

INSTRUCTIONS

This form is to be used as documentation for reporting the transfer of oil from one well to another. It provides a method for preventing the double reporting of oil production and sales, by allowing the recovered oil volumes to be excluded from the monthly production and disposition reports of the recovery well. It shall be prepared by the well operator during the report period in which the oil is recovered and transported, and shall be submitted with Form 10, Monthly Oil and Gas Production Report, and Form 11, Monthly Oil and Gas Disposition Report.

Report all volumes in whole barrels. All volumes must be temperature corrected to 60° F and exclude BS&W.

LOAD OIL RECOVERED

This section should be used if the subject oil was originally purchased from an outside source, or produced and transported from another of the operator's own wells, and then taken to a second well to be used as load oil. For the purpose of this report, load oil is defined as crude oil used in a well for hydraulic fracturing, shooting, swabbing, etc.

1. Show the amount of load oil that was recovered and transported from the well being treated, along with a description of the well and the name of the purchasing and transporting companies. This volume of oil did not originate at this well, and should be excluded from the production, disposition, and inventory for this well on Forms 10 and 11, Monthly Oil and Gas Production and Disposition Reports. A comment should be placed on those forms referring to this form.
2. Show the original volume of oil obtained to be used as load oil, along with the source of that oil. This quantity of oil should have been reported for this well on Forms 10 and 11.
3. Describe the operation for which this oil was used (i.e., swabbing, fracturing, etc.).

OTHER TRANSFERRED OIL (Non-Load Oil)

This section should be used if oil was taken from one well for any reason (i.e., treater failure, well plugged, etc.) to be treated and/or stored at and transported from another well.

1. Show the amount of previously transported oil that was removed from the receiving well, along with a description of the well and the name of the purchasing and transporting companies. This volume of oil did not originate at this well, and should be excluded from the production, disposition, and inventory for this well on Forms 10 and 11, Monthly Oil and Gas Production and Disposition Reports. A comment should be placed on those forms referring to this form.
2. Show a description of the well from which the oil was originally produced and transported. This quantity of oil should have been reported for this well on Forms 10 and 11.
3. Show the reason for transferring the oil (i.e., treater malfunction, well plugged, etc.).

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