



# OIL & GAS

*renditions* ON-LINE

**THE OIL AND GAS RENDITIONS ONLINE PROGRAM** has been developed to assist the Kansas Oil and Gas operator in compiling the Oil or Gas Assessment Rendition required by each county on April 1<sup>st</sup> of each year. This program was created using the same tables and calculations that over 50% of County Appraiser with major oil or gas values currently use. It includes all the latest updates and tables as determined by the Kansas Department of Revenue Division of Property Valuation (PVD). PVD has approved the InfiniTec Oil and Gas Online renditions for use by all counties. County appraisers **MUST** accept renditions generated by the InfiniTec program.

This packet includes sample renditions from actual oil and gas leases in Kansas prepared for the 2008 tax year using the program. Names and locations have been changed for privacy.

## SAMPLES

- Page 2: **Exempt Oil Lease**. This example includes both a severance tax and property tax exemption. Notice how the Working Interest Valuation is zero. It also includes a TA well. Also note the 25% Working Interest Assessed Value for leases with less than 5 Bbls daily production.
- Page 3: **New Oil Well**. This is an example of a new lease. Notice the Annual Decline rate of 30% for new leases.
- Page 4 & 5: **OIL VS GAS COMPARISON** and **GAS VS OIL COMPARISON**. The next two renditions were used to compare a single lease with both oil and gas. This lease was filed in past years as an Oil lease, but as the oil production declined the gas production ratio increased to a point where it could be argued as either an oil or gas lease. Prior year production data was entered for both leases and the net result (Working Interest Assessed Value) were compared. Using InfiniTec software, the operator was able to determine that filing the lease as an OIL lease would result in \$150,794 LESS Assessed value. The operator could now make a determination as how to proceed with discussions with the county appraiser.
- Page 6: **GAS WITH SCH B**: This rendition was used by an operator to fully calculate two sets of scheduled values. First, the operator used an 18% historical decline rate. Second, as Schedule A must use actual production calculations, the operator used Column B (Owner) to show calculations for a more accurate expected 2008 production value. Using InfiniTec software, the operator was able to override the calculated Schedule A production values and thus able to generate a far more accurate and favorable Working Interest Assessed Value.



A Kansas Oil Company \_\_\_\_\_

SHALL BE FILED WITH COUNTY APPRAISER BY APRIL 1

1007 W 27 \_\_\_\_\_

Lease Less 5BBL

Hays Ks 67601-0000 \_\_\_\_\_

Operator ID \_\_\_\_\_

County ID 3345

Property: EXEMPT OIL LEASE

KDOR ID# 132456

Well API # 15-007-20555

Section 1 - Location of Property (required)	Section VII - Abstract Value (for appraiser's use only)
Descr. <u>NE/4 SE /2</u>	Rate Pen Appraised Assessed Penalty Total
Sec <u>14</u> Twp <u>10</u> Rng <u>14</u>	Working Interest _____ % _____
Twp/City <u>55</u>	Prescribed Equipment _____
Tax Unit <u>15</u> School Dist <u>407</u>	Itemized Equipment _____ % _____
	Royalty & ORRI Int _____
	Total _____

**Section II - Lease data (required)** WI: .81230454 RI: .18769546

Producing wells: Oil: 2 Sub: \_\_\_\_\_ Gas: \_\_\_\_\_ Non-Prod: Shut In: \_\_\_\_\_ SWD: \_\_\_\_\_ TA: 1 Inj: \_\_\_\_\_ WS: \_\_\_\_\_ Total: 3

Secondary Recovery: N KCC Permit: \_\_\_\_\_ Water Disp: \_\_\_\_\_ Tank Batteries: 1

SPUD Date: 01/01/1955 Depth: 3364 Formation: LANSING / KC / ARBUCKLE

Comp Date: 01/01/1955 SWD: \_\_\_\_\_ Oil Purchaser: NCRA

Oil Gravity: 35.00 Water Production (%): 88 BPD: 135.00 PO BOX 1404 MCPHERSON KS 67460-1404

