payments and transfers
- Taxpayer Mini History listing other production periods with open balances
- Calculation chart showing penalty and interest assessment

All payments and transfers postmarked on or before the due date are subtracted from the total tax due for the production period. A 5% penalty is assessed on any remaining balance. An additional 5% penalty is assessed on any balance remaining after 30 days.

Interest accrues on the unpaid tax balance beginning on the 61st day through the date the tax is paid. Below is an interest rate table showing current and previous interest rates.

September 1, 1991	December 31, 1999	12%
January 1, 2000	December 31, 2000	9.5%
January 1, 2001	December 31, 2001	10.5%
January 1, 2002	December 31, 2002	5.75%
January 1, 2003	December 31, 2003	5.25%

For recorded information regarding current interest rate information, call 1-877-44RATE4 (1-877-447-2834)

Example 2: Texas Notice of Tax/Fee Due

- Texas Notice of Tax/Fee Due (Deficiency Determination), Form #00-214
- Back of notice giving instructions for handling billing disagreements
- Taxpayer Mini History listing all payments and transfers
- Taxpayer Mini History listing other production periods with open balances

Example 3: Tax Statement of Account

- Tax Statement of Account, Form #00-206
- Taxpayer Mini History listing all payments and transfers
- Taxpayer Mini History listing other production periods with open balances
- A previous Texas Notice of Tax/Fee Due had been issued and become final. The penalty includes an additional 10% penalty on the unpaid balance at the time the determination became final.

**Example 1: Tax Statement of Account
Underpayment Notice (Form 00-206)**

00-206
(Rev. 7-95/5)

TCODE 10020	STATE OF TEXAS	TAX STATEMENT OF ACCOUNT \$22.82
	03-02-01	
	UNDERPAYMENT	
GUSHER OIL CORP 112 WAY LANE HOUSTON, TX 78701		TAXPAYER NUMBER 1-75-0389725-2
		COLLECTION RECORD NO. 0006 OR PERIOD ENDING
PLEASE DETACH UPPER PORTION AND RETURN WITH ANY CORRESPONDENCE OR PAYMENT. *PMD		Enter amount of payment \$

TAXPAYER NO. 1-75-0389725-2 REPORT PERIOD ENDING 0006

AN EXAMINATION OF YOUR CRUDE OIL TAX RECORDS HAS BEEN MADE FOR
THE REASON LISTED BELOW.

YOUR ACCOUNT BALANCE FOR THE PERIOD 06-01-00 THROUGH 06-30-00 IS
COMPUTED AS FOLLOWS:

BALANCE AS OF 03-02-01

TAX DUE-----	\$	102,219.80
PENALTY-----	\$	2.00
INTEREST-----	\$	0.85
LESS PAYMENTS		
APPLIED-----	\$	102,199.83
TOTAL AMOUNT DUE-----	\$	22.82

IF PAID AFTER 03-02-2001 ADD INTEREST OF \$0.01 PER DAY
THROUGH THE PAYMENT DATE.

COMPTROLLER OF PUBLIC ACCOUNTS
AUSTIN, TEXAS 78774-0100



For help with a state tax question, please refer to the list on back for the appropriate phone numbers.

Example 1: Tax Statement of Account
Taxpayer Mini-History of Crude Oil Tax for Underpayment Notice

STATE OF TEXAS		PAGE : 1
COMPTROLLER OF PUBLIC ACCOUNTS		
TAXPAYER MINI-HISTORY OF CRUDE OIL TAX		
FOR UNDERPAYMENT NOTICE		
TAXPAYER NUMBER: 1-75-0389725-2	TAXPAYER NAME: GUSHER OIL CORP	
	MAILING ADDRESS: 112 WAY LANE	
	HOUSTON, TX 78701	
UNDERPAYMENT NOTICE ISSUED FOR	\$22.82	GENERATION DATE: 03-02-01
TOTAL PAYMENTS:	\$102,199.83	FILING PERIOD: 0006
CALCULATED TOTAL TAX BREAKDOWN:		DUE DATE IS: 07-25-00
	PURCHASER TAX: \$0.00	
	PRODUCER TAX: \$102,219.80	
	TOTAL TAX: \$102,219.80	
PAYMENT RECORD		
PAYMENT TYPE	TRANS TO/FROM	DLN
PR/PM DATE	PAYMENT AMOUNT	NET AMOUNT
TRANSFER-IN	0005	00344670137
		06-26-00
		\$ 13.09
TRANSFER-IN	0005	01034670088
		06-26-00
		\$ 12.97
PAYMENT		00209620799
		07-25-00
		\$ 102,173.77
		TOTAL PAYMENTS
		\$ 102,199.83

Example 1: Tax Statement of Account (continued)
Taxpayer Mini-History of Crude Oil Tax Underpayment Notice

STATE OF TEXAS
COMPTROLLER OF PUBLIC ACCOUNTS
TAXPAYER MINI-HISTORY OF CRUDE OIL TAX
FOR UNDERPAYMENT NOTICE

PAGE : 2

TAXPAYER NUMBER: 1-75-0389725-2
FILING PERIOD: 0006

TAXPAYER NAME: GUSHER OIL CORP
MAILING ADDRESS: 112 WAY LANE
HOUSTON, TX 78701

OTHER PERIODS WITH OPEN BALANCES:

9801	\$	491.30	CREDIT
9901	\$	5,002.75	CREDIT
9902	\$	14,811.79	CREDIT
9903	\$	616.71	CREDIT
9904	\$	432.08	CREDIT
9905	\$	1,260.12	CREDIT
9906	\$	1,471.92	CREDIT
9907	\$	4,566.08	LIABILITY
9908	\$	50.94	LIABILITY
9909	\$	0.02	LIABILITY
9910	\$	0.01	CREDIT
9911	\$	43.73	CREDIT
9912	\$	367.71	CREDIT
0001	\$	2,728.78	CREDIT
0002	\$	44.65	CREDIT
0003	\$	76.28	LIABILITY
0004	\$	529.67	CREDIT
0007	\$	0.02	LIABILITY
0008	\$	0.00	
0009	\$	139.54	CREDIT
0010	\$	0.00	
0011	\$	2,297.93	CREDIT
0012	\$	3,117.82	LIABILITY

Example 1: Penalty and Interest Calculation Chart

TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

PENALTY & INTEREST ASSESSMENT CALCULATION FORMAT GUSHER OIL CORP (1-75-0389725-2) June 2000 Reporting Period For Crude Oil DUE DATE: July 25, 2000					
	TAX DUE	PAYMENTS & TRANSFERS	PENALTY DUE	INTEREST DUE	BALANCE DUE
TOTAL OF REPORT BALANCES	\$102,219.80				\$102,219.80
LESS TIMELY TRANSFER-IN		(\$13.09)			
LESS TIMELY TRANSFER-IN		(\$12.97)			
LESS TIMELY PMT		(\$102,173.77)			
PENALTY CALCULATION:					
TAX DUE ON DUE DATE WITH PEN. DUE AT 5%			\$1.00		\$19.97
LESS PMTS 1-30 DAYS LATE		\$0.00			
ADD'L PEN. DUE ON UNPAID TAX ADD'L PEN. DUE AT 5%			\$1.00		
LESS PMTS 31-60 DAYS LATE					
INTEREST CALCULATION:					
TAX DUE ON DUE DATE					\$19.97
LESS LATE PMTS PAST 60 DAYS: PMT RCD (39 DAYS LATE)					
INTEREST THRU 03-02-01				\$0.85	
TOTALS	\$102,219.80	(\$102,199.83)	\$2.00	\$0.85	\$19.97

Example 2: Texas Notice of Tax/Fee Due
Deficiency Determination (Form 00-214)

Computer
of Public
Accounts
Form
00-214
(Rev. 8-02/13)



a. PL 10 T Code 10020
TEXAS NOTICE OF TAX/FEE DUE

c. Type of tax/fee CRUDE OIL		
d. Date of notice 03/14/2003	e. Taxpayer number 1-75-0389725-2	f. Amount of your payment \$

g. Taxpayer name and mailing address
GUSHER OIL CORP
112 WAY LANE
HOUSTON, TX 78701

Make check payable to:
STATE COMPTROLLER

 Mail to:
COMPTROLLER OF PUBLIC ACCOUNTS
 111 E. 17th Street
 Austin, Texas 78774-0100

*0210 * 318.24*PMD *1

1002017503897252021010

PLEASE DETACH AND RETURN TOP PORTION WITH YOUR PAYMENT

TEXAS NOTICE OF TAX/FEE DUE		Date of notice 03/14/2003	Taxpayer number 1-75-0389725-2
Type of tax/fee CRUDE OIL	Period of liability 10-01-2002 to 10-31-2002		
REASON FOR TAX/FEE DUE: JEOPARDY DETERMINATION			
Failure to pay the total amount due as reported on your return for the period indicated above. This is your official tax liability notification which is due and payable upon receipt.			
TAX/FEE DUE -----			\$0.00
PENALTY -----			318.24
INTEREST (through 03-14-2003)			0.00
TOTAL LIABILITY AS OF DATE OF NOTICE -----			a. \$ 318.24
Any additional charges assessed after the date of notice are listed below:			
			+ b. _____
			+ c. _____
			+ d. _____
			+ e. _____
TOTAL AMOUNT DUE ON DATE OF PAYMENT (Add a, b, c, d and e) -----			\$ _____
<i>This liability is in addition to any other assessments you may have received for other reporting periods or other taxes.</i>			

TAXPAYER RIGHTS SUMMARY

If you do not agree with the tax/fee on this billing, you may file a request on or before 04-14-2003 for a hearing. Your request must be filed with this office and include a statement which lists the specific reasons why you disagree.

