Crude Oil and Natural Gas

Electronic Reporting Quick Reference Guide 2008

Susan Combs Texas Comptroller of Public Accounts

Crude Oil and Natural Gas

Electronic Reporting Quick Reference Guide

Installing Application From CD

Place **CD** in CD carriage. Wait a few seconds. A window will display showing the contents of your CD drive. Double click on the **Petrofull.exe** file to begin the Install Shield Wizard. Follow the prompts to install the software on your C:\ drive.

If no window displays, open your Windows Explorer and double click on your CD drive. Double click **Petrofull.exe** file to open. Follow the prompts to install the software on your C:\ drive.

The Natural Gas – Crude Oil ETF icon will be added to your Desktop. Double Click the Natural Gas – Crude Oil ETF icon to launch the program.

Downloading Software From The Internet

Exit all open Windows applications.

Log on to the Internet.

Enter the following URL:

http://www.window.state.tx.us/taxinfo/etf/

Click **Electronic Data Interchange (EDI)** link.

Click **Natural Gas and Crude Oil** link.

Click **free software** link, for petroful.exe.

When asked, “Do you want to run or save this file?,” click <**Save**>. Save the file to your Desktop (Hint: Use the drop down arrow by the Save In box and arrow up to Desktop).

Click <**Save**>.

The download will begin. When the download is complete click <**Close**> and exit the Internet and go to your Desktop.

Double click the **petroful.exe** Icon.

Click <**Run**>.

Click <**Next**> on the Natural Gas - Crude Oil ETF screen.

Click <**Next**> on Destination Directory screen.

Click <**Finish**>.

Click <**OK**> on the Microsoft HTML Help software check.

If your computer needs a Microsoft update click <**Yes**> to update it, otherwise click <**OK**>.

Click <**OK**> when “Setup is complete” displays.

Delete the **petroful.exe** icon from your Desktop.

Converting Database (if needed)

Double click on the Natural Gas – Crude Oil ETF icon on your desktop to start up the application. The opening screen will display the tax type.

To change between Natural Gas and Crude Oil click <**File**> from the menu bar, click <**Change Tax**>, make selection and click <**OK**>.

Note: If you are upgrading to a newer version of the Petro software, you will be asked to copy data from your old data base. Click the Yes button *to open up the Convert database window. Click the Start button at the bottom of the window to begin the conversion process. A message box will appear when finished, click the <**OK**> button. A window will open listing leases that need further maintenance. Click the Print button at the bottom of this window. The printed list will allow you to research the additional information needed. A message box outlining the user's input requirements will display. Click the <**OK**> button. Click the <**Close**> button at the bottom left corner of the Convert Database window. Click the <**OK**> button from the message box explaining user's input required.*

Once your finished with this part of the conversion you will be return to the start of the program.

From the opening screen (Texas Flag), click the Conversion drop down from the task bar. Click the Convert Leases option. Enter the Information requested (See spaces in white). Once you are finished, click <**Save**>. If all information is complete a message box will display explaining conversion processing complete. Click the <**OK**> button.

Taxpayer Information Setup

Note: If you report a large number of leases and want a preload file, send an e-mail to: ***etf.cpa@cpa.state.tx.us*** *and request a preload file. Please provide your taxpayer number and tax type. We will create a preload file with your lease information reported on your last report. This will save you time by not having to enter in the taxpayer information manually.*

To manually enter your information:

 Click <**Taxpayer**> button.

A dialog box appears "No entries exist create a new one?"

Click <**Yes**>. Enter **Taxpayer Number**, **Name**, **Address**, **Contact Name** and **Phone Number** and **Contact E-mail**.

Note: You will not need a transmitter number unless you are a CPA, bookkeeping or consulting firm filing on behalf of the taxpayer. E-mail Address and transmitter number are optional fields. ***Enter Route/Transit Number, Account Type and***

Bank Account Number ONLY if you are going to make electronic payments through the software with the return, otherwise leave these fields blank.