**Section IV - Production data (required)** Notation

Month	2007 Oil	Gas	2006 Oil	
January	<u>109</u>	_____	_____	TA well has no equipment. To be plugged.
February	<u>144</u>	_____	_____	
March	<u>129</u>	_____	_____	
April	<u>129</u>	_____	_____	
May	<u>139</u>	_____	_____	
June	<u>132</u>	_____	_____	
July	<u>136</u>	_____	_____	
August	<u>133</u>	_____	_____	
September	<u>141</u>	_____	_____	
October	<u>130</u>	_____	_____	
November	<u>122</u>	_____	_____	
December	<u>133</u>	_____	<u>1644</u>	
Annual Production	<u>1577</u>	_____	<u>1644</u>	Lease receives eastern KS posted price <u>NO</u> (Yes/No) Severence Exempt # <u>A68</u> Prop Tax Exempt # <u>99-2315-TX</u> Casinghead Gas Production _____ X _____ = _____ / <u>73.250</u> = _____ Production MCF Price Income \$ Bbl Oil Bbl Oil Gatherer _____
Casinghead Gas (Cvt Bbls)	_____	_____	_____	
Total Annual Production	<u>1577</u>	_____	_____	
Annual Decline	<u>67</u>	<u>4</u> %	_____	_____

**Section V - Gross Reserve Calculations**

	A. Schedule	B. Owner	C. Appraiser
1. Total Amount (Bbls) Production	<u>1,577</u>	_____	_____
2. Net Price as of Jan. 1	<u>\$73.250</u>	_____	_____
3. Estimated Gross Income Stream	<u>\$115,515</u>	_____	_____
4. Present Worth Factor	<u>3.606</u>	_____	_____
5. Estimated Gross Reserve Value	<u>\$416,547</u>	_____	_____

**Section VI - Gross Reserve Value X Decimal Interest**

1. Royalty & ORRI Int Valuation: <u>416,547</u> X <u>.18769546</u>	<u>78,184</u>	_____	_____
2. Working Interest Valuation: <u>416,547</u> X <u>.81230454</u>	_____	_____	_____
3. Deduct Operating Cost Allowance	_____	_____	_____
a. Producing Well: <u>83,210</u> X <u>2</u> Wells	<u>166,420</u>	_____	_____
b. Injection Well: _____ X _____ Wells	_____	_____	_____
c. Submersible: _____ X <u>4.462</u>	_____	_____	_____
4. Subtotal (Line 2 minus Lines 3A,B,C)	_____	_____	_____
5. Working Int Minimum Value _____ X <u>.10</u>	_____	_____	_____
6. Line 4 or Line 5, whichever is greater	_____	_____	_____
7a Prescr Equip Value: <u>6,040</u> X <u>1</u>	<u>6,040</u>	_____	_____
b. Additional Wells: <u>4,530</u> X <u>1</u>	<u>4,530</u>	_____	_____
c. TA, SI, SWD, INJ, WS: <u>6,595</u> X <u>1</u>	_____	_____	_____
d. Submersible: <u>9,060</u> X _____	_____	_____	_____
e. Additional Equip: _____ X <u>.4031</u>	_____	_____	_____
8. Itemized Equipment (Section III, Attach Schedule)	_____	_____	_____
9. Working Interest Value	<u>10,570</u>	_____	_____
10 Working Interest Assessed Value Rate: <u>25</u> %	<u>2,643</u>	_____	_____

CERTIFICATION: I do hereby certify that this schedule contains a full and true list of all personal property owned or held by me subject to taxation under the laws of the state of Kansas pursuant to KSA 79-329 through 79-333.