*See the back of this notice for explanation.

If you do not request a hearing and you fail to pay the amount due, several actions may be initiated to protect the interests of the State. These include but are not limited to, -filing of tax liens, -suit for injunction and/or judgment, -revocation or suspension of any permit, license or certificate issued by the Comptroller, -withholding of state issued warrants, -forfeiture of bond or security posted, -new or additional bond or security requirement, -freezing of assets, -seizure and sale of properties.

(TEX. TAX CODE ANN. secs. 111.008 and 111.016)

INTEREST RATES MAY VARY ON A CALENDAR YEAR BASIS. TEX. TAX CODE ANN. sec. 111.060
 For help with a state tax question, please refer to the list on the back of this form for the appropriate phone numbers.

Example 2: Texas Notice of Tax/Fee Due (continued)
Procedures for Handling Disagreements (Back of Form 00-214)

Form 00-214 (Back)(Rev. 12-02/14)

**SUMMARY OF PROCEDURES FOR
HANDLING DISAGREEMENTS**

You have two options if you disagree with this tax/fee bill. You may pay the full amount due and request a refund hearing or you may simply ask for a hearing to decide the matter. Your case is reviewed and considered in the same manner under either option.

If you pay and seek a refund, no additional interest accrues after payment.

If you simply request a hearing, we will charge interest until the case is over. You may make a partial payment of the tax/fee to reduce the accrual of interest.

Your request for a refund or hearing must be accompanied by a statement of grounds that describes in detail the reasons you believe the billing is in error. Your statement should set out as clearly and completely as possible the facts as you see them and the provisions of the tax/fee laws and Comptroller rules on which you are relying.

If you disagree with the results of an audit, specifically list those items of the audit with which you disagree.

The date by which you may request a hearing is specified on this bill. If you don't meet the deadline, you will have to pay the full amount on this bill before your objections can be considered. Extensions of the due date are granted only in cases of emergency or extraordinary circumstances.

The Comptroller wants to give all taxpayers full consideration in each case.

If you have any questions regarding this notice, you may contact the Comptroller's field office in your area or call 1-800-252-8880, toll free nationwide. The Austin number is 512/463-4660.

If you have questions or need information on a specific tax/fee, please call our toll-free numbers:

1-800-252-5555

Automotive Oil Fee
 Battery Fee
 Boat and Boat Motor Sales Tax
 Oyster Sales Fee
 Sales Tax
 Telecommunications Infra-
 structure (TIF)
 General Information
 Mixed Beverage Tax

1-800-252-1381

Bank Franchise
 Franchise Tax

1-800-252-1382

Interstate Motor Carrier
 Manufactured Housing
 Motor Vehicle Sales/
 Rental
 Motor Vehicle Seller
 Financed Sales

1-800-252-1383

Fuels Tax
 LG Decals
 Petroleum Products
 Delivery Fee
 School Fund Benefit Fee

1-800-252-1384

Coastal Protection
 Crude Oil
 Natural Gas

1-800-252-1385

Amusement Tax
 Hotel Occupancy Tax

1-800-252-1386

Business Information Hotline

1-800-252-1387

Insurance Tax

1-800-531-5441

Cement Tax
 Inheritance Tax
 Local Revenue
 Miscellaneous Gross Receipts
 Oil Well Servicing
 Sulphur Tax

1-800-862-2260

Cigarette, Cigar and/or
 Tobacco Products

1-800-BBS-TEXAS

Bulletin Board System (BBS)

*In Austin, call 463-4600. If you're calling us from a Telecommunications Device for the Deaf (TDD), our toll-free number is 1-800-248-4099, or in Austin, 512/463-4621.
 Tax Help Email Address is tax.help@cpa.state.tx.us*

Example 2: Texas Notice of Tax/Fee Due (continued)
Taxpayer Mini-History of Crude Oil Tax Determination

STATE OF TEXAS

PAGE : 2

COMPTROLLER OF PUBLIC ACCOUNTS

TAXPAYER MINI-HISTORY OF CRUDE OIL TAX

FOR DETERMINATION

TAXPAYER NUMBER: 1-75-0389725-2
FILING PERIOD: 0210

TAXPAYER NAME: GUSHER OIL CORP
MAILING ADDRESS: 112 WAY LANE
HOUSTON, TX 78701

OTHER PERIODS WITH OPEN BALANCES:

0211 \$ 959.68 LIABILITY

0212 NON-COMPUTABLE

0301 NON-COMPUTABLE

Example 3: Tax Statement of Account
(Form 00-206)

Comptroller of Public Accounts Form 00-206 (Rev. 7-95/5)

TCODE 10020	STATE OF TEXAS	
	03-16-01	TAX STATEMENT OF ACCOUNT \$1,660.61
GUSHER OIL CORP 112 WAY LANE HOUSTON, TX 78701	TAXPAYER NUMBER	1-75-0389725-2
	COLLECTION RECORD NO. OR PERIOD ENDING	0006
	Enter amount of payment	*
PLEASE DETACH UPPER PORTION AND RETURN WITH ANY CORRESPONDENCE OR PAYMENT.		*PMD *1 \$

TAXPAYER NO. 1-75-0389725-2 REPORT PERIOD ENDING 0006

AN EXAMINATION OF YOUR CRUDE OIL TAX RECORDS HAS BEEN MADE FOR
 THE REASON LISTED BELOW.

YOUR ACCOUNT BALANCE FOR THE PERIOD 06-01-00 THROUGH 06-30-00 IS
 COMPUTED AS FOLLOWS:

BALANCE AS OF 03-16-01

TAX DUE-----	\$	517,117.36
PENALTY-----	\$	1,333.26
INTEREST-----	\$	25.00
LESS PAYMENTS		
APPLIED-----	\$	516,815.01
TOTAL AMOUNT DUE-----	\$	1,660.61

IF PAID AFTER 03-16-2001 ADD INTEREST OF \$0.09 PER DAY
 THROUGH THE PAYMENT DATE.

COMPTROLLER OF PUBLIC ACCOUNTS
 AUSTIN, TEXAS 78774-0100



For help with a state tax question, please refer to the list on back for the appropriate phone numbers.

Example 3: Tax Statement of Account (continued)

Taxpayer Mini-History of Crude Oil Tax

STATE OF TEXAS
 COMPTROLLER OF PUBLIC ACCOUNTS
 TAXPAYER MINI-HISTORY OF CRUDE OIL TAX
 FOR STATEMENT OF ACCOUNT

PAGE : 1

TAXPAYER NUMBER: 1-75-0389725-2 TAXPAYER NAME: GUSHER OIL CORP
 MAILING ADDRESS: 112 WAY LANE
 HOUSTON, TX 78701

STATEMENT OF ACCOUNT ISSUED FOR \$1,660.61 GENERATION DATE: 03-16-01

TOTAL PAYMENTS: \$516,815.01 FILING PERIOD: 0006

CALCULATED TOTAL TAX BREAKDOWN: DUE DATE IS: 07-25-00

PURCHASER TAX: \$0.00
 PRODUCER TAX: \$517,117.36

 TOTAL TAX: \$517,117.36

PAYMENT RECORD

PAYMENT TYPE	TRANS TO/FROM	DLN	PR/PM DATE	PAYMENT AMOUNT	NET AMOUNT
TRANSFER-IN	0002	00225670172	03-27-00	\$ 77.47	\$ 77.47
PAYMENT		00209620796	07-25-00	\$ 504,153.87	
TRANSFER-OUT	0005	00225670173	08-12-00	\$ 144.37	\$ 504,009.50
TRANSFER-IN	0007	00245670060	08-25-00	\$ 9,477.26	\$ 9,477.26
PAYMENT		00257221732	09-11-00	\$ 429.24	\$ 429.24
TRANSFER-IN	0008	00281670085	09-25-00	\$ 2,560.28	\$ 2,560.28
TRANSFER-IN	0101	01069670286	02-26-01	\$ 261.26	\$ 261.26
				TOTAL PAYMENTS	\$ 516,815.01

Example 3: Tax Statement of Account (continued)

