

AMENDMENT



a. ■ 49190

You have certain rights under Chapters 552 and 559, Government Code, to review, request and correct information we have on file about you. Contact us at the address or phone number listed on this form.

Texas Comptroller of Public Accounts Amended PRODUCER REPORT OF NATURAL GAS TAX

Page 1 of _____

| | | | |
|-------------------------|-------------|------------------|---------|
| c. Taxpayer number ■ | d. Due date | e. Filing period | f. ■ |
|-------------------------|-------------|------------------|---------|

| | |
|---------|------|
| h. ■ FM | i. ■ |
|---------|------|

g. Taxpayer name and mailing address (MUST BE COMPLETED)

1 Blacken this box if your address has changed.

THIS REPORT PAGE MUST ACCOMPANY ANY LEASE DETAIL SUPPLEMENT PAGES (Form 10-173) FOR THIS REPORTING PERIOD. It is recommended that supplement pages be completed prior to completing this page.

REPORT TOTALS AND TAX COMPUTATION (See instructions.)

ENTER NET ADJUSTED AMOUNTS.

| | | |
|---|---------|----------------------|
| 1. Total net taxable value of condensate (Enter dollars and cents.) ----- | 1. ■ \$ | <input type="text"/> |
| 2. Tax due on condensate (Multiply Item 1 by . Enter dollars and cents.) ----- | 2. ■ \$ | <input type="text"/> |
| 3. Total net taxable value of gas (Excluding leases with exemption Type 05 high cost gas) (Enter dollars and cents.) ----- | 3. ■ \$ | <input type="text"/> |
| 4. Tax due on gas (Excluding leases with exemption Type 05 high cost gas) (Multiply Item 3 by . Enter dollars and cents.) ----- | 4. ■ \$ | <input type="text"/> |
| 5. Taxable regulatory fee volume (See instructions. Round volume to whole numbers.) ----- | 5. ■ | <input type="text"/> |
| 6. Regulatory fee due (Multiply Item 5 by . Enter dollars and cents.) ----- | 6. ■ \$ | <input type="text"/> |
| 7. Tax due on leases with exemption Type 05 high cost gas (Total of Item 24 from attached Lease Detail Supplements. Enter dollars and cents.) ----- | 7. ■ \$ | <input type="text"/> |
| 8. Total tax and fee due (Add Items 2, 4, 6, and 7. Enter dollars and cents.) ----- | 8. ■ \$ | <input type="text"/> |



10-169 (Rev.2-17/5)

*** DO NOT DETACH ***

| | | |
|--|----------|----------------------|
| 9. Credits (NOT valid without attached Credit Transfer Form for Natural Gas Tax, Form 10-147) ----- | 9. \$ | <input type="text"/> |
| 10. Net amount due (Item 8 minus Item 9) ----- | 10. \$ | <input type="text"/> |
| 11. Penalty & Interest (If report is filed or tax paid after the due date, see instructions.) ----- | 11. \$ | <input type="text"/> |
| 12. TOTAL AMOUNT DUE AND PAYABLE (Item 10 plus Item 11) ----- | 12. ■ \$ | <input type="text"/> |

Taxpayer name

■ T Code ■ Taxpayer number ■ Period

49020

Make the amount in Item 12 payable to **State Comptroller.**

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

| | |
|-----------------------|---------------------------------------|
| Name (Type or print.) | Business phone (Area code and number) |
|-----------------------|---------------------------------------|

Mail to
Comptroller of Public Accounts
P.O. Box 149358
Austin, TX 78714-9358

| | |
|--|------|
| sign here Taxpayer or duly authorized agent | Date |
|--|------|

l.

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Instructions for Completing Texas Producer Amended Report of Natural Gas Tax

For assistance, please call 1-800-252-1384. Forms and additional information are available online at www.comptroller.texas.gov.

General Information

- To amend more than one filing period, taxpayers are required to file a separate amended report for each individual filing period.
- Section 201.203 and Section 201.2035 of the Texas Tax Code requires dual reporting for producers and first purchasers of natural gas to the Comptroller's office. All production volumes and values are required to be reported regardless of tax liability of legislative exemption status.
- This page must include a signature and printed name.
- Provide your 11-digit Texas taxpayer number when corresponding with our office.

Specific Information

Item c. Taxpayer Number: Enter your 11-digit taxpayer number assigned by the Comptroller's office.

Item e. Filing Period: - Monthly filers: Enter the month and year for the filing period. Example: June 2007
- Annual filers: Enter the year only for filing period. Example: 2007

Item 1. Total Net Taxable Value of Condensate: Enter the total amount of all net taxable value of condensate from Item 22 of the Lease Detail Supplement page(s).