Click <**Save**>.

Click <**New**> to add another Taxpayer Number, if necessary, and repeat the steps above.

OR

Click <**Close**> on Taxpayer Information window.

Click <**Close**> on Taxpayer Index window.

Other Party Setup

 From the opening screen click <**Other Party**>.

Click <**New**>. Enter Other Party Number and the Other Party Name.

Click <**Save**>.

Click <**New**> if you want to add another other party and repeat the steps above.

OR

Click <**Close**> on Other Party Information screen.

Click <**Close**> on Other Party Index screen.

Lease and Lease Setup Information

 Click <**Lease**> or  <**Lease Setup**>. A dialog box appears, asking you if you want to create an entry.

Click <**Yes**>.

Natural Gas only: Click on the drop down arrow to the right of the **Lease Type** field to display values. Click on the value that describes the lease you are setting up.

Enter the county name in the **County of Production** field, or click on the drop down arrow to the right of the field to display a list of the 254 counties in Texas and make your selection.

Natural Gas only: <**Tab**> to the **RRC Lease Number** field and enter the six-digit number assigned by the Railroad Commission to this lease. If no lease number has been assigned but you have a drilling permit number, you may enter the six-digit permit number.

Crude Oil only: <**Tab**> to the **RRC Lease Number** field and enter 0 + the first five digits assigned by the Railroad Commission to this lease. If no lease number is assigned but you have the drilling permit number, you may enter the six-digit drilling permit number.

Note: The drilling permit number is a temporary fix until the lease number is assigned by the Railroad Commission.

Click **Yes** or **No** to **Drilling Permit Number**?

<**Tab**> to the **Lease Name** box, and enter the name of the lease.

Click on the drop down arrow to the right of the **Exemption** field to display values. Click on the value that describes the exemption for this lease. If no exemption, click **0 No Exemption**.

Natural Gas only: Click on the drop down arrow to the right of the **Commodity** field to display values. Click on the value that describes the commodity to report.

Crude Oil only: Click **Yes** or **No** to **Lease Operator**.

Click **Yes** or **No** to **Liable for Tax**.

Natural Gas only: Click **Yes** or **No** to **Off Lease Sale**.

Natural Gas only: Click **Yes** or **No** to **Tax Reimbursement**.

Enter the API number in the **API Nbr.** field if applicable.

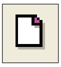
Click <**Taxpayer Lookup**> button. Select the number from the index and click <**OK**>.

Click <**Other Party Lookup**> button. Select the other party for lease setup and click <**OK**>.

For Exemption type 11 – Low Producing well only: Select the appropriate average price from the drop down arrow next to the **Avg CO Price** or **Avg NG Price** field.

Natural Gas Lease Exemption Type 5 only: Enter the reduced tax rate in the **Lease Type 5 Tax Rate** field.

Click <**Save**>.


Click the <**New**> icon to setup another lease.

Click the **Lease List** button to see the **Lease List** window. Select an existing lease and click the **OK** button or click the **New** button to setup a new lease.

OR

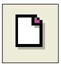
If no other setups are required, click the <**Close**> button on the **Add Lease Setup** window.

Click <**Close**> on **Lease Index** or **Lease Setups Index** window.

Preparing Reports

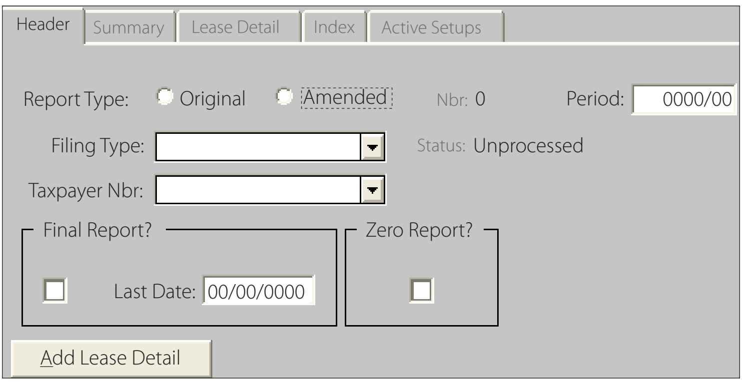

To prepare a new report: Click the <**Report**> icon.