Taxpayer Mini-History of Crude Oil Tax

STATE OF TEXAS

PAGE : 2

COMPTROLLER OF PUBLIC ACCOUNTS

TAXPAYER MINI-HISTORY OF CRUDE OIL TAX

FOR STATEMENT OF ACCOUNT

TAXPAYER NUMBER: 1-75-0389725-2
FILING PERIOD: 0006

TAXPAYER NAME: GUSHER OIL CORP
MAILING ADDRESS: 112 WAY LANE
HOUSTON, TX 78701

OTHER PERIODS WITH OPEN BALANCES:

9910	\$	4,371.22	CREDIT
9911	\$	116,829.88	CREDIT
9912	\$	1,973.12	LIABILITY
0001	\$	5,407.58	LIABILITY
0002	\$	8,856.98	LIABILITY
0003	\$	14,263.00	LIABILITY
0004	\$	7,968.78	LIABILITY
0005	\$	4,655.97	LIABILITY
0007	\$	165.20	LIABILITY
0008	\$	10,127.22	LIABILITY
0009	\$	37,197.71	CREDIT
0010	\$	841.61	CREDIT
0011	\$	1,321.12	LIABILITY
0012	\$	12,411.68	CREDIT
0101	\$	22.50	CREDIT

How to Read the Taxpayer History

How to Read the Taxpayer History

The taxpayer history consists of five parts:

1. **Summary Record** – identifies the taxpayer and the history information requested (included on all histories)
2. **Data Records** – detail of all reports and adjustments recorded by production month
3. **Totals Record** – a breakdown of totals calculated by the Comptroller vs. totals calculated by the taxpayer for each report filed for the production month.
4. **Payment Record** – all payments and transfers (all money transactions) that have processed to the production period
5. **Collection Records** – balance for the production month requested, totals for the period, notices issued, payments, and transfers

You can order any or all parts (Data, Totals, Payments, Collection) of the history. Each section is summarized on the following pages.

PART I Summary Record

This will appear at the top of your history.

A

DESTINATION CODE: 1211		CRUDE OIL TAXPAYER HISTORY FROM 0101 TO 0101 DATA,TOTS,PNTS,COLL		PAGE: 1 DATE: 06/09/2001	
TAXPAYER NUMBER: XXXXXXXXXXXX		COUNTY OR STATE CODE: 101	FIELD OFFICE NUMBER: 2H31	AUDIT OFFICE NUMBER: 2130	
NAME: XXXXX XXXX		***** NO SECONDARY ADDRESS *****			
MAILING ADDRESS: XXX XXXXXXXX XX XXXXXXXX XX XXXXX					
PHONE NUMBER: XXXXXXXX		ORGANIZATION TYPE:			

B

SUMMARY RECORD:					
PURCHASER:	FILING STATUS: MONTHLY	FILING STATUS YR/MO: 9209	PUR FIRST YR/MO: 9209	LAST RETURN REC'D: 0103	SEND
	NUM OF DELINQUENTS: 0		ORIG TAPE FILER: NO	AMENDED TAPE FILER: NO	DETAIL: YES
FILER HISTORY:					
PURCHASER			PRODUCER		
	FILING STATUS	BEGINNING	ENDING	FILING STATUS	BEGINNING
	MONTHLY	9209			

C

AUDIT OFFICE NUMBER: 2130		AUDIT STATUS: NEVER AUDITED		AUDIT STATUS DATE:		AUDIT ENDING YR/MO:	
OPEN CREDIT COLL RCDS: 32	OPEN NONCOMPTBLE RCDS: 17	OPEN LIABILITY RCDS: 0	OUTSTANDING LIENS: 0	HOT CHECKS: 0	SUMMARY BANK DEPOSIT AMOUNT: 00.00		
MANAGEMENT HALT STATUS: NOT IN MANAGEMENT HALT		MGMT HALT BEGIN DATE:					
OUTPUT HOLD STATUS: NOT IN OUTPUT HOLD		OUTPUT HOLD DEST:					
BANKRUPTCY STATUS:		BANKRUPTCY TYPE:		BANKRUPTCY STATUS DATE:			
BANKRUPTCY CONCLUDE DATE:		*****					

D

- A. The production months requested, beginning date and ending date. The parts of the history requested. You can order all or any combination of data, totals, payments, and collection records.
- B. Taxpayer identification information. Name, address, telephone number, and taxpayer identification number.
- C. Filing status i.e. monthly (active) or inactive, when you became active and first production month filed, last return received, and whether you file by electronic tape.
- D. Audit and collection information.

PART II

Data Records

The Data Records are listed by production month requested. It is in lease number and secondary taxpayer number order.

There are two lines in the column headings. The definitions are shown below.

0101 DATA RECORDS FOR PURCHASER - MONTHLY								
RPT LC/SC	LEASE NUMBER EXEMPT BBLs	EXP EOR TAXABLE BBLs	SEC TP# GROSS VALUE	CMB/INV# API GRV	LEASE OPER. EXEMPT VALUE	TAX DUE TRUCKING COST	GROSS BBLs NET TAX VALUE	DLN ADJ NOT

RPT – Report type. There are five report types:

- OR** – Original report
- AM** – Amended report
- AJ** – Adjustment notice
- RA** – Returned adjustment notice from taxpayer
- IH** – “In house” adjustment made by a tax examiner

LEASE NUMBER – This includes the lease type, county code, six-digit lease number, and check digit.

EXP EOR – Expanded enhanced oil recovery project. This is always required for lease type 6 (incremental production exemption). This column will either show a “B” for baseline production or an “I” for incremental production. There are some enhanced oil recovery projects (EOR) that are “expanded” projects. This column is also used to report baseline and incremental production for these “expanded” EOR projects.

SEC TP# - Secondary Taxpayer Number. This is the producer for the lease on the purchaser’s report, or the purchaser for the lease on a producer report.

CMB/INV# - Data Combined means that identical primary information was reported on the return more than once (identical lease number, secondary taxpayer number, and expanded EOR, if applicable). A “Y” for yes will appear in the column if this happens. An “N” is displayed if the information was only reported once. INV# with a “Y” notation means that an invalid secondary taxpayer number was reported. “N” means that the taxpayer number is okay.

LEASE OPER – Are you the lease operator? “Y” for yes and “N” for no.

TAX DUE – Are you liable for the tax? “Y” for yes and “N” for no.

GROSS BBLs – Total lease volume

DLN – This is the document locator number for microfilm purposes. The first five digits is the Julian date. The middle two digits shows the media type (paper, tape, EDI).

00-44 - Original documents sent in on paper.

45 - This represents a document that had to be reprocessed. The system could not accept it as originally entered.

72 - The tax examiner entered this document directly to the production period.

97 - This denotes reports filed electronically (EDI).

99 - This was filed on magnetic tape.

The last four digits are microfilm sequence numbers. All matching DLN numbers mean that these items were on the same report.

Starting with the second line of the column headings,

LC/SC – This lets you know if the lease number or the secondary taxpayer number has been changed (Y or N). If the check digit on an original return is incorrect or missing, the crude oil program searches for a good check digit. If the good check digit is found, then the number is corrected and a letter is generated which let's you know that it has been changed. This letter is sent so that your records can be corrected.

EXEMPT BBLs – These are the exempt barrels, if any.

TAXABLE BBLs – Taxable barrels.

GROSS VALUE – Gross value.

API GRV – API Gravity.

EXEMPT VALUE – Exempt value due to state interests.

TRUCKING COST – Physical trucking costs.

NET TAX VALUE – Net taxable value. (Gross – exempt – trucking)

ADJ NOT – Adjustment notice reason. This only shows one adjustment notice per item. There could be more.

PART III Totals Record

The Totals Record is found at the end of the Data Records for each production month ordered. Below is an example of the Totals Section of the history.

