

TAX RATES AND EXEMPTION LEVELS

Oil, low producing wells (K.S.A. 79-4217)

<u>Period</u>	2000 ft or greater		less than 2000 ft	
	<u>Minimum</u>	<u>Water Flood</u>	<u>Minimum</u>	<u>Water Flood</u>
5/1/00 to 5/1/23	6	7	5	6
5/1/99 to 5/1/00	10	10	5	6
5/1/98 to 5/1/99	6	7	5	6

Incremental Exemption (also called Enhanced Recovery or 7 yr. exemption) (K.S.A. 79-4217)

<u>Period</u>	<u>Oil Exemption Status</u>	<u>Gas Exemption Status</u>
7/1/22 to 7/1/24	off	off
7/1/20 to 7/1/22	off	on
7/1/18 to 7/1/20	off	off
7/1/17 to 7/1/18	off	on
7/1/01 to 7/1/17	off	off
7/1/98 to 7/1/01	on	on

GAS EXEMPTION LEVEL

<u>Period</u>	
7/1/98 to current	Average daily production is not more than \$87.00 per day
Prior to 7/1/98	Average daily production is not more than \$81.00 per day

KCC FEE

<u>Period</u>	<u>OIL</u>	<u>GAS</u>
6/15/18 to current	.144	.0205
12/22/06 to 6/14/18	.091	.0129
6/1/2001 to 12/21/06	.0547	.00913
11/15/96 to 5/31/01	.02727	.00583
12/6/93 to 11/14/96	.021	.0055
9/1/91 to 12/5/93	.0135	.0043
12/1/87 to 9/1/91	.0135	.004
Prior to 12/1/87	.0125	.0033

SEVERANCE TAX RATES

<u>Period</u>	<u>OIL</u>	<u>GAS</u>
7/1/96 to current	.0433	.0433
7/1/95 to 7/1/96	.0433	.05
7/1/94 to 7/1/95	.0433	.06
Prior to 7/1/94	.0433	.07

INTEREST RATES

<u>Period</u>		
1/1/24 to 12/31/24	7 percent	(.583 percent per month or fraction thereof)
1/1/23 to 12/31/23	6 percent	(.5 percent per month or fraction thereof)
1/1/21 to 12/31/22	4 percent	(.333 percent per month or fraction thereof)
1/1/19 to 12/31/20	6 percent	(.5 percent per month or fraction thereof)
1/1/17 to 12/31/18	5 percent	(.417 percent per month or fraction thereof)
1/1/13 to 12/31/16	4 percent	(.333 percent per month or fraction thereof)
1/1/10 to 12/31/12	5 percent	(.417 percent per month or fraction thereof)
1/1/09 to 12/31/09	6 percent	(.5 percent per month or fraction thereof)
1/1/07 to 12/31/08	9 percent	(.75 percent per month or fraction thereof)
1/1/06 to 12/31/06	7 percent	(.583 percent per month or fraction thereof)
1/1/05 to 12/31/05	5 percent	(.417 percent per month or fraction thereof)
1/1/04 to 12/31/04	6 percent	(.5 percent per month or fraction thereof)

The K-49, Oil Lease Property Tax Refund, is not in effect for 2001 through 2021 property tax years.

6 bcf's equals
6,000 mmcf's equals
6,000,000 mcf's equals
6,000,000,000 cf's