

FRAUDULENT REPORTS OR REFUSAL TO FILE REPORTS WITH THE INTENT TO EVADE TAXES MAY RESULT IN SEVERE PENALTIES INCLUDING FORFEITURE OF THE COMPANY'S RIGHTS IN THE LEASE AND FORFEITURE OF THE COMPANY'S PRIVILEGE OF DOING BUSINESS WITHIN THE JURISDICTION OF THE CHEYENNE AND ARAPAHO TRIBES.

E. Objections and Claims for Refunds:

Every taxpayer has the right to a full hearing before the Tax Commission to challenge the amount of taxes, penalties and/or interest assessed; to demand a refund of taxes paid under protest; and to appeal the determination of the Tax Commission to the tribal Court if he is aggrieved thereby. To apply for a refund or credit the taxpayer should file an amended report and a petition for a refund with the Tax Commission, explaining the basis for the refund request. For more information, refer to Chapter One of the Taxation Act.

II. REPORTING FORM INSTRUCTIONS

- A. **Company Name:** entity name of reporting company.
- B. **Company Address:** as stated.
- C. **Payee:** designate if reporting entity is Operator or Purchaser.
- D. **Check Number:** entities check number for the corresponding pay period. In the event Payee pays via bank wire transfer, please insert "WIRE".
- E. **Payment Date:** date of issuance of check, or date of actual wire transmittal.
- F. **Sales Month:** month/year of reported sales month.

Report Table:

- G. **Well Name:** well name as stated at Oklahoma Corporation Commission.
- H. **Well #:** Well number for companies use.
- I. **API Number:** as provided by Oklahoma Corporation Commission.
- J. **MMS Lease Number:** The lease number is the number assigned by the Bureau of Indian Affairs to the original oil and gas lease from the Indian owners.
- K. **Period:** The reporting period is the calendar month from its first day to its last day inclusive. Insert the sales month and applicable year.
- L. **Product:** indicate associated reported product, i.e. OIL, GAS or NGL.
- M. **Unit Acres:** gross acres of spaced producing unit as designated by the Oklahoma Corporation Commission.
- N. **Tribe Acres:** net Tribal jurisdictional acres associated with each respective BIA oil and gas lease.

- O. **Tribe Interest:** worksheet automatically calculates. (Tribes Acres / Unit Acres).
- P. **CA Allocation:** if corresponding well's spaced producing unit is 640 gross or less, the corresponding CA Allocation value will be 1.0000. In the event the corresponding well covers more than one (1) section, the CA Allocation value will be the production % factor applicable to that specific section in which the BIA Oil and Gas Lease is located, as designated in the corresponding Oklahoma Corporation Commission Multiunit Spacing Unit Order covering said well.
- Q. **Total Volume:** reportable volumes shall be those established through measurement at the wellhead, unless otherwise approved in writing by the Tax Commission or its authorized representative.
- R. **Price / bbl, mcf:** indicate the actual sales price or fair market value of the substance reported, whichever is higher.
- S. **Total Value:** worksheet automatically calculates (Total Volume X Price).
- T. **Lease Production Volume:** worksheet automatically calculates (Tribe Interest X CA Allocation X Total Volume).
- U. **Tribe Royalty Exemption:** royalty rate as stated in the corresponding BIA Oil and Gas Lease.
- V. **Tribe Production Volume:** worksheet automatically calculates (Lease Production Volume X (1.0 minus Tribe Royalty Exemption)).
- W. **Taxable Value:** worksheet automatically calculates (Price X Tribe Production Volume).
- X. **Tax Rate:** 7.085%, as defined in Sections 4.701 and 4.702 of this chapter.
- Y. **Tax Due:** worksheet automatically calculates (Taxable Value X Tax Rate).
- Z. **Total Tax Remitted:** The total amount of payment made toward the Tax Due.
- AA. **Paid by:** Input the check number, the name of the party remitting payment, and the address of the party remitting payment.
- BB. **Certificate of Submission.** Include the total number of pages included with the report, and who the report is submitted on behalf of. Include the date of the certification, typed name, title and signature.