0101 TOTALS RECORD FOR PURCHASER							
RPT	NET TAXABLE VALUE		TAXABLE BBLS	TAX DUE	REG. TAX & FEE	TOTAL AMT DUE	ADJ/FLG
PROC DATE	02-23-01	DLN 01054-97-5030					
OR	RPT:	23,212,350.13	854,589	1,067,768.11	4,272.95	1,072,041.06	B DAT
	CAL:	23,212,350.13	854,589	1,067,768.11	4,272.95	1,072,041.06	
PROC DATE	02-23-01	DLN 01054-97-5031					
AM	RPT:	19,827.79	725	912.08	3.63	915.71	B DAT
	CAL:	19,827.79	725	912.08	3.63	915.71	
PROC DATE	03-17-01	DLN 01062-22-1080					
OR	RPT:	23,121,573.94	876,327	1,063,592.22	4,381.63	1,067,973.85	B TOT
	CAL:	0.00	0	0.00	0.00	0.00	U
PROC DATE	03-31-01	DLN 01088-72-0139					
DR	RPT:	23,121,573.94	876,327	1,063,592.22	4,381.63	1,067,973.85	B TOT
	CAL:	0.00	0	0.00	0.00	0.00	U
PROC DATE	03-17-01	DLN 01072-72-0285					
IH	RPT:	0.00	0	0.00	0.00	0.00	
	CAL:	0.00	0	0.00	0.00	0.00	
PROC DATE	03-17-01	DLN 01072-72-0292					
IH	RPT:	0.00	0	0.00	0.00	0.00	
	CAL:	0.00	0	0.00	0.00	0.00	
PROC DATE	03-25-01	DLN 01078-19-2670					
AM	RPT:	5,382.32	189	247.59	0.95	248.54	
	CAL:	5,382.32	189	247.59	0.95	248.54	
PROC DATE	03-25-01	DLN 01082-97-5032					
AM	RPT:	286,676.87	699	13,187.14	3.50	13,183.64	B DAT
	CAL:	286,676.87	699	13,187.14	3.50	13,183.64	
PROC DATE	03-25-01	DLN 01079-45-0526					
AJ	RPT:	0.00	0	0.00	0.00	0.00	
	CAL:	0.00	0	0.00	0.00	0.00	
PROC DATE	04-28-01	DLN 01116-97-5007					
AM	RPT:	149,690.04	45	6,885.74	0.23	6,885.97	
	CAL:	149,690.04	45	6,885.74	0.23	6,885.97	
PROC DATE	05-19-01	DLN 01107-19-1660					
AM	RPT:	0.00	0	0.00	0.00	0.00	B DAT
	CAL:	0.00	0	0.00	0.00	0.00	
PROC DATE	05-19-01	DLN 01130-22-0539					
AM	RPT:	0.00	0	0.00	0.00	0.00	
	CAL:	0.00	0	0.00	0.00	0.00	
PROC DATE	05-19-01	DLN 01130-22-0543					
AM	RPT:	0.00	0	0.00	0.00	0.00	
	CAL:	0.00	0	0.00	0.00	0.00	
PROC DATE	06-02-01	DLN 01149-97-5034					
AM	RPT:	9,197.95	324	423.11	1.62	424.73	
	CAL:	9,197.95	324	423.11	1.62	424.73	
TOTALS	RPT:	22,799,626.64	856,103	1,048,782.83	4,280.52	1,053,063.35	
	CAL:	22,799,626.64	856,103	1,048,782.83	4,280.52	1,053,063.35	

Column Headings

RPT – Report types are:

OR – Original report

AM – Amended report

AJ – Adjustment notice (can either be an adjustment completed by a tax examiner or by the taxpayer)

RA – Returned adjustment notice (from taxpayer)

IH – An “in house” correction performed by the tax examiner

DR – A data reversal. The report immediately preceding this entry was reversed from our records.

NET TAXABLE VALUE – Total net taxable value for the report

TAXABLE BBLs – Total taxable barrels for the report

TAX DUE – Tax due for the report filed (Net Taxable Value x Current Tax Rate)

REG. TAX & FEE – Regulatory tax and Fee assessment
(Total Taxable Barrels x Applicable Regulatory Fee)

TOTAL AMT DUE – Tax Due + Regulatory Tax & Fee Assessment

ADJ/FLG – Adjustment/Flag – This designates whether or not the report went into adjustment notice status and/or if it was “flagged” because it did not balance. The codes are as follows:

B DAT – Bad data. This means the report was in adjustment notice status.

B TOT – Bad totals. The report totals did not agree with the Comptroller’s calculated totals.

B D/T – Bad data and totals. The report is in adjustment notice status because of bad data and out of balance totals.

U – The totals have been “unflagged” or released from adjustment notice status. If the report also had bad data, unflagging the totals will not release the report from adjustment notice status.

Totals Detail

0101 TOTALS RECORD FOR PURCHASER							
RPT	NET TAXABLE VALUE		TAXABLE BBLs	TAX DUE	REG. TAX & FEE	TOTAL AMT DUE	ADJ/FLG
PROC DATE	02-23-01	DLN 01054-97-5030					
OR	RPT:	23,212,350.13	854,589	1,067,768.11	4,272.95	1,072,041.06	B DAT
	CAL:	23,212,350.13	854,589	1,067,768.11	4,272.95	1,072,041.06	
PROC DATE	02-23-01	DLN 01054-97-5031					
AM	RPT:	19,827.79	725	912.08	3.63	915.71	B DAT
	CAL:	19,827.79	725	912.08	3.63	915.71	
PROC DATE	03-17-01	DLN 01062-22-1080					
OR	RPT:	23,121,573.94	876,327	1,063,592.22	4,381.63	1,067,973.85	B TOT
	CAL:	0.00	0	0.00	0.00	0.00	U
PROC DATE	03-31-01	DLN 01088-72-0139					
DR	RPT:	23,121,573.94	876,327	1,063,592.22	4,381.63	1,067,973.85	B TOT
	CAL:	0.00	0	0.00	0.00	0.00	U
PROC DATE	03-17-01	DLN 01072-72-0285					
IH	RPT:	0.00	0	0.00	0.00	0.00	
	CAL:	0.00	0	0.00	0.00	0.00	
PROC DATE	03-25-01	DLN 01079-45-0526					
AJ	RPT:	0.00	0	0.00	0.00	0.00	
	CAL:	0.00	0	0.00	0.00	0.00	
PROC DATE	06-02-01	DLN 01149-97-5034					
AM	RPT:	9,197.95	324	423.11	1.62	424.73	
	CAL:	9,197.95	324	423.11	1.62	424.73	
TOTALS	RPT:	22,799,626.64	856,103	1,048,782.83	4,280.52	1,053,063.35	
	CAL:	22,799,626.64	856,103	1,048,782.83	4,280.52	1,053,063.35	

PROC DATE – The date the report processed to the Comptroller’s computer system.

DLN – The document locator number. This is a Comptroller assigned number used for document retrieval. The first five numbers are the julian date (same as the process date). The middle two numbers let us know whether the report was a paper document, filed electronically (97), or sent in on tape (99). A “45” is a reprocessed document that would not go through as originally filed. We refer to these middle two digits as “roll numbers.” The last four digits are sequencing numbers for document retrieval.

RPT – These are the totals reported by the taxpayer (net taxable value (NTV), taxable barrels, regulatory tax and fee, and total amount due).

CAL – These are the totals calculated by the Comptroller (NTV, taxable barrels, regulatory tax and fee, and total amount due).

TOTALS – The “Reported” and “Calculated” totals for all reports for the specific production period.

PART IV Payment Record

A

PAYMENT RECORD FOR PERIOD 0101 DUE DATE IS: 02-26-2001

B	TCODE	PAYMENT TYPE	AMOUNT	PH/VOU DT	CORR PM	PROC DT	DLN	OLD DLN	PROMPTED DLN	PER - TX TYP
									VOU/MAR NO	
	10026	RET REG TRNS IN	\$553.56	10-25-00	NO	03-17-01	01076-67-0063	00299-62-0700	01072-24-1312	0009
	10026	RET REG TRNS IN	\$174.49	11-27-00	NO	03-17-01	01076-67-0064	00332-62-0864	01072-24-1312	0010
	10026	RET REG TRNS IN	\$4,254.72	12-26-00	NO	03-17-01	01076-67-0065	00361-62-0625	01072-24-1312	0011
	10020	RET ORIG PMT	\$1,067,973.85	02-26-01	NO	03-02-01	01057-62-0760			
	10024	RET FUND TR OUT	\$247.59	02-26-01	NO	03-31-01	01082-16-1649	01057-62-0760		11
	10023	RET REG TR OUT	\$13,183.64	02-26-01	NO	04-21-01	01111-67-0067	01057-62-0760	01106-21-3306	0102
	10023	RET REG TR OUT	\$6,885.97	02-26-01	NO	05-26-01	01146-67-0051	01057-62-0760	01141-19-4292	0103
		SUB-TOTAL	\$1,047,656.65							
		TOTAL	\$1,052,639.42							

A. The heading of the payment record gives the due date of the production period requested. Any payment or transfer in with this date or earlier is considered timely money. There will be no penalty or interest associated with these amounts.

B. Column Headings

TCODE – This is the transaction code, an internal code, associated with the payment type. The tcode is a five-digit number. The first two digits designate the tax. The “10” is the code for crude oil.

PAYMENT TYPE – RET REG TRNS IN designates a money transfer into this production month from another production period.

Similarly, a RET REG TRNS OUT designates a money transfer out of this production period to another month.

RET ORIG PMT means an original payment was received that was applied directly to this production period.

RET FUND TR IN is money that has been transferred from another tax to Crude Oil tax for this production period. (usually from natural gas tax)

RET FUND TR OUT is money that has been transferred from this production period to another tax type. (usually to natural gas tax)

REFUND means that the taxpayer has requested a refund of an overpayment for this production month.

A CR IN attached to transfers or refunds means that credit interest was created by these transactions.

AMOUNT – This column shows the payment, transfer, or refund amounts. Money that is transferred out will appear immediately under a payment or transfer in. A sub-total will appear under a payment or transfer whenever a transfer-out(s) or refund has occurred.

PM/VOU DT – This is the postmark or voucher (check) date. All transfer-ins carry the postmark of the original payment amount. The voucher date is the date of the refund check.