Item 2. Tax Due on Condensate: Enter the tax due amount on condensate by multiplying the value in Item 1 of this page by .046 (or 4.6%).

Item 3. Total Net Taxable Value of Gas: Enter the total net taxable value of gas for all commodities in Item 22 of the Lease Detail Supplement page(s), except for values that correspond with exemption "Type 5" leases and condensate values.

Item 4. Tax Due on Gas: Enter the tax due amount on gas by multiplying the net taxable value of gas in Item 3 of this page by .075 (or 7.5%). Do not include tax due on leases with high cost gas exemption Type 05.

Item 5. Taxable Regulatory Fee Volume: Enter the sum of your volume for all leases reported in Item 16 of the Lease Detail Supplement page(s) that includes the commodities of raw gas (RG), lease use (LU), and products (PR) less the total of all the governmental royalty volume reported in Item 19. Include volumes for residue gas (RS) unless the residue volume is included as part of the plant product or raw gas volume. Only include leases marked "Yes" as liable for tax due in Item 18. Leases with approved exemptions that report "Yes" as being liable for tax for the raw gas, lease use and product commodities are subject to the regulatory fee. The exception is leases that are approved for the reactivated orphan well exemption are not subject to the regulatory fee.

Item 6. Regulatory Fee Due: Enter the regulatory fee due amount by multiplying the volume in Item 5 of this page by 0.000667.

Item 7. Tax Due on Leases With Exemption Type 5 High Cost Gas: Enter the sum of all the reduced tax due amounts reported with exemption "Type 5" leases in Item 24 of the Lease Detail Supplement page(s).

Item 8. Total Tax and Fee Due: Enter the total tax and fee due amount by adding the amounts indicated in Items 2, 4, 6 and 7 of this page.

Item 9. Credits: Enter a credit amount if using a credit from another filing period to offset the liability in this filing period. In order to process the transfer of credit, the "Credit Transfer Form for Natural Gas Tax," Form 10-147, must be signed and submitted.

Item 10. Net Amount Due: Enter the net amount due by subtracting Item 9 from Item 8 of this page.

Item 11. Penalty & Interest: If payment is 1-30 days late, a 5% penalty is assessed on the tax balance due. If a balance is remaining after 30 days, an additional 5% penalty is assessed on the tax balance due. Interest begins to accrue on the 61st day after the due date of a filing period. The interest rate varies annually. For current interest rate information, call the Comptroller at 1-877-447-2834, or visit our website at www.comptroller.texas.gov/taxes/file-pay/interest.php.

Item 12. TOTAL AMOUNT DUE AND PAYABLE: Add the amounts in Item 10 and Item 11. Make the amount in Item 12 payable to **State Comptroller**.

AMENDMENT

a. ■ 49110



Page _____ of _____

Amended Natural Gas Tax -- Producer Lease Detail Supplement --

c. Taxpayer number

d. Filing period



e. Taxpayer name

f.

LOCATOR NUMBER

LOCATOR NUMBER

1. Lease name (as recorded with the Railroad Commission)

2. County of production

3. Commodity (Use the alpha codes listed in the instructions.)

4. Commodity code (Numeric) _____ ■

5. Lease type _____ ■ OIL 1 GAS 2

6. County code _____ ■

7. Lease number _____ ■ Check digit

8. Is Item 7 a drilling permit number? _____ ■ YES 1 NO 2

9. Exemption type _____ ■

10. API number _____ ■

11. Is this an off-lease sale? _____ ■ YES 1 NO 2

12. Purchaser's name

13. Purchaser number _____ ■

Enter adjusted data in Items 14 - 24.

14. Total lease volume _____ ■

15. Is tax reimbursement included in calculating the value on this lease? _____ ■ YES 1 NO 2

16. Your volume _____ ■

17. Value of your volume \$ _____ ■

18. Are you liable for the tax? (If "NO," do not complete Items 19-24.) _____ ■ YES 1 NO 2

19. Governmental royalty volume _____ ■

20. Governmental royalty value \$ _____ ■

21. Marketing cost \$ _____ ■

22. Net taxable value \$ _____ ■

Items 23 and 24 for Exemption Type 05 leases only.

23. Type 05 reduced tax rate _____ ■

24. Tax due on Type 05 \$ _____ ■

1. Lease name (as recorded with the Railroad Commission)

2. County of production

3. Commodity (Use the alpha codes listed in the instructions.)

4. Commodity code (Numeric) _____ ■

5. Lease type _____ ■ OIL 1 GAS 2

6. County code _____ ■

7. Lease number _____ ■ Check digit

8. Is Item 7 a drilling permit number? _____ ■ YES 1 NO 2

9. Exemption type _____ ■

10. API number _____ ■

11. Is this an off-lease sale? _____ ■ YES 1 NO 2

12. Purchaser's name

13. Purchaser number _____ ■

Enter adjusted data in Items 14 - 24.