If you have prepared a report in PETRO before: The Report Index appears.

 Click <**New**>.

If this is your first report in PETRO: A dialog box will appear, with the message, **"No entries. Create a new one?"** Click <**Yes**>.

The **Header** tab opens. Click the **Original or Amended** indicator in the **Report Type** field.



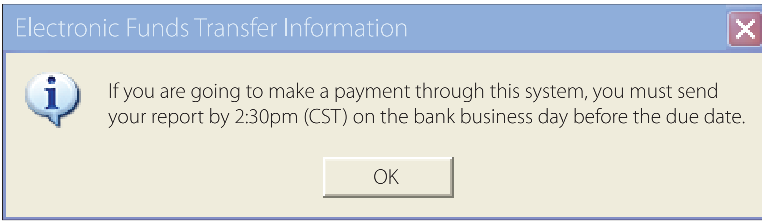
<**Tab**> to the Period field, and enter the period for which you are creating the report, using YYYY/MM format; for example, **2007/10**.

Click the drop down arrow to the right of the **Filing Type** field. Select the type of report from the drop-down list by clicking on it.

Click on the drop down arrow to the right of the **Taxpayer Nbr** field. Select the taxpayer number from the drop-down list.

Click the **Add Lease Detail** button or the <**Save**> icon.

If you have setup your bank account in the software to make EDI payment, the "If you are going to make a payment through this system…" reminder box will appear. Click <**OK**>.



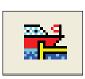
Natural Gas Only: The **Lease Detail** tab appears. Enter **Locator #** (optional); **Total Lease Volume** (for Producers' reports only); **Your Volume**; **Value of Volume**; **Govt. Exempt Volume**; **Exempt Value**; and **Marketing Costs** for that lease.

*Note: When creating an Amended report, the **Net Taxable Value** is required.*

Crude Oil Only: The **Lease Detail** tab appears. **Enter Locator #** (optional); **API Gravity**; **Gross Barrels**; **Gross Value**; **Exempt Barrels**; **Exempt Value**; and **Trucking Cost** for that lease.

*Note: When creating an Amended report, the **Net Taxable Value** is required.*

If you have more than one lease setup on this report, the next lease will appear after you <**Tab**> through all of the fields. Or, you can click the <**Next**> arrow to access the next lease.

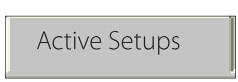


Note: The software allows you to import your data into the Lease Detail screen by creating an import file from the template in Petro30 folder.

See detail instructions in the Help feature in the software.

After all lease data is entered or if you need to exit the report, click <**Save**>.

*Note: If you need to exit the report before entering all your data, make sure to click the <**Save**> icon. When you return to the report, click the **Active Setups** tab.*



You will notice that only the leases entered on the report are checked; you will need to select any leases that you want to add to this report. To select one lease, double-click the lease. To select all of the remaining leases, click the first unchecked lease, press and hold the <**Shift**> key, then click the last lease on the list. Click the <**Apply Lease Detail**> button.