CORR PM – This shows whether a postmark date has been corrected.

PROC DT – This is the date that the transaction processed to our system.

DLN – This is the document locator number. The first five digits are the Julian date which is the same as the process date. The middle two numbers identify the method the transaction was submitted (referred to as roll numbers). The most common roll numbers for payments and transfers are:

- 00-34 – paper documents (data entry)
- 62-64 – electronic bank payments
- 67-68 – transfer form # 10-141

OLD DLN – Refers to the original payment DLN number.

PROMPTED DLN VOU/WAR NO – This is the DLN number for the actual transfer form used to transfer money.

PER – This is the cross-reference production month for the transfer in or out.

TX TYP – This shows the tax type for fund transfers in/out. The most common tax type for crude oil fund transfers is Type 11 (natural gas). Most commonly used when transferring crude oil payments applied to natural gas as condensate or visa versa.

PART V Collection Records

The collection record only prints for the period(s) requested and will be at the bottom of your history. It will show whether the production month is open or closed. If the period is not in adjustment notice status and does not have an outstanding balance (credit or liability), the record will be closed.

This particular record is open because of an outstanding balance of \$474.01. The record shows the breakdown of the liability (tax, penalty, interest). It is also open because it is in adjustment notice status.

The "Return Information Section" gives the Comptroller calculated tax and the taxpayer's reported tax. It also breaks down the tax calculated on the producer and purchaser reports if a taxpayer is set up as both.

The "Adjustment Notice Section" lists all adjustment notices generated by type (producer or purchaser), date issued, and the reason the adjustment notice was issued (bad data and/or bad totals).

This record also shows all payments, transfers, and refunds, similar to the Payment Record Section of the history.

OPEN AND CLOSED COLLECTION RECORDS						

RETURN COLLECTION RECORD FOR PERIOD 0101						
THE FOLLOWING COLLECTION RECORD IS OPEN						
TAX:	\$423.93	PENALTY:	\$42.40	REASON:	INTEREST:	\$7.68
				RCD BAL:	\$474.01	
DATE RECORD SET UP: 02-23-01						
REASON RECORD SET UP: ADJUSTMENT NOTICE						
OUTPUT HOLD STATUS: NOT IN OUTPUT HOLD						
NEXT ACTION: FOLLOW UP ON ADJ. NOTICE						
OUTPUT HOLD DESTINATION: ACTION DATE: 08-17-01						
RETURN INFORMATION SECTION: CALCULATED TAX: \$1,053,063.35						
CAL PUR TAX: \$1,053,063.35						
CAL PRO TAX: \$0.00						
REPORTED TAX: \$1,053,063.35						
ADJUSTMENT NOTICE SECTION:						
TYPE:		DATE ISSUED:		REASON:		
PUR		02-23-01		BAD DATA		
PUR		02-23-01		BAD DATA		
PUR		03-17-01		BAD TOTALS		
PUR		03-25-01		BAD DATA		
PUR		05-19-01		BAD DATA		
TRANSFER IN SECTION:	\$553.56	PM DT: 10-25-00	DLN: 01076-67-0063	FROM TX TP: 00	PERIOD: 0009	
TRANSFER IN SECTION:	\$174.49	PM DT: 11-27-00	DLN: 01076-67-0064	FROM TX TP: 00	PERIOD: 0010	
TRANSFER IN SECTION:	\$4,254.72	PM DT: 12-26-00	DLN: 01076-67-0065	FROM TX TP: 00	PERIOD: 0011	
PAYMENT SECTION:	\$1,067,973.85	PM DT: 02-26-01	DLN: 01057-62-0760			
TRANSFER OUT SECTION:	\$247.59	PR DT: 03-31-01	DLN: 01082-16-1649	TO TX TP: 11	PERIOD: 0000	
TRANSFER OUT SECTION:	\$13,183.64	PR DT: 04-21-01	DLN: 01111-67-0067	TO TX TP: 11	PERIOD: 0102	
TRANSFER OUT SECTION:	\$6,885.97	PR DT: 05-26-01	DLN: 01146-67-0051	TO TX TP: 11	PERIOD: 0103	
SUB TOTAL:	\$1,047,656.65					
NET PAYMENTS:	\$1,052,639.42					

Legislative Update

Legislation Update

The following changes have occurred in recent years because of legislation requirements.

- Beginning with January 1999 production (9901), reporting changed from recording crude oil production by county to reporting by lease.
- Effective with crude oil production periods due on or after January 1, 2000 (9912), interest will be based on a variable rate (VIR). Interest may also accrue on refunded or transferred credits that are over 60 days old. These credits must meet certain criteria and will earn credit interest based on the VIR for each calendar year. The VIR is determined each calendar year by adding 1 point to the US Prime rate published by *The Wall Street Journal* on the first business day of the year. See the “Variable Interest Rate Table” section of this guide for current and prior rates.
- The early tax payment due in odd-numbered years was repealed. Each odd-numbered year (i.e. 1999, 2001) an estimated tax payment for July is due August 15th. This payment must either cover your actual taxes for July or be equal to your June tax. The last year for this early payment was 2001.
- The oil-field cleanup fee was increased from 5/16 to 5/8 of one cent on each barrel of 42 standard gallons. The previous combined oil-field cleanup fee and regulatory tax was .005. Beginning with September 2001 (0109) crude oil production, the combined rate is .008125.
- If a taxpayer pays \$100,000.00 or more in crude oil tax, payments must be made by electronic funds transfer (EFT). If a taxpayer meets the criteria for EFT, they are also required to file their reports electronically.

Legislative Exemptions

Co-Production Projects

This exemption was added to the enhanced oil recovery statutes in 1993. The Railroad Commission will determine if a well is within a Co-Production Project and will issue a final order designating a field as being a Co-Production Project. An application for approval of the project had to be filed with the Railroad Commission before January 1, 1994.

Refer to the chart below for quick reference details on the Co-Production Project exemption.

Quick Reference: Co-Production Projects

Effective Date:	September 1, 1993
Length of Exemption:	Ten year exemption for oil from the beginning date for the project.
Certification:	Taxpayers must submit a copy of the final order from the Railroad Commission designating a field as being a Co-Production Project.
Comptroller's Application:	Taxpayers must file an application with the Comptroller's office (Form #AP-158) for each well in the field and include a copy of the final order from the Railroad Commission
Exempt Oil Taxes:	Taxpayers will receive a 50% exemption of crude oil production taxes <i>but not the oil field cleanup fee or the regulatory tax.</i>
Crude Oil Report:	Use <i>Type 8</i> for Co-Production projects on the report. Note: Block 18 is equal to 50% of (Block 13 less Blocks 16 and 17).
Recovery of Taxes Paid:	Taxpayers must file amended reports to recover taxes paid prior to the Comptroller's office approval date. <i>Amended reports to recover any exempt taxes paid prior to the Comptroller's approval date must be filed within one year of the Railroad Commission certification indicating that a positive production response has occurred.</i>

Enhanced Oil Recovery (EOR)

Oil produced from an approved new enhanced oil recovery project or expansion of an existing project is eligible for a special EOR tax rate of 2.3 percent of the production's market value (one-half of the standard rate). This is applicable for 10 years after the Railroad Commission certification of production response. For the expansion of an existing project, the reduced rate is applied to the incremental increase in production after the response certification.

There is a two-step approval process with the Railroad Commission:

1. An operator seeks approval of the project and area designation before active operation of the project.
2. Once an approved project is active, the operator seeks certification that the project evidences a positive production response (a rate of production higher than what would have taken place without enhanced recovery methods).

The Railroad Commission application for positive production response certification must be filed:

- within three years of initial project for a secondary enhanced recovery project.
- within five years for tertiary projects.

The deadline for applying to the Railroad Commission for initial project approval and area designation has been extended to January 1, 2008.

On an EOR expansion project, only the incremental production qualifies for the reduced tax rate.

Once Railroad Commission certification of an EOR project has occurred, the operator must then submit the *Texas Exemption Application* (Form #AP-158) to the Comptroller's office for approval. All applications must be accompanied by copies of the following:

1. The Texas Railroad Commission's *Enhanced Oil Recovery Project and Area Designation Approval Letter*.
2. The *Certificate of Positive Production Response Letter* or, in the case of an expansion, proof that incremental production has occurred.

Once the application has been reviewed by the Comptroller's office, a copy stamped "Approved" will be mailed to the applicant. After the approval has occurred, the production may be reported as an EOR project. If there are any problems with the application or with the attached supporting documents, the applicant will be contacted for additional information.

Refer to the chart on the next page for quick reference details on the enhanced oil recovery exemption.