Owner \_\_\_\_\_ Date \_\_\_\_\_ Preparer \_\_\_\_\_ Date \_\_\_\_\_

A Kansas Oil Company  
1007 W 27  
Hays Ks 67601-0000

Lease NEWWELL  
Operator ID \_\_\_\_\_  
County ID 2246

Property: New Oil Well KDOR ID# 15-12456 Well API # \_\_\_\_\_

Section 1 - Location of Property (required)	Section VII - Abstract Value (for appraiser's use only)
Descr. <u>NW/4 SW/2</u>	Rate Pen Appraised Assessed Penalty Total
Sec <u>12</u> Twp <u>33</u> Rng <u>11</u>	Working Interest _____ % _____
Twp/City <u>Buckeye</u>	Prescribed Equipment _____
Tax Unit <u>121</u> School Dist <u>489</u>	Itemized Equipment _____ % _____
	Royalty & ORRI Int _____
	Total _____

**Section II - Lease data (required)** WI: .86700000 RI: .13300000

Producing wells: Oil: 1 Sub: \_\_\_\_\_ Gas: \_\_\_\_\_ Non-Prod: Shut In: \_\_\_\_\_ SWD: 1 TA: \_\_\_\_\_ Inj: \_\_\_\_\_ WS: \_\_\_\_\_ Total: 2

Secondary Recovery: N KCC Permit: \_\_\_\_\_ Water Disp: \_\_\_\_\_ Tank Batteries: 1

SPUD Date: 06/05/2008 Depth: 3362 Formation: ARBUCKLE

Comp Date: 07/15/2008 SWD: 1200 Oil Purchaser: NCRA

Oil Gravity: 38.00 Water Production (%): 96 BPD: 100.00 PO BOX 1404 MCPHERSON KS 67460-1404

Section IV - Production data (required)	Notation
Month <u>2007</u> Oil Gas <u>2006</u> Oil	New Lease Request 30% decline
January _____	
February _____	
March _____	
April _____	
May _____	
June _____	
July <u>787</u>	
August <u>677</u>	
September <u>533</u>	Lease receives eastern KS posted price <u>NO</u> (Yes/No)
October <u>511</u>	Severence Exempt # _____ Prop Tax Exempt # _____
November <u>488</u>	Casinghead Gas Production
December <u>478</u>	_____ X _____ = _____ / <u>70.500</u> = _____
Annual Production <u>3474</u>	Production MCF Price Income \$ Bbl Oil Bbl Oil
Casinghead Gas (Cvt Bbls) _____	Gatherer _____
Total Annual Production <u>3474</u>	
Annual Decline _____ <u>30</u> %	

Section V - Gross Reserve Calculations	A. Schedule	B. Owner	C. Appraiser
1. Total Amount (Bbls) Production	<u>3,474</u>	_____	_____
2. Net Price as of Jan. 1	<u>\$70.500</u>	_____	_____
3. Estimated Gross Income Stream	<u>\$244,917</u>	_____	_____
4. Present Worth Factor	<u>1.552</u>	_____	_____
5. Estimated Gross Reserve Value	<u>\$380,111</u>	_____	_____

Section VI - Gross Reserve Value X Decimal Interest	A. Schedule	B. Owner	C. Appraiser
1. Royalty & ORRI Int Valuation: <u>380,111</u> X <u>.13300000</u>	<u>50,555</u>	_____	_____
2. Working Interest Valuation: <u>380,111</u> X <u>.86700000</u>	<u>329,556</u>	_____	_____
3. Deduct Operating Cost Allowance			
a. Producing Well: <u>110,045</u> X <u>1</u> Wells	<u>110,045</u>	_____	_____
b. Injection Well: _____ X _____ Wells	_____	_____	_____
c. Submersible: _____ X <u>4.462</u>	_____	_____	_____
4. Subtotal (Line 2 minus Lines 3A,B,C)	<u>219,511</u>	_____	_____
5. Working Int Minimum Value <u>329,556</u> X <u>.10</u>	<u>32,956</u>	_____	_____
6. Line 4 or Line 5, whichever is greater	<u>219,511</u>	_____	_____
7a Prescr Equip Value: <u>7,990</u> X <u>1</u>	<u>7,990</u>	_____	_____
b. Additional Wells: <u>5,990</u> X _____	_____	_____	_____
c. TA, SI, SWD, INJ, WS: <u>370</u> X <u>1</u>	<u>370</u>	_____	_____
d. Submersible: <u>9,060</u> X _____	_____	_____	_____
e. Additional Equip: _____ X <u>.4031</u>	_____	_____	_____
8. Itemized Equipment (Section III, Attach Schedule)	_____	_____	_____
9. Working Interest Value	<u>227,871</u>	_____	_____
10 Working Interest Assessed Value Rate: <u>30</u> %	<u>68,361</u>	_____	_____