*Note: If you need to create a new lease setup during the entry of your report. Save the report and refer to **Lease Information** and **Lease Setup Information** section. After you have created the new lease setup, return to the **Report Index**, double-click the report you are preparing, click the **Active Setups** tab. Double click the new lease. The new lease appears on the **Lease Detail** tab.*

Previous Payments/Penalty and Interest

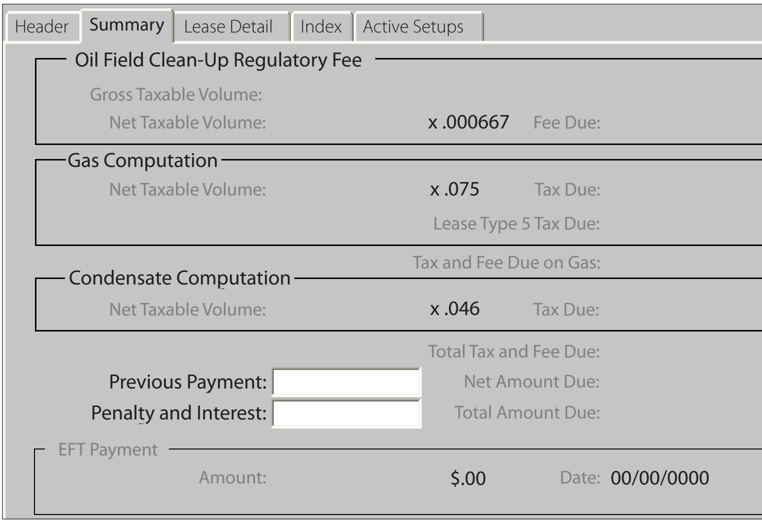
Click **Summary** tab. Enter any **Previous Payments** (credits from other periods). Call the Comptroller's office for verification of credits. If the report is late and penalty and/or interest are due, enter the **Penalty and Interest** amounts. Call the Comptroller's office for assistance in calculating penalty and interest.

Click <**Save**>.

Non EFT Payment Entry

Verify the totals are correct on the **Summary** tab. If totals are incorrect you should make changes to the report before processing. To do so, return to the **Lease Detail** tab and enter the correct data in the appropriate fields. If you are not required to pay your tax electronically you can mail a check for payment. Refer to **Printing Report/ Payment Coupon** for instructions. Using this coupon will ensure that your payment is credited to the proper account and period. Write your account number on your check.

Non EFT Payment Example:



Click <**Save**>.

Click <**Close**>.

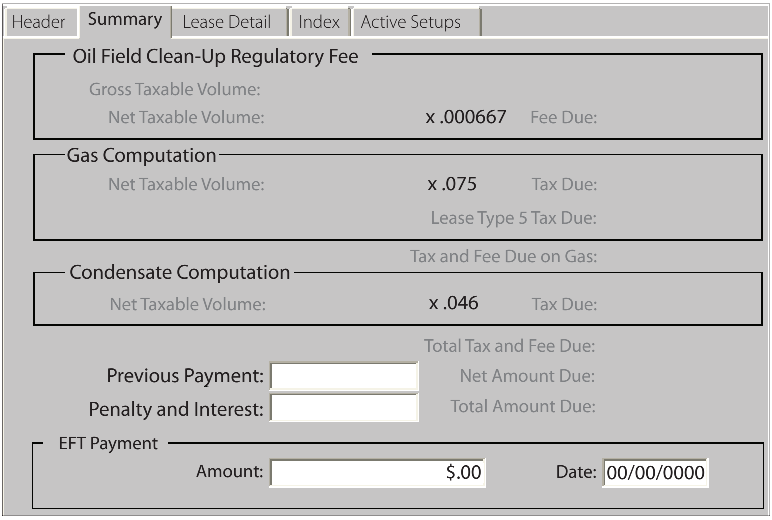
EFT Payment Entry (Optional)

If using this option, verify the Totals are correct on the **Summary** tab. Enter the **EFT Payment** amount and the **EFT Payment Date**.

Note: The date should be the due date of the return or the date you want the payment to be drafted from your bank account.

Reports with payments MUST be transmitted no later than 2:30 p.m. Central Time on the bank business day BEFORE the due date.

EFT Payment Example:



Click <**Save**>.

Click <**Close**>.

Printing Report/Payment Coupon

From the Report Index screen, highlight the report you want to print by clicking once on the left mouse button.

Click <**Report**>.