Quick Reference: Enhanced Oil Recovery

Effective Date:	September 1, 1989
Length of Exemption:	10 Years
Certification:	Railroad Commission certification must be obtained to indicate that project or expansion has been approved. This will show project resulted in a positive production response or expansion has resulted in incremental production.
Comptroller's Application:	The Comptroller application (Form #AP-158) and a copy of the certification from the Railroad Commission must be submitted to the Comptroller's office.
Exempt Oil Taxes:	Taxpayers will receive a 50% exemption of crude oil production taxes <i>but not from the oil field cleanup fee or the regulatory tax.</i>
Crude Oil Report for Projects Approved Prior to January 1, 1994:	Use <i>Type 2</i> for EOR projects with a Railroad Commission H-12 approval date prior to January 1, 1994. See section on <i>Reporting Expanded EOR Projects</i> for instructions on how to report expanded EOR projects beginning with January 1999 production.
<i>To amend a reporting period prior to September 1, 1997:</i>	Amend secondary lease type (or project code) under <i>Type 2</i> . Amend tertiary lease type (or project code) under <i>Type 3</i> . Note: Block 18 should equal 50% of (Block 13 less Blocks 16 and 17).
Crude Oil Report for Projects Approved After January 1, 1994 And Through August 31, 1997:	Use <i>Type 4</i> for EOR projects with a Railroad Commission H-12 approval date between January 1, 1994 and August 31, 1997. See section on <i>Reporting Expanded EOR Projects</i> for instructions on how to report expanded EOR projects beginning with January 1999 production.
<i>To amend a reporting period prior to September 1, 1997:</i>	Amend secondary lease type (or project code) under <i>Type 4</i> . Amend tertiary lease type (or project code) under <i>Type 5</i> . Note: Block 18 should equal 50% of (Block 13 less Blocks 16 and 17).
Crude Oil Report for Projects Approved After August 31, 1997:	Use <i>Type 5</i> for leases with a Railroad Commission H-12 approval date after August 31, 1997. See section on <i>Reporting Expanded EOR Projects</i> for instructions on how to report expanded EOR projects beginning with January 1999 production. Note: Block 18 should equal 50% of (Block 13 less Blocks 16 and 17).

Reporting Expanded EOR Projects:	Effective with the January 1999 reporting period (9901), all <i>expanded</i> EOR projects must be reported showing entries for both <i>Baseline</i> and <i>Incremental</i> production. Report your EOR projects with the appropriate <i>Lease Type 2, 4, or 5</i> .
<i>Baseline:</i>	In Block 7 of your report, mark the block <i>Baseline</i> and record your baseline information. Note: Block 13 less Block 16 and 17 must equal Block 18.
<i>Incremental:</i>	On another entry, for the same lease, mark Block 7 for Incremental production and record your incremental information. Note: Block 18 should equal 50% of (Block 13 less Blocks 16 and 17).
Recovery of Taxes Paid:	Taxpayers must file amended reports to recover a 50% tax credit for any exempt taxes. <i>Amended reports to recover a credit for exempt taxes paid prior to the Comptroller's approval of the project must be filed no later than one year after the Railroad Commission certification of a positive production response or certification of incremental production.</i>

Incremental Production Well Exemption

Effective September 1, 1997, leases with wells that averaged seven barrels of oil equivalent (BOE) a day or less in 1996 are eligible for a 50% tax reduction on incremental production. The exemption is active as long as the price of oil, as judged by the Comptroller's office, remains below \$25 (adjusted to 1997 dollars). It is suspended if the price reaches \$25 or above for three consecutive months and reinstated when it is below \$25 for three consecutive months.

For the incremental production well exemption, the Railroad Commission reviewed all oil lease production records for calendar year 1996 and calculated the average daily BOE for each oil well. The BOE takes into account both oil and casinghead gas production, with six m.c.f. (thousand cubic feet) of gas being equivalent to one barrel of oil. If, during the four highest months of a lease's 1996 production, the production per day per well is no more than seven BOE, the lease is initially qualified. During the fall of 1997, the Railroad Commission advised operators of these leases that initially qualified.

If between September 1, 1997 and December 31, 1998, the production of an initially qualified lease exceeds the 1996 baseline BOE for four out of five consecutive months, that incremental production is used to derive an incremental production ratio. The Railroad Commission will certify the ratio which will be used by the Comptroller's office in calculating exempt production volumes. Primary, secondary, or tertiary techniques must be used to increase production. If primary production technique is used, it must involve an expenditure of at least \$5,000.

Upon approval of the application, the Railroad Commission will mail a certification of incremental ratio to the operator who then applies directly to the Comptroller's office for the actual tax reduction.

Refer to the chart on the next page for quick reference details on the Incremental Production exemption.

Quick Reference: Incremental Production

Effective Date:	September 1, 1997
Length of Exemption:	Five Years
Certification:	The operator must apply with the Railroad Commission before February 11, 1999 for certification.
Comptroller's Application:	The application (Form #AP-158) and a copy of the certification from the Railroad Commission must be submitted to the Comptroller's office.
Exempt Oil Taxes:	<p>Taxpayers will receive a 50% exemption on the crude oil production taxes for the incremental production from the wells. <i>The oil field cleanup fee and the regulatory fee are not exempt.</i></p> <p>This exemption is active as long as the price of oil, as judged by the Comptroller's office, remains below \$25 per barrel (adjusted to 1997 dollars).</p> <p>This exemption is suspended if the price reaches \$25 or above for three consecutive months and will be reinstated when it is below \$25 for three consecutive months.</p>
Suspension:	This exemption was suspended effective with December 2000 production. Continue to report a Type 6 with both baseline and incremental entries. The incremental entry should reflect 100% of the net taxable value.
Reinstatement:	This exemption was reinstated effective with June 2001 production. Amendments will have to be filed to recover taxes paid prior to the reinstatement notification date of December 31, 2001.
Crude Oil Report:	The exemption will be reported with a <i>Type 6. Incremental and baseline production must be reported separately.</i>
<i>To Report Incremental Production:</i>	Mark the box in Block 7 for incremental. Block 18 is equal to 50% of (Block 13 less Blocks 16 and 17), unless suspended. If suspended, Block 18 is equal to Block 13 less Blocks 16 and 17.
<i>To Report Baseline Production:</i>	Mark the box in Block 7 for baseline. <i>Block 13 less Blocks 16 and 17 must equal Block 18.</i>
Recovery of Taxes Paid:	<p>Amended reports must be filed to receive a credit for exempt taxes paid.</p> <p><i>Amended reports to recover a credit for exempt taxes paid prior to the Comptroller's approval must be filed with the Comptroller's office not later than the first anniversary after the Railroad Commission's certification of the incremental ratio.</i></p>

Three-Year Inactive Wells

Although the Railroad Commission issued its last three-year inactive well certification February 29, 1996 (the statutory deadline), wells that were certified qualify for a severance tax exemption on oil, gas well gas, and casinghead gas produced in the ten-year period following certification.

Refer to the chart below for quick reference detail on the Three-Year Inactive Well exemption.

Quick Reference: Three-Year Inactive Wells

Effective Date:	September 1, 1993
Length of Exemption:	10 Years, starting on the Railroad Commission certification date.
Certification:	The well must be certified by the Railroad Commission.
Comptroller's Application:	The application (Form #AP-158) must be submitted to the Comptroller's office.
Exempt Oil Taxes:	Taxpayers are exempt from the crude oil production tax <i>but not from the regulatory tax or the oil field cleanup fees.</i>
Crude Oil Report:	Use <i>Type 7</i> for three-year inactive wells and report the net taxable value in Block 18 as zero.
Recovery of Taxes Paid:	To recover taxes paid to the Comptroller's office, taxpayers must file amended reports within the four-year statute of limitations.

Two-Year Inactive Wells

Effective September 1, 1997, if an oil or gas well has been inactive (i.e. has no more than one month of production) during the preceding two years, any new production—oil, gas well gas, or casinghead gas from a certified well—is eligible for up to a ten-year tax exemption.

After receipt and processing of August 1997 production reports during Fall 1997, the Railroad Commission reviewed all oil and gas lease well records and identified those wells that have been inactive the preceding two years. At that time, operators of those wells were informed of their potential eligibility for certification. Each month thereafter, as additional wells are identified as reaching the two-year inactive point, their operators will also be notified. If a well has not been automatically identified as being potentially eligible, an operator may apply for certification through August 31, 2009.

Refer to the chart below for quick reference details on the Two-Year Inactive Well exemption.

Quick Reference: Two-Year Inactive Wells

Effective Date:	September 1, 1997
Length of Exemption:	10 Years, starting On The Railroad Commissioner certification date.
Certification:	A certification letter from the Railroad Commission certifying a well as a two-year inactive well must be submitted to the Comptroller's office.
Comptroller's Application:	The application (Form #AP-158) and a copy of the certification from the Railroad Commission must be submitted to the Comptroller's office.
Exempt Oil Taxes:	Taxpayers are exempt from the crude oil production tax <i>but not from the regulatory tax or the oil field cleanup fees.</i>
Crude Oil Report:	Use <i>Type 3</i> for two-year inactive wells and report the net taxable value in Block 18 as zero.
Recovery of Taxes Paid:	To recover taxes paid to the Comptroller's office, taxpayers must file amended reports within the four-year statute of limitations.