14. Total lease volume _____ ■

15. Is tax reimbursement included in calculating the value on this lease? _____ ■ YES 1 NO 2

16. Your volume _____ ■

17. Value of your volume \$ _____ ■

18. Are you liable for the tax? (If "NO," do not complete Items 19-24.) _____ ■ YES 1 NO 2

19. Governmental royalty volume _____ ■

20. Governmental royalty value \$ _____ ■

21. Marketing cost \$ _____ ■

22. Net taxable value \$ _____ ■

Items 23 and 24 for Exemption Type 05 leases only.

23. Type 05 reduced tax rate _____ ■

24. Tax due on Type 05 \$ _____ ■

Texas Amended Report of Natural Gas Tax Producer Lease Detail Supplement

For assistance call 800-252-1384. Information is also available online at www.comptroller.texas.gov.

Specific Instructions

The net adjustment process must be used when amending previously reported data. When amending previously reported data, enter:

- lease information in Items 1 through 13, and
- volumes and values as negative figures to delete data previously reported in Items 14 through 24, except Items 15, 18 and 23. Enter a dash in the beginning of a number to denote a negative sign.

To report new lease information in Items 1 through 13 including "exemption type" in Item 9 and "API number" (in Item 10, if applicable), enter the correct volumes and values.

Volumes: Report all gas volumes in "MCF" (1000 cubic feet at a pressure of 14.4 pounds plus 4 ounces or 14.65 pounds absolute). Do not report any volume amounts with decimals. Round the volume amount to the next whole number.

Items 1, 2, 5, 7 and 8.

- Enter the lease identification number assigned by the Texas Railroad Commission (RRC) in Item 7. For a gas lease, enter the 6-digit lease number. For an oil lease, add a leading zero (0) to the 5-digit lease number and enter as a 6-digit number. If the RRC has not assigned a lease number, then enter the 6-digit drilling permit number in Item 7.
- Items 7 and 8: Do not leave blank.
- If reporting a plant, then enter R3 and the last four digits of the plant identification number assigned by the RRC in Item 7.

Item 3. Commodity: Enter the 2-digit alpha code for the type of commodity reported on the lease identified in Item 7.

- **Raw Gas (RG)** - Sale or purchase of raw gas, unprocessed gas from an oil well or gas well gas.
- **Lease Use (LU)** -All gas produced and used to run equipment on the lease regardless of whether it is for oil well, gas well gas or residue gas. The lease use item will also include miscellaneous sales of gas to persons not normally engaged in purchasing gas for resale.
- **Condensate (CN)** -The taxable disposition and production of all condensate from a gas well, actual or theoretical. Condensate is the liquid hydrocarbon (a high gravity oil) that is or can be, removed from gas by a separator. It does not include absorption and separation by a fractionating process. Condensate volume should be rounded to the nearest barrel.
- **Residue (RS)** - Residue gas sold or purchased only when there is a distinct sale or purchase of residue gas. Example: If a processing plant takes title to both the products and residue commodities, do not report the products and residue commodities as separate items. Use the raw gas designation and enter the plant operator as the purchaser.
- **Products (PR)** -Report only when the purchasers of products and residue commodities are different parties. The volume associated with the product commodity will be the raw gas volume delivered to the gas processing plant (plant inlet volume).

Item 4. Commodity Code: Enter the numeric code for the type of commodity reported on the lease identified in Item 1 and Item 7. The numeric codes are: **1** - Raw Gas, **3** - Lease use, **4** - Condensate, **5** - Residue, **6** - Products.

Item 6. County Code: Enter the 3-digit county code for the county of production indicated in Item 2. A list of county codes is available on the Comptroller's website at www.comptroller.texas.gov/taxes/resources/county-rrc-codes.php.

Check Digit: Enter the check digit in the box to the right. The check digit is available at <https://ecpa.cpa.state.tx.us/cong/checkDigitForward.do>.

