



## General Information

**Who Files:** Form AP-217 must be filed by taxpayers seeking an exemption for:

- wells certified by the Texas Railroad Commission (RRC) for oil, gas well gas or casinghead gas produced from two-year inactive wells, and flared/released casinghead gas from oil wells;
- qualifying low-producing gas produced from gas wells; or
- crude oil wells with enhanced efficiency equipment.

**What is Needed:** Additional documentation is required to be submitted with Form AP-217, as shown below.

Type of Well Exemption	Type of Documentation Needed
Two-Year Inactive Well (This exemption applies for oil, gas well gas or casinghead gas produced from a two-year inactive well.)	RRC Certification Letter
Flared/Released Casinghead Gas from Oil Wells	RRC Certification Letter
Qualifying Low-Producing Gas Produced from Gas Wells	See Rule 3.23 on Comptroller's website for detailed information: <a href="http://www.comptroller.texas.gov/taxes/natural-gas/">www.comptroller.texas.gov/taxes/natural-gas/</a> . Click on the link labeled "Rules."
Crude Oil Wells with Enhanced Efficiency Equipment	See Rule 3.40 on Comptroller's website for detailed information: <a href="http://www.comptroller.texas.gov/taxes/crude-oil/">www.comptroller.texas.gov/taxes/crude-oil/</a> . Click on the link labeled "Rules."

**When to File:** To recoup credits for previously paid tax on all approved well exemptions indicated above, credit-amended tax reports must be filed within four years from the due date of a production period.

## Instructions

### Complete Items "a" Through "k" for All Types of Well Exemptions

**Item e: Name of lease and well**

Enter the lease or well name as reported to the Texas Railroad Commission (RRC).

**Item f: County of production**

Enter the county name and Comptroller's county code of the lease or well as reported to the RRC.

**Item g: RRC district number**

Enter the district number of the lease as reported to the RRC.

**Item h: RRC lease number**

Enter the lease identification number assigned by the RRC.

**Item i: API number**

Enter the API number assigned to the well/lease by the RRC.

**Item j: Well completion date**

Enter the completion date (mm/dd/yyyy) of the well as shown on RRC records.

**Item k: Certification effective year and month (If applying for a qualifying low-producing well exemption, do not enter this information.)**

Enter the certification year and month (yy/mm) as shown on the RRC Certification Letter for the lease.

**Item l: RRC certification date (If applying for a qualifying low-producing well exemption, do not enter this information.)**

Enter the date (mm/dd/yyyy) as shown on the RRC Certification Letter for the lease.

### Qualifying Low-Producing Gas Well

**Item m: Three-month period used**

Enter the three months that were prior to the beginning date of the exemption.

### Crude Oil Well with Enhanced Efficiency Equipment

**Item n: Date equipment purchased and installed**

Enter the date (mm/dd/yyyy) the efficiency equipment was purchased and installed.

**Item o: Average well production for the month prior to equipment installation**

Enter the average well production for the month prior to installation of the enhanced efficiency equipment. The enhanced efficiency equipment installed in a qualifying marginal well must have been purchased and installed not earlier than September 1, 2005, or later than September 1, 2013.

**Item p: Total cost of equipment and installation**

Enter the total cost of the enhanced efficiency equipment and installation. Enter whole dollars.

**Item q: Severance tax credit (10% of total cost, cannot exceed \$1,000.00 per marginal well)**

Enter 10 percent of the total cost.