Temporary Severance Tax Relief

Temporary severance tax relief for qualified leases was granted by the legislature for February, March, and April of 1999. The tax relief was dependent on the NYMEX price of oil for the three previous months prior to the reporting month.

The Texas Railroad Commission determined which leases qualified for the exemption and notified producers. The crude oil exemption includes oil leases with an average daily production of no more than 15 barrels per well per day during October, November, and December 1998.

The statute requires that two criteria be met for the exemption to take effect:

- Production of the oil lease reported to the Railroad Commission during October, November, and December of 1998 does not exceed certain levels.
- Oil prices must remain below a defined threshold for three successive months.

The production months of February, March, and April 1999 were eligible for tax relief. Because the April 1999 average NYMEX price for oil is above the limit required, oil produced during May, June, or July 1999 was not exempt from severance tax.

Quick Reference: Temporary Severance Tax Relief

Effective Date:	Effective March 11, 1999 for crude oil produced between February 1, 1999 and July 31, 1999.
Length of Exemption:	The earlier of September 1, 1999 or when total taxes exempted equals \$45 million. Certain conditions applied.
Exemption Suspension:	The price of oil exceeded \$15 a barrel (NYMEX) in April 1999. This increase resulted in the suspension of this exemption for May-July 1999 production.
Certification:	The lease must be certified by the Railroad Commission.
Comptroller's Application:	No application is required.
Exempt Oil Taxes:	Taxpayers received a 100% exemption on the crude oil production taxes <i>but not from the oil field cleanup fee or regulatory tax.</i>
Crude Oil Report:	This exemption will be reported with a Type 10. The net taxable value in Block 18 will be zero for February-April 1999 production. May-July 1999 production should be reported as Type 10 with 100% net taxable value in Block 18.
Recovery of Taxes Paid:	The Comptroller's office will automatically convert qualifying leases to a Type 10. A notification letter was sent listing the leases converted and the tax credit applied to your account. <i>Verify that all your qualifying leases are listed. It is the taxpayer's responsibility to amend or add qualifying leases within the four-year statute of limitations.</i>

Texas Experimental Research and Recovery Activity Well (TERRA)

This exemption from crude oil tax is for oil wells that have been accepted by the Railroad Commission into the Texas Experimental Research and Recovery Activity Well (TERRA) program. The effective date of this exemption was January 1, 1996. The purpose of the TERRA program is to acquire mechanically sound and nonpolluting wellbores for use in developing and testing enhanced or advanced recovery techniques. The TERRA program also ensures that wellbores are plugged in accordance with state law and Railroad Commission rules.

For each well qualifying under this provision, the Railroad Commission will give the Comptroller's office a copy of the certification of exemption. The certification identifies the well, operator of the well, and effective date of the tax exemption. This is subject to the Comptroller's office approval of the exemption.

If the Railroad Commission revokes a certificate for a tax exemption or a license issued under the *Natural Resources Code, Chapter 93*, a tax exemption granted under this section is automatically revoked on the date the certificate or license is revoked. Any oil produced from the well after the date of revocation is subject to the crude oil production tax.

Refer to the chart below for quick reference details on the TERRA Well exemption.

Quick Reference: TERRA Wells

Effective Date:	January 1, 1996
Length of Exemption:	A well will be exempt for life as long as it is in the TERRA program. The well is also exempt for life if it was in the TERRA program for two years before dropping out.
Certification:	Taxpayers must obtain certification from the Railroad Commission indicating that the well has been approved as a TERRA well.
Comptroller's Application:	The application (AP-158) and a copy of the certification from the Railroad Commission must be submitted to the Comptroller's office.
Exempt Oil Taxes:	<i>Taxpayers will receive a 100% exemption from the crude oil production tax, the regulatory tax, and the oil field cleanup fee.</i>

Crude Oil Report:

Use *Type 9* for TERRA wells and report the net taxable value in Block 18 as zero.

Recovery of Taxes Paid:

To recover taxes paid prior to the Comptroller's office approval date, amended reports must be filed within one year of the Railroad Commission's certification letter date.

Sample of Texas Exemption Application (Form #AP-158 Back)

Form AP-158 (Back)(Rev.9-02/12)

SPECIFIC INSTRUCTIONS

- Item f Lease and/or Well Name** Type the lease or well name as documented by the Texas Railroad Commission (RRC).
- Item g County of Production** Type the county name of the lease or well as documented by the RRC.
- Item h RRC District** Type the district number as documented by the RRC.
- Item i Lease Number** Type the lease identification number assigned by the RRC.
- Item j Certification Effective Month** Type the month indicated on your RRC Certification Letter.

In addition to a - j, complete items k and l if you are applying for an Incremental Production Well Exemption.

- Item k RRC Certification Date** Type the date indicated on your RRC Certification Letter.
- Item l RRC Incremental Ratio** Type the incremental ratio as documented by the RRC.

In addition to a-j, complete the following for Enhanced Oil Recovery Projects Only:

- Item m Type of Project** Check the type of recovery method as designated by the RRC.
- Item n RRC H-12 Approval Date** Type the date indicated on your RRC Enhanced Oil Recovery Project and Area Designation Approval Letter.
- Item o RRC Certification Date of Positive or Incremental Production** Type the RRC Certification Date of approval. (*mmddyy*)
- Item p RRC H-13 Action Date** Type date indicated on your RRC Enhanced Oil Recovery Project and Area Designation Approval Letter.
- Item q Project Name** Type the project name as documented by the RRC.
- Item p RRC Project Number** Type the project number as designated by the RRC.

GENERAL INSTRUCTIONS

Except for TERRA wells, condensate from gas wells is not exempt from severance tax.

<u>Exemption Type</u>	<u>Documentation Required</u>
Two-Year Inactive Well	} RRC Certification Letter
Three-Year Inactive Well	
TERRA Well	
Flared/Released Casinghead	
Incremental Production	
Enhanced Oil Recovery Project	RRC Enhanced Oil Recovery Project and Area Designation Approval <i>and</i> either the Certificate of Positive Production Response <i>or</i> for an expansion, proof that incremental production has occurred.

County Codes

County Codes

County	Code	RRC	County	Code	RRC	County	Code	RRC
Anderson	001	06	Collin	043	05	Gillespie	086	01
Andrews	002	08	Collingsworth	044	10	Glasscock	087	08
Angelina	003	06	Colorado	045	03	Goliad	088	02
Aransas	004	04	Comal	046	01	Gonzales	089	01
Archer	005	09	Comanche	047	7B	Gray	090	10
Armstrong	006	10	Concho	048	7C	Grayson	091	09
Atascosa	007	01	Cooke	049	09	Gregg	092	06/6E
Austin	008	03	Coryell	050	7B	Grimes	093	03
Bailey	009	8A	Cottle	051	8A	Guadalupe	094	01
Bandera	010	01	Crane	052	08	Hale	095	8A
Bastrop	011	01	Crockett	053	7C	Hall	096	10
Baylor	012	09	Crosby	054	8A	Hamilton	097	7B
Bee	013	02	Culberson	055	08	Hansford	098	10
Bell	014	01	Dallam	056	10	Hardeman	099	09
Bexar	015	01	Dallas	057	05	Hardin	100	03
Blanco	016	01	Dawson	058	8A	Harris	101	03
Borden	017	8A	Deaf Smith	059	10	Harrison	102	06
Bosque	018	05	Delta	060	05	Hartley	103	10
Bowie	019	06	Denton	061	09	Haskell	104	7B
Brazoria	020	03	DeWitt	062	02	Hays	105	01
Brazos	021	03	Dickens	063	8A	Hemphill	106	10
Brewster	022	08	Dimmit	064	01	Henderson	107	05
Briscoe	023	10	Donley	065	10	Hidalgo	108	04
Brooks	024	04	Duval	066	04	Hill	109	05
Brown	025	7B	Eastland	067	7B	Hockley	110	8A
Burleson	026	03	Ector	068	08	Hood	111	7B
Burnet	027	01	Edwards	069	01	Hopkins	112	05
Caldwell	028	01	Ellis	070	05	Houston	113	06
Calhoun	029	02	El Paso	071	08	Howard	114	08
Callahan	030	7B	Erath	072	7B	Hudspeth	115	08
Cameron	031	04	Falls	073	05	Hunt	116	05
Camp	032	06	Fannin	074	05	Hutchinson	117	10
Carson	033	10	Fayette	075	03	Irion	118	7C
Cass	034	06	Fisher	076	7B	Jack	119	09
Castro	035	10	Floyd	077	8A	Jackson	120	02
Chambers	036	03	Foard	078	09	Jasper	121	03
Cherokee	037	06/6E	Fort Bend	079	03	Jeff Davis	122	08
Childress	038	10	Franklin	080	06	Jefferson	123	03
Clay	039	09	Freestone	081	05	Jim Hogg	124	04
Cochran	040	8A	Frio	082	01	Jim Wells	125	04
Coke	041	7C	Gaines	083	8A	Johnson	126	05
Coleman	042	7B	Galveston	084	03	Jones	127	7B
			Garza	085	8A	Karnes	128	02