Item 9. Exemption Type: Enter the Comptroller approved numeric code for the legislative exemption type, if applicable.

| Code | Description of Approved Exemption Type | Code | Description of Approved Exemption Type |
|------|--|------|--|
| 03 | Two-year inactive well, effective Sept. 1, 1997 | 11 | Qualifying low-producing gas well, effective Sept. 1, 2005 |
| 04 | Flared/released casinghead gas well, effective Sept. 1, 1997 | 12 | Reactivated orphaned well, effective Jan. 1, 2006 |
| 05 | High cost gas lease with reduced tax rate effective, Sept. 1, 1996 | 15 | Geothermal energy, effective Sept. 1, 2009 |
| 07 | Three-year inactive well, effective Sept. 1, 1991 | 16 | Two-Year Inactive Well, effective Sept. 1, 2019 |
| 09 | Incremental production casinghead gas lease, effective Sept. 1, 1997 | | |

Item 10. API Number: Enter the last eight digits of the America Petroleum Institute (API) number assigned by the RRC to each well that qualifies for a well-level exemption. The API number is only required for the two-year inactive lease exemption, effective September 1, 1997 (Type 3), three-year inactive well exemption (Type 7) , reactivated orphaned well exemption (Type 12) and two-year inactive well, effective September 1, 2019 (Type 16).

Item 11. Off Lease Sale?: Gas is considered an "off lease" sale when delivery of the gas to the purchaser is made away from the lease. If the producer arranges for delivery of gas, then the purchaser records the volume received at the point of delivery. If an "off lease" sale is reported in Item 11 as "YES," then the tax liability must be reported as "YES" in Item 18, the purchaser taxpayer number must be left blank in Item 13, and the next taxable value must be reported in Item 22 and Item 25, if applicable.

Items 12 and 13. Enter the name of your purchaser in Item 12 and their 11-digit Texas taxpayer number in Item 13.

Item 14. Total Lease Volume: Enter 100% of the volume produced for the lease reported in Item 7 for each commodity type. This volume should match the volume reported to the RRC. If you are a non-operator for this lease, report zero volume in Item 14.

Item 15. Tax Reimbursement: Mark the block indicating whether tax reimbursement is included in calculating the value in Item 15, as outlined in your contract. For information on tax reimbursement, see Tax Rule 3.18, at www.comptroller.texas.gov.

Item 16. Your Volume: Producer/Operator - Enter the volume of gas or condensate sold, as noted on your contract. Non-Operator/Producer taking their production in-kind must enter your share of the volume of gas or condensate sold, as noted on your contract.

Item 17. Value of Your Volume: Enter the entire value associated with the volume indicated in Item 16. This is usually referred to as the "contract price." Do not include tax reimbursement, if applicable.

Item 18. Are You Liable for Tax?: Enter "YES" or "NO" for all lease types, even if you do not owe tax. Tax liability must be reported as "YES" by at least one party as stated in the contract between the operator and the purchaser, even if the lease qualifies for 100% exemption and taxes are not due because of the legislative exemption status.

Item 19. Governmental Royalty Volume: Enter the volume of gas not subject to tax due to governmental exempt status, such as a city, town or county government in Texas, a school district in Texas, public (state owned) colleges and universities in Texas, or political subdivisions of the Federal government. See Rule 3.14.

Item 20. Governmental Royalty Value: Enter the value of the volume for the gas reported in Item 19. Do not enter volumes associated with lease types approved for a legislative tax exemption.

Item 21. Marketing Cost: Enter actual marketing cost incurred. The "market value at the mouth of the well" shall be determined by ascertaining the actual marketing costs incurred by the producer and subtracting these costs from the producer's gross cash receipts from the sale of the gas. For detailed information on allowable marketing costs, visit www.comptroller.texas.gov/taxes/natural-gas/marketing-costs.php.

Item 22. Net Taxable Value: Enter the total of Item 17 minus Items 20 and 21. If Item 22 results in a negative amount, enter zero in Item 22. If reporting an exemption type in Item 9, calculate the net taxable value based on the reported exemption type and enter the result of that amount in Item 22 as indicated below.

| If an "Exemption Type" is reported in Item 9 as: | Enter the "Net Taxable Value" in Item 22 as: |
|--|--|
| 03, 04, 07, 12, 15, or 16 | Zero. |
| 05 | the total of Item 17 minus Items 20 and 21, then proceed to Items 23 and 24. |
| 09 | 50% of the total of Item 17 minus Items 20 and 21. |
| 11 | 75% of the total of Item 17 minus Items 20 and 21. (Note: 25% exemption applies when the Comptroller certified price of gas ranges from \$3.01 to \$3.50 per MCF.) |
| 11 | 50% of the total of Item 17 minus Items 20 and 21. (Note: 50% exemption applies when the Comptroller certified price of gas ranges from \$2.51 to \$3.00 per MCF.) |
| 11 | Zero. (Note: 100% exemption applies when the Comptroller certified price of gas is less than or equal to \$2.50 per MCF.) |

Item 23. Reduced Tax Rate for Type 05: Enter the 3-digit reduced tax rate for the approved exemption Type 5 lease indicated in Item 7.

Item 24. Tax Due on Type 05: Enter the tax due amount for the approved exemption Type 5 lease reported by multiplying Item 22 times the tax rate indicated in Item 23.

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