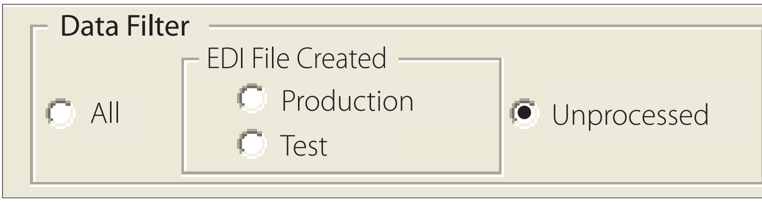
Click <**Print**>.

If you are paying by check, you may print a payment coupon by clicking the <**Print Payment Coupon**> button.

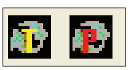
Close **Return Reporting** screen.

Processing Report

From the **Report Index** window, make sure the **Data Filter** (bottom right) is set to **Unprocessed**.



Highlight the report that you want to process by clicking on it.



Click <**Test**> or <**Production**> depending on what type of file you would like to create.

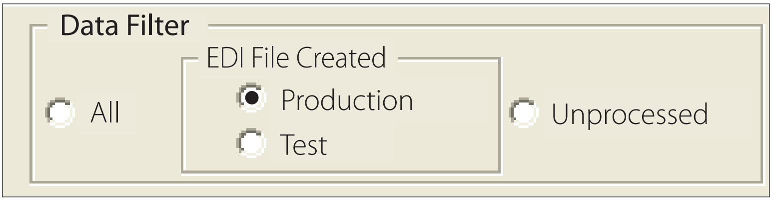
Note: Once the report is processed as a production file, you can only make corrections by filing an amended report.

If the report being processed is including an EFT (Electronic Funds Transfer) payment, a verification window will appear. Verify the payment information, if correct click the **Yes** button to continue processing.

The **Select EDI File to Create** window appears with a system-assigned file name in the file name field. Click the **Save** button to accept the name, or type over it to change, and then click the **Save** button.

Click the **OK** button in the dialog box that confirms the creation of the file.

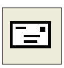
You will notice that the report disappears from the **Report Index** window. Click the **Production Data Filter** button at the bottom of the screen to display a list of all processed reports, including the one that you just processed. If you processed a **Test** report, click the **Test Data Filter** button to display your report.



Enveloping Multiple Returns

To combine two or more returns in one file after all returns have been processed, click the **Production** or **Test Data Filter button** from the **Report Index** screen.

Highlight all reports you want to envelope by holding down the <**Control**> key and clicking on each file to be enveloped.

 Click <**Envelope**>.

The **Select Envelope EDI File** box will appear with the file name highlighted. You can change this file name if you wish, but be sure to keep the **.txt** extension. Also, be sure to write down this new file name since you will be transmitting it later.

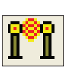
Click <**Save**> button.

Click the **OK** button in the dialog box that confirms the creation of the envelope file.

Transmitting the Return

Note: Use these instructions when you are transmitting both test returns and production returns.

From the **Report Index** window, make sure that you are viewing the list of processed reports, either **Production** or **Test** by clicking the appropriate **Data Filter** mode at the bottom right of the screen.

 Click <**Transmit**>.

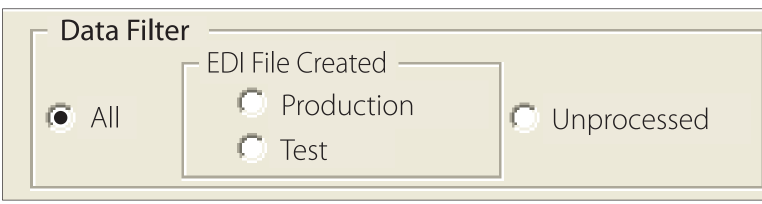
Transmitting returns via the Internet allows you to submit **Test** and **Production** files without having to contact our office. If you are a first time user of the EDI system you will need to send a **Test** file you must first register your account and establish a PIN, refer to Create Personal Identification number (PIN) below. If you are already approved on the EDI system then logon and upload your file.

