



## Instructions for Form R-9054 (SEV O-5) Monthly Oil Well Report for Exempt Wells

Form Sev O-5 must be filed electronically using the Louisiana Department of Revenue's Severance Web Application.

**Tax ID** – This is your 10-digit Louisiana Tax Number.

**Severance Account Number** – Enter your 5-digit producer code number or purchaser code number assigned by the Louisiana Office of Conservation or number assigned by the Louisiana Department of Revenue (LDR) to taxpayers who are not producers or purchasers. For 4-digit numbers, pad with a leading zero.

**Taxable Period** – Period for which the well is exempt. Production for each exempt period is to be reported separately.

**Exempt/Mining Tax Rate Code** – This should be the same tax rate code as reported on Form R-9015 (SEV O-1D), *Oil and/or Condensate Severance Tax Return - Lease Detail*. **These wells must be approved by the Office of Conservation before the tax rate codes can be used. (See Tax Rate Code Legend)**

**Conservation well serial number** – Number assigned by the Louisiana Office of Conservation.

**Parish** – Parish where production occurred.

**Field** – The 4-digit code assigned by the Louisiana Office of Conservation.

**Producer** – The 5-digit producer code assigned by Louisiana Office of Conservation. For 4-digit codes, pad with a leading zero.

**Lease Code** – Codes are assigned by the Louisiana Office of Conservation.

**Production Barrels** – Total number of barrels produced or severed at the wellhead prior to being sold to the first purchaser (should agree with the Office of Conservation's OGP Report.) Volume must be reported by well. The amount must be numeric and have two explicit decimal places.

**Disposition Barrels** – Total number of taxable barrels for this period for which codes on the line item are applicable (should agree with the Office of Conservation's OGP Report.) Volume must be reported by well. The amount must be numeric and have two explicit decimal places.

**Value for Payout of Well Cost** – Gross dollar value of the disposition barrels less royalty and direct well operating costs. Do not fill out this block for any well with a reduced tax rate code IA, OW, or OR.

**Taxpayer Number** – Enter your 5-digit producer code number or purchaser code number assigned by the Louisiana Office of Conservation or number assigned by LDR to taxpayers who are not producers or purchasers. For 4-digit numbers, pad with a leading zero.

**Note\****User Defined Data** – Enter additional information pertaining to data in this row.

**Add** – Click the "Add" button after all information for this row has been entered.

When finished entering all information, click "Submit Return". The "View the DNR Validation Report" box must be selected prior to submitting the report in order to review the DNR data report. If the report data contains validation errors, you can review the Error Report which will display the row number(s) containing errors. Critical errors that are not critical calculated errors must be fixed before the report can be submitted.

### **Paid Preparer Information**

If this report was prepared by a paid preparer, he or she must complete the paid preparer information. The paid preparer must enter their name and identification number when preparing and filing the report. If the paid preparer has a PTIN, the PTIN must be provided; otherwise, the FEIN or LDR account number must be provided. If the paid preparer represents a firm, the firm's FEIN must also be provided. The failure of a paid preparer to sign or provide an identification number will result in the assessment of the unidentified preparer penalty on the preparer. The penalty is \$50 for each occurrence of failing to sign or failing to provide an identification number.



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Exempt Tax Rate Codes		Code
<b>Deep Wells</b> – any well drilled to a true vertical depth of more than 15,000 feet and from which production commences after July 31, 1994. The exemption is for two years or until payout of the well cost is achieved.	D	
<b>Horizontal Wells</b> – any well drilled or recompleted horizontally and from which production commences after July 31, 1994. The exemption is for two years or until payout of the well cost is achieved.	H	
<b>Orphan Well Rework Program</b> – Production from an approved oil well in an orphaned oilfield site that has had no production for more than 12 months immediately prior to the production subject to the program. This well must be approved by the Louisiana Office of Conservation. Only wells that commence production on October 1, 2021 through June 30, 2031 shall be exempt from severance tax for the first 3 months of production. After the exemption period expires, Form Sev. OR-1D, Orphan Well Rework Program Tax Return - Lease Detail, must be used to report production. The operator must remit an amount equal to the severance tax applicable to the well which shall be credited to the associated site-specific trust account.	OR	
<b>Mining and Horizontal Drilling Project</b> – any oil well classified by the Commissioner of Conservation as a mining and horizontal drilling project on or after August 1, 1990, shall pay the oil severance tax at the rate of 0.3125 on the net taxable value until the cumulative value of the hydrocarbon production from the mining and horizontal drilling project is equal to two and one-third times the total private investment by the working interest owners, in the project. Once the cumulative value of hydrocarbon production is equal to two and one-third times the total private investment by the working interest owners, tax will be applicable at the rate based on production volume.	M	
Reduced Tax Rate Codes		Code
<b>Inactive Reduced Rate Well</b> – Production from an approved well that has been inactive for two or more years or having thirty days or less of production during the past two years. The production must be produced from the same perforated producing interval or from one hundred feet above and one hundred feet below the perforated producing interval for lease wells, and within the correlative defined interval for unitized reservoirs that the formerly inactive well produced from before being inactive. Application must be made to the Office of Conservation during the period beginning July 1, 2018 and ending June 30, 2023. The Office of Conservation must approve this well.	IA	
<b>Orphan Reduced Rate Well</b> – Production from an approved well that has been designated as orphan for longer than sixty months. The production must be produced from the same perforated producing interval or from one hundred feet above and one hundred feet below the perforated producing interval for lease wells, and within the correlative defined interval for unitized reservoirs that the formerly orphan well produced from before being designated as an orphan well. Application must be made to the Office of Conservation during the period beginning July 1, 2018 and ending June 30, 2023. The Office of Conservation must approve this well.	OW	