







# 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.gov/formsm mineral.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](mailto: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 1<sup>st</sup> 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.**