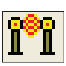
Signing on to the Internet for the First Time to Create Personal Identification Number (PIN) and to Send Test File

Note: You will need the WebFile number that is pre-printed on your Natural Gas or Crude Oil return. It is printed on the top left side of the front page. The WebFile number is 8 alphanumeric characters. Example: RT123456.

Click **Report Index** window.

Click All, Production, or Test button in the Data Filter box.





Click <**Transmit**>

Click the <**Registration**> button from the Electronic Data Interchange webpage.

Enter your 11-digit **Texas Taxpayer Number**.

Select the Tax Type **Natural Gas** or **Crude Oil**.

Note. If you are transmitting both Natural Gas and Crude Oil you must register for each tax type.

Enter your <**WebFile Number**>.

Enter the contact's **Last Name**.

Enter the contact's **First Name**.

Enter the contact's daytime **Phone Number**.

Enter a valid **E-mail Address**.

Click the <**Continue**> button.

Enter a unique **Personal Identification Number (PIN)** that you will use for transmitting your files. The PIN must be 8-13 alphanumeric characters long.

Re-enter your **PIN**.

Enter a **Reminder Phrase** that relates to the PIN you have created. This is used if you forget your PIN at a later date and need help remembering it.

Click the <**Continue**> button.

Verify the Registration Information that has been entered. Click the <**Continue**> button.

Browse... On the Test File Upload window, click the <**Browse**> button and select the file in the Petro30 folder. (File type should be a text file ex. T200710NG0.txt (*.txt). Highlight the file you want to transmit.

Click the <**Open**> button.

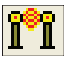
Submit Click the <**Submit**> button.

You must submit a successful test file before any production files can be sent. After submitting the test file you will receive a test confirmation number. The return will be checked automatically for errors, then, you will receive an acknowledgement e-mail explaining whether the test file passed or failed. Once you have successfully uploaded a good test file you will be able to send production files.

Note: A test file will not be processed to your account. If this file is the current report, you must resubmit your file as a production file after you receive the approval e-mail.

Transmitting Returns Via Web (Approved Taxpayers)

From the **Report Index** window, make sure that you are viewing the list of processed reports, either **Production** or **Test** by clicking the appropriate **Data Filter** mode at the bottom right of the screen.



Click <**Transmit**>.

Click the <**Log In**> button on the Electronic Data Interchange page.

Enter your **Texas Taxpayer Number** (11 digits, No Dashes).

Select **Tax Type**, and then enter your (**PIN**).

Click the <**Continue**> button.

The **Taxpayer Information** screen will appear. Click the <**Continue**> button.

The *File Upload Option* window will appear. Select either **Upload Production File** or **Upload Test File**.

Click the <**Continue**> button.

Click the <**Browse**> button and select the file in the Petro30 folder. (File type should be a text file ex. P200710NG0 (*.txt). Highlight the file you want to transmit.

Click the <**Open**> button.

Click the <**Submit**> button.

You should receive a confirmation number on the screen. An email will follow explaining whether your file passed or failed. If your file failed, an ErrorMessage attachment will be included with the e-mail. A failed file must be corrected prior to uploading again. Once you have received a passed file, enter the confirmation number in the software, click the <**Report**> Icon; select the <**Production**> or <**Test**> **Data Filter**; and enter the confirmation number next to the appropriate report in the **Confirmation #** column.

Press the <**Tab**> key.

Click <**Save**>.

For more information please use the Help features in the software or visit our Web site and view the Electronic Reporting Software demonstration:

http://www.window.state.tx.us/taxinfo/etf/

Texas Comptroller of Public Accounts
Electronic Reporting Section
P.O. Box 13528, Austin, Texas 78711

(800) 531-5441, ext. 3-3630

www.window.state.tx.us/taxinfo/etf/

Publication #96-998, revised January 2008