Retaining this Exemption request: Operator/Purchaser(s) should retain a certified/approved copy of this application. (K.S.A. 79-4224)

KANSAS DEPARTMENT OF REVENUE
DIVISION OF TAX OPERATIONS
MINERAL TAX
PO BOX 750680
TOPEKA KS 66625-0680
PHONE: 785-368-8222

OFFICE USE ONLY EXEMPTION STATUS

Exemption Approved: ____ Yes ____ No

Approved Exemption No.: _____

Effective Date: _____

Termination Date: _____

INITIAL OIL EXEMPTION REQUEST
(MINIMUM PRODUCTION OR WATER FLOOD)

Application is hereby made to the Director of Taxation to exempt the following lease or well from Kansas Mineral Tax. Application is made with full knowledge of the penalties as prescribed by law. See instructions on page 2 of this form. Return 3 copies of this completed form to the address above.

Operator Name and Address	**Operator Email Address**
	Contact Name
	Contact Phone Number

LEASE INFORMATION (MANDATORY FOR ALL EXEMPTIONS)

Reason for Exemption (check only one): _____Minimum Production or _____Water Flood

KCC Operator I.D. Number: _____ Operator Phone Number: _____

Oil Well, Kansas **Oil** Lease/Well Number: _1_ ___ ___ ___ ___ ___.

Lease Name: _____ County Name: _____

Legal description: Sec. _____ Twn. _____ Rng _____ Average Depth of Producing Wells: _____

Number of Producing wells on Lease (Injection wells are not counted as producing wells): _____ API Number: _____*

Name of Producing Formation: _____ Field Name: _____

COMPLETE IF WATER FLOOD OR MINIMUM PRODUCTION EXEMPTION

Average Daily Production is _____ BOPD. This is for the most recent six month period beginning _____ and ending _____.
See page 2 of this form for more detail in calculating average daily production and current exemption levels.
Do not send this form in if Average Daily Production is above the minimum levels.

If Minimum Production Exemption, is production gauged separately? ___ Yes ___ No

If Water Flood Exemption, is production gauged separately? ___ Yes ___ No

If Water Flood Exemption, what is the docket number from the KCC Enhanced Recovery Order? _____

COMPLETE IF INCREMENTAL EXEMPTION

The KCC must certify all enhancement projects prior to exemptions being granted. Incremental Exemptions are granted on a well basis only. If Incremental Exemption, what is the certified KCC enhancement project number? _____

The Incremental Exemption is valid for 7 years from the KCC certified startup date. KCC certified date is: _____

*See Severance Tax Incentive's Update at website: **http://ksrevenue.org/bustaxtypesmin.html**

I declare under the penalties of perjury that all the required KCC certifications have been received and this application is true and correct.

_____ Signature of Authorized Officer or Agent

_____ Date

Purchaser Name and Address Information

Print Operator's & Purchaser's address clearly, they will be used as mailing labels.

_____ Purchaser ID #

Please allow 6 to 8 weeks for processing.

MT-07
(Rev. 8-19)

OPERATOR'S COPY ☐ **DEPARTMENT'S COPY** ☐ **PURCHASER'S COPY** ☐

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OPERATOR & PURCHASER INSTRUCTIONS

OPERATOR

To apply for an initial oil exemption, please complete the fields on page 1 of this form. After the Kansas Department of Revenue approves the initial exemption, a certified copy will be sent back to you and to the purchaser you have indicated. The certified copy will be your Certificate of Exemption.

If additional copies of this form are needed, they can only be found on the Kansas Department of Revenue's website at: **http://ksrevenue.org/formsmineral.html**. Due to limited state funding Kansas Department of Revenue will not be printing supplies of this form.

Please note that all operators and purchasers are required to notify the Mineral Tax Service Division of any changes by submitting Form MT-8, Operator and Purchase Change Request. This form can be submitted by email: kdor_ks.op.pur.chngrqst@ks.gov, fax: 785-296-4993 or by mail to the address on the front of this form.

***If reporting more than one oil well, all API #'s are required to be reported on the "Additional API Listing" document included with the MT-07.**

Average Daily Oil Production

Average daily oil production is equal to total gross production divided by number of producing well days.

Producing well days, for a single oil well, is equal to the number of days that the well was in production.

Producing well days, on a lease, is equal to the sum of the producing well days for each individual well on the lease. For example, say a lease has 3 wells, A, B, and C. During the 6 month production history period, well "A" produced 30 days, well "B" produced 60 days, and well "C" 180 days. The total number of producing well days is 30, plus 60, plus 180 which equals 270 days.

Write the calculated Average Daily Production in the space provided on page 1 of this form. If the BOPD is greater than the current minimum exemption levels, do not send in the form because the exemption will be denied.

PURCHASER

If certified, this application informs you that the indicated lease/well is exempt for the period shown. If you are not the 1st purchaser of the lease, please return the form to the Kansas Department of Revenue.

The exemption is non-transferable between operators. Should this lease change operators, this exemption will no longer be valid. A new exemption number for the new operator will be issued for the remaining effective months.

Mineral Tax website: **http://www.ksrevenue.org/bustaxtypesmin.html**
KCC website: **http://www.kcc.state.ks.us/conservation/index.htm**

ADDITIONAL API LISTINGS
(ENCLOSE AS MANY SHEETS AS NEEDED)

OIL

LEASE #

WELL NAME	API #