County	Code	RRC	County	Code	RRC	County	Code	RRC
Kaufman	129	05	Morris	172	06	Stephens	215	7B
Kendall	130	01	Motley	173	8A	Sterling	216	08
Kenedy	131	04	Nacogdoches	174	06	Stonewall	217	7B
Kent	132	8A	Navarro	175	05	Sutton	218	7C
Kerr	133	01	Newton	176	03	Swisher	219	10
Kimble	134	7C	Nolan	177	7B	Tarrant	220	05
King	135	8A	Nueces	178	04	Taylor	221	7B
Kinney	136	01	Ochiltree	179	10	Terrell	222	7C
Kleberg	137	04	Oldham	180	10	Terry	223	8A
Knox	138	09	Orange	181	03	Throckmorton	224	7B
Lamar	139	05	Palo Pinto	182	7B	Titus	225	06
Lamb	140	8A	Panola	183	06	Tom Green	226	7C
Lampasas	141	7B	Parker	184	7B	Travis	227	01
LaSalle	142	01	Parmer	185	10	Trinity	228	03
Lavaca	143	02	Pecos	186	08	Tyler	229	03
Lee	144	03	Polk	187	03	Upshur	230	06/6E
Leon	145	05	Potter	188	10	Upton	231	7C
Liberty	146	03	Presidio	189	08	Uvalde	232	01
Limestone	147	05	Rains	190	05	Val Verde	233	01
Lipscomb	148	10	Randall	191	10	Van Zandt	234	05
Live Oak	149	02	Reagan	192	7C	Victoria	235	02
Llano	150	01	Real	193	01	Walker	236	03
Loving	151	08	Red River	194	06	Waller	237	03
Lubbock	152	8A	Reeves	195	08	Ward	238	08
Lynn	153	8A	Refugio	196	02	Washington	239	03
Madison	154	03	Roberts	197	10	Webb	240	04
Marion	155	06	Robertson	198	05	Wharton	241	03
Martin	156	08	Rockwall	199	05	Wheeler	242	10
Mason	157	01	Runnels	200	7C	Wichita	243	09
Matagorda	158	03	Rusk	201	06/6E	Wilbarger	244	09
Maverick	159	01	Sabine	202	06	Willacy	245	04
McCulloch	160	7C	San Augustine	203	06	Williamson	246	01
McLennan	161	05	San Jacinto	204	03	Wilson	247	01
McMullen	162	01	San Patricio	205	04	Winkler	248	08
Medina	163	01	San Saba	206	7B	Wise	249	09
Menard	164	7C	Schleicher	207	7C	Wood	250	06
Midland	165	08	Scurry	208	8A	Yoakum	251	8A
Milam	166	01	Shackelford	209	7B	Young	252	09
Mills	167	7B	Shelby	210	06	Zapata	253	04
Mitchell	168	08	Sherman	211	10	Zavala	254	01
Montague	169	09	Smith	212	06/6E	Statewide	255	
Montgomery	170	03	Somervell	213	7B			
Moore	171	10	Starr	214	04			

Check Digit Calculation

Check Digit Calculation for Taxpayer Numbers

Step 1. Begin with the nine-digit Federal Employer's Identification (FEI) Number or Social Security Number (whichever applies).

765432123

Step 2. Place a "1" in front of the FEI number or a "2" in front of the Social Security number to create a ten-digit number.

1765432123

Step 3. Starting with the right hand digit, multiply each *alternate* digit by "2." If the result of the multiplication is greater than nine, then add the individual numbers of the two-digit result together to achieve a single digit result.

$3 \times 2 = 6$	\longrightarrow	6
$1 \times 2 = 2$	\longrightarrow	2
$3 \times 2 = 6$	\longrightarrow	6
$5 \times 2 = 10$	\longrightarrow	$1 + 0 = 1$
$7 \times 2 = 14$	\longrightarrow	$1 + 4 = 5$

Step 4. Add the results from Step 3 to obtain one number.

$6 + 2 + 6 + 1 + 5 = 20$

Step 5. Add the remaining digits not used in Step 3 and include the total figure calculated in Step 4.

$2 + 2 + 4 + 6 + 1 + 20 = 35$

Step 6. Subtract the total calculated in Step 5 from the next highest number ending in zero to obtain the check digit. If the total in Step 5 ends in a zero, then the check digit is zero.

$40 - 35 = 5$

Step 7. The taxpayer number with the check digit is:

17654321235

Variable Interest Rate Table

Variable Interest Rate Table

September 1, 1991	December 31, 1999	12%
January 1, 2000	December 31, 2000	9.5%
January 1, 2001	December 31, 2001	10.5%
January 1, 2002	December 31, 2002	5.75%
January 1, 2003	December 31, 2003	5.25%

Variable interest rate information is available by calling 1-877-44RATE4 (1-877-447-2834). This same information is available in publication #98-304. To request this publication, call 1-800-252-1384. The Austin number is 512/463-4600. From a Telecommunications Device for the Deaf (TDD), call 1-800-248-4099. The Austin number is 512/463-4621.

A brief explanation of the variable interest rate is also included in this tax guide. See the “Legislation Update” section.

Helpful Information

Helpful Information for Preparing, Amending, and Reconciling Your Crude Oil Tax Account

Taxpayer History

A taxpayer history is an excellent tool for amending and reconciling specific production periods on your crude oil tax account. It is especially useful for amending lease numbers and other party numbers when these items were left blank on your report. The Comptroller's system cannot accept blanks, so blanks are converted to system-assigned numbers in order to process your return. In order to correct these "unidentifiable" leases or other party numbers, you must back out of these invalid numbers exactly the way they appear on our system. The only way you will know these numbers is by researching the information with your tax examiner or to request a history.

A history can also help you identify duplications, omissions, or typographical errors that may have occurred on your crude oil account. It is also excellent for helping you work adjustment notices, especially consolidated notices.

To order a taxpayer history, call the examiner who handles your account or call the Crude Oil Tax Section at 1-800-531-5441, extension 3-4255. When ordering a history, the examiner will usually order the detail records, record totals, and payments for the production months that you wish to review. Also available, upon request, are collection records and a history of your bank account, if any. Bank accounts were eliminated on June 1, 2000.

Producer/Purchaser Lists

Sometimes it is difficult to obtain the tax identification number for the "other party number" on your crude oil return, especially if your company's report changes frequently. A list of all producers and/or purchasers is available upon request. These reports can be ordered in alphabetical or numerical order. Call your tax examiner to request a list or call the section number at 1-800-531-5441, extension 3-4255.

If your reports don't change frequently, your examiner can help you find the number without ordering a complete listing. There's also a web site available for finding a producer or purchaser tax identification number. See the next section for information.

Web Sites

The Comptroller's web site has information that can assist you. The Comptroller Home Page is <http://www.window.state.tx.us/>. Click on the *Texas Taxes* link. From here, you can link to various sites

in order to get crude oil tax forms, information on electronic tax filing, and electronic funds transfer (paying your crude oil taxes electronically), and access information on frequently asked questions (FAQs).

You can also search for crude oil producer and purchaser tax identification numbers. Click on the *Crude Oil* link under *Taxes & Fees (A-Z)*; then, click on *Crude Oil and Natural Gas Taxpayer Search*.

Another useful web site is the Railroad Commission (RRC) home page at <http://www.rrc.state.tx.us/>. Click on the *Interactive Data* link. Click on *Oil & Gas Production (ACTI)* and then the *Query* icon. From this page, you can research various information regarding leases, fields, and operators.

How to Contact Us – Toll Free Numbers

Crude Oil Tax Section: 1-800-531-5441 + the extension of the examiner who handles your account. If you don't have this information, the section extension is 3-4255. The direct number is 512/463-4255. Ask for the examiner who handles your company. (It will be the first letter of your company name.)

Our toll free fax line is 1-877-882-8892. The local fax number is 512/475-0165.

Electronic Reporting Section (electronic reporting and funds transfer): 1-800-442-3453. The local number is 512/463-3630. From a Telecommunications Device for the Deaf (TDD): 1-800-248-4099. The local TDD number is 512/463-4621.

The toll free fax line is 1-877-882-8894. The local fax number is 512/475-0397.

E-Mail Addresses

If you know the name of the examiner who handles your account, you can e-mail the examiner at the following address: *first name.last name@cpa.state.tx.us*. Ex: *john.doe@cpa.state.tx.us*.

The Electronic Tax Filing e-mail address is *etf.cpa@cpa.state.tx.us*.

The Electronic Funds Transfer e-mail address is *eft.cpa@cpa.state.tx.us*.

Texas Comptroller of Public Accounts
Publication #96-161, March 2003
For Additional Copies Write:

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Account Maintenance
111 E. 17th Street
Austin, Texas 78774-0100