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Owner \_\_\_\_\_ Date \_\_\_\_\_ Preparer \_\_\_\_\_ Date \_\_\_\_\_

A Kansas Oil Company

SHALL BE FILED WITH COUNTY APPRAISER BY APRIL 1

1007 W 27

Lease OILVSGAS

Hays Ks 67601-0000

Operator ID

County ID 4456

Property: OIL VS GAS COMPARISON

KDOR ID# 1234556

Well API # 12/2/1970

Section 1 - Location of Property (required)	Section VII - Abstract Value (for appraiser's use only)
Descr. <u>NE/4</u>	Rate Pen Appraised Assessed Penalty Total
	Working Interest ___ %
	Prescribed Equipment ___
	Itemized Equipment ___ %
	Royalty & ORRI Int ___
	Total
Sec <u>31</u> Twp <u>33</u> Rng <u>9</u>	
Twp/City <u>Buckeye</u>	
Tax Unit <u>144</u> School Dist <u>321</u>	

**Section II - Lease data (required)** WI: .87500000 RI: .12500000

Producing wells: Oil: 1 Sub: \_\_\_ Gas: \_\_\_ Non-Prod: Shut In: \_\_\_ SWD: \_\_\_ TA: \_\_\_ Inj: \_\_\_ WS: \_\_\_ Total: 1

Secondary Recovery: N KCC Permit: \_\_\_ Water Disp: \_\_\_ Tank Batteries: 1

SPUD Date: \_\_\_ Depth: 3615 Formation: MISENER SANDSTONE

Comp Date: 01/01/1988 SWD: \_\_\_ Oil Purchaser: NCRA

Oil Gravity: 45.00 Water Production (%): 85 BPD: 119.00 PO BOX 1404 MCPHERSON KS 67460-1404

Section IV - Production data (required)	Notation
Month <u>2007</u> Oil Gas <u>2006</u> Oil	
January <u>456</u> <u>8460</u>	
February <u>216</u> <u>3979</u>	
March <u>405</u> <u>7713</u>	
April <u>559</u> <u>8997</u>	
May <u>499</u> <u>8111</u>	
June <u>500</u> <u>7212</u>	
July <u>295</u> <u>4295</u>	
August <u>476</u> <u>6642</u>	
September <u>534</u> <u>7710</u>	
October <u>709</u> <u>7940</u>	
November <u>585</u> <u>8350</u>	
December <u>629</u> <u>8950</u> <u>7662</u>	
Annual Production <u>5863</u> <u>88359</u> <u>7662</u>	
Casinghead Gas (Cvt Bbls) <u>7513</u>	
Total Annual Production <u>13376</u>	
Annual Decline <u>1799</u> <u>23</u> %	
	Lease receives eastern KS posted price <u>NO</u> (Yes/No)
	Severence Exempt # ___ Prop Tax Exempt # ___
	Casinghead Gas Production
	<u>88359</u> X <u>6.020</u> = <u>531921.18</u> / <u>70.800</u> = <u>7513</u>
	Production MCF Price Income \$ Bbl Oil Bbl Oil
	Gatherer <u>Semgas</u>

Section V - Gross Reserve Calculations	A. Schedule	B. Owner	C. Appraiser
1. Total Amount (Bbls) Production	<u>13,376</u>		
2. Net Price as of Jan. 1	<u>\$70.800</u>		
3. Estimated Gross Income Stream	<u>\$947,021</u>		
4. Present Worth Factor	<u>1.960</u>		
5. Estimated Gross Reserve Value	<u>\$1,856,161</u>		

Section VI - Gross Reserve Value X Decimal Interest			
1. Royalty & ORRI Int Valuation: <u>1,856,161</u> X <u>.12500000</u>	<u>232,020</u>		
2. Working Interest Valuation: <u>1,856,161</u> X <u>.87500000</u>	<u>1,624,141</u>		
3. Deduct Operating Cost Allowance			
a. Producing Well: <u>83,210</u> X <u>1</u> Wells	<u>83,210</u>		
b. Injection Well: ___ X ___ Wells			
c. Submersible: ___ X <u>4.462</u>			
4. Subtotal (Line 2 minus Lines 3A,B,C)	<u>1,540,931</u>		
5. Working Int Minimum Value <u>1,624,141</u> X <u>.10</u>	<u>162,414</u>		
6. Line 4 or Line 5, whichever is greater	<u>1,540,931</u>		
7a Prescr Equip Value: <u>6,040</u> X <u>1</u>	<u>6,040</u>		
b. Additional Wells: <u>4,530</u> X ___			
c. TA, SI, SWD, INJ, WS: <u>885</u> X ___			
d. Submersible: <u>9,060</u> X ___			
e. Additional Equip: ___ X <u>.4031</u>			
8. Itemized Equipment (Section III, Attach Schedule)			
9. Working Interest Value	<u>1,546,971</u>		
10 Working Interest Assessed Value Rate: <u>30</u> %	<u>464,091</u>		

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Owner \_\_\_\_\_ Date \_\_\_\_\_ Preparer \_\_\_\_\_ Date \_\_\_\_\_

A Kansas Oil Company

SHALL BE FILED WITH COUNTY APPRAISER BY APRIL 1

1007 W 27

Lease No GASVSOIL

Hays Ks 67601-0000

Operator ID

County ID 4456

Property: GAS VS OIL COMPARISON

KDOR ID# 1234556 Well API # 12/2/1970

Section I - Location of Property (required)	Section VII - Abstract Value (for appraiser's use only)					
Descr. NE/4	Rate	Pen	Appraised	Assessed	Penalty	Total
Working Interest						
Prescribed Equipment						
Itemized Equipment						
Royalty & ORRI Int						
Tot Working & Royalty Interest						

**Section II - Lease data (required)** WI: .87500000 RI: .12500000

Wells: Pump 1 Flow     SI     SWD     TA     Bbls Water 119.00 Depth 3615 SWD Depth      
 Field ALL OTHER KANSAS BTU Content: 995 SPUD Date:     Comp Date: 01/01/2008  
 ( ) Infill ( ) Commingled ( ) Coalbed Methane Tie to lease no:    

SWD Disposal: Name &     ( ) Prior Yr Gross Weighted Ave \$/MCF: 7.76000  
 Address     SWD Sys Less Allowable Deductions \$/MCF: 1.74000  
 Gatherer: Name & SEMGAS Effective Jan 1 Net Price \$/MCF: 6.02000  
 Address 6120 S YALE TULSA OK 74136-4234 Effective Jan 1 Net Price (Royalty): 6.02000

**Section IV - Production data (required)**

Gas Well Production Data	Condensate - Bbls.	Gas - MCF	Avg	Notation
2003 Annual Production			-	
2004 Annual Production			-	
2005 Annual Production	<u>7,856</u>		-	
2006 Annual Production	<u>7,662</u>	<u>99,281</u>	-	
2007 Annual Production	<u>5,863</u>	<u>88,359</u>	-	
Total Production			Decline	
Average Annual Production			<u>11%</u>	
Condensate (Converted to MCF)				
Total Annual / Average Production - MCF				
<u>5,863 X 70.800 = 415,100 / 6.020 = 68,954</u>				
Avg Prod Bbls	Price/Bbl	Income	Price/MCF	Total MCF

**Section V - Gross Reserve Calculation**

	A. Schedule	B. Owner	C. Appraiser
1. Average Production - MCF	<u>157,313</u>		
2. Effective Jan 1 Net Price \$/MCF	<u>6.02000</u>		
3. Estimated Gross Income Stream	<u>947,024</u>		
4. Present Worth Factor	<u>2.754</u>		
5. Estimated Gross Reserve Value	<u>2,608,104</u>		

**Section VI - Gross Reserve Value X Decimal Interest**

	A. Schedule	B. Owner	C. Appraiser
1. Royalty & ORRI Int Valuation: <u>2,608,104 X .12500000</u>	<u>326,013</u>		
2. Working Interest Valuation: <u>2,608,104 X .87500000 X .93000</u>	<u>2,122,345</u>		
3. Deduct Operating Cost Allowance <u>76,560 X 1 Wells</u>	<u>76,560</u>		
4a. Compression Exp <u>   </u> X <u>4.462</u>			
4b. Water Expense (tbl A or B actual) <u>   </u> X <u>4.462</u>			
4c. Water Expense (tbl C allowance) <u>   </u> X <u>   </u> Wells			
5. Subtotal (Line 2 minus Lines 3 and 4)	<u>2,045,785</u>		
6. Minimum Lease Value <u>2,122,345 X .10</u>	<u>212,235</u>		
7. Line 5 or Line 6 (Whichever is greater)	<u>2,045,785</u>		
8a Pres Equip-Producing Flow <u>   </u> Pump <u>3,830</u>	<u>3,830</u>		
8b Pres Equip-Nonproducing			
8c Pres Equip-Additional <u>   </u> X <u>.4031</u>			
9. Itemized Equipment (Section III, Attach Schedule)			
10. Total Working Interest Appraised Value	<u>2,049,615</u>		
11 Working Interest Assessed Value Rate: <u>30%</u>	<u>614,885</u>		

CERTIFICATION: I do hereby certify that this schedule contains a full and true list of all personal property owned or held by me subject to taxation under the laws of the state of Kansas pursuant to KSA 79-329 through 79-333.

Owner     Date     Preparer     Date

A Kansas Oil Company
1007 W 27
Hays Ks 67601-0000

SHALL BE FILED WITH COUNTY APPRAISER BY APRIL 1
Lease No GASSECB
Operator ID
County ID 4456

Property: GAS WITH SCH B KDOR ID# 1234556 Well API # 15-009-24971

Table with 2 main sections: Section I - Location of Property (required) and Section VII - Abstract Value (for appraiser's use only). Includes fields for Descr., Rate Pen, Appraised, Assessed, Penalty, Total, and various interest types like Working Interest and Royalty & ORRI Int.

Section II - Lease data (required). Includes fields for Wells: Pump, Flow, SI, SWD, TA, Bbls Water, Depth, SWD Depth, Field, BTU Content, SPUD Date, Comp Date, and various lease terms like Infill, Commingled, Coalbed Methane, and SWD Disposal.

Section IV - Production data (required). Table with columns: Gas Well Production Data, Condensate - Bbls., Gas - MCF, Avg, Notation. Includes rows for 2003-2007 Annual Production, Total Production, Average Annual Production, and Condensate conversion.

Section V - Gross Reserve Calculation. Table with columns: A. Schedule, B. Owner, C. Appraiser. Rows include Average Production - MCF, Effective Jan 1 Net Price \$/MCF, Estimated Gross Income Stream, Present Worth Factor, and Estimated Gross Reserve Value.

Section VI - Gross Reserve Value X Decimal Interest. Table with columns: A. Schedule, B. Owner, C. Appraiser. Rows include Royalty & ORRI Int Valuation, Working Interest Valuation, Deduct Operating Cost Allowance, Subtotal, Minimum Lease Value, and Total Working Interest Appraised Value.

CERTIFICATION: I do hereby certify that this schedule contains a full and true list of all personal property owned or held by me subject to taxation under the laws of the state of Kansas pursuant to KSA 79-329 through 79-333.
Owner Date Preparer Date