Insert all required information. Any report not timely filed will be construed as late and will incur all applicable penalties and interest as provided by Section 4.497.

§4.714 Severance Tax in Lieu of Other Taxes

The taxes levied by §4.701 and §4.702 of this Act on oil and gas respectively, shall be in lieu of all sales taxes on the first sale of such oil and gas imposed by law, and of any possessory interest taxes on said leasehold attributable to the period during which the oil and gas lease was in production.

§4.715 Exclusion from Taxation

- (a) There shall be excluded from the provisions of this Chapter the production attributable to the Indian trust royalty interest, not to exceed 25% of the gross value of such production, of all individually owned and tribally owned lands.
- (b) The production attributable to the Indian trust royalty interest need not be included in any of the reports submitted by any oil or gas operators within the tribal jurisdiction and, pursuant to federal law and the tribal constitution, no taxes shall be due or imposed on that portion of the production attributable to the Indian royalty interest.

[March 30, 2022: Increased from 20% to 25% to encompass 25% royalties currently being negotiated.]

§4.716 Stripper Well Exemption

- (a) ~~A Stripper Well Exemption may be granted upon written application made to the Cheyenne and Arapaho Tax Commission and shall not exempt any amounts owed until approved by the Tax Commission. Once approved, the Exemption may reduce the amounts owed incident to taxes, fees and/or interest imposed under §4.701 and §4.702. The Exemption described herein shall be based on the following definitions:~~
 - 1. ~~**Stripper Well Exemption: Natural Gas** is defined as production from a well whose maximum daily average gas production does not exceed 60 MCF production per day over the most recent twenty four (24) month period immediately preceding the date of stripper well application, OR~~
 - 2. ~~**Stripper Well Exemption: Oil** is defined as oil production from a well whose maximum daily production does not exceed an average of 10 barrels per day of crude petroleum and petroleum condensate over the most recent twenty four (24) month period immediately preceding the date of stripper well application OR~~
 - 3. ~~**Stripper Well Exemption: Barrels of Oil Equivalency** is defined as a well which produces both natural gas and oil whose maximum daily average production does not exceed an average of ten (10) barrels of oil equivalent (“BOE”), based on 6,000 cubic feet of gas being equivalent to one (1) barrel of oil, over the most recent twenty four (24) month period immediately preceding the date of stripper well application.~~
- (b) ~~**Tax Commission Approval Required.** Once the Operator determines one of the conditions of §4.716 (a)(1) - (3) have been satisfied, a Stripper Well Exemption shall not be applied without the express written approval of the Tax Commission. The Operator shall submit a Stripper Well Exemption Application Form (“Exemption Form”) to the Tax Commission, who shall review said Exemption Form and issue an approval or denial within thirty (30) days of receipt. Failure to issue an approval or denial within thirty (30) days of receipt shall be deemed as a denial.~~
 - 1. ~~**Upon approval** by the Tax Commission of said Exemption Form, a formal notice, via email or regular mail, will be issued to the Operator stating same. The Operator will not be required to tender any associated oil and gas severance tax under Sections 4.701 and 4.702 of this~~

chapter as of the effective date, and as to that specific well stated, in the approved Exemption form.

2. **Upon denial** by the Tax Commission of said Exemption Form, a formal notice, via email or regular mail, shall be issued to the Operator stating same. The Operator shall be required to continue paying any and all associated oil and gas severance tax under Sections 4.701 and 4.702 of this chapter.
3. The Tax Commission reserves the right to re-evaluate any given well which has been granted Stripper Well status. Should the Tax Commission determine said well no longer meets the necessary criteria to be classified as a Stripper Well, the Tax Commission shall issue a notice to the Operator to re-submit an Exemption Form and will make its subsequent determination in the same manner as described herein.

[March 30, 2022: Once the conditions have been met, a Stripper Well Exemption may not be applied without the approval of the Cheyenne and Arapaho Tax Commission, in writing. Changed to include calculation based on a thirty-day period.]

- (a) As of February 1, 2026, this section is hereby stricken and no “Stripper Well Exemption” is permitted.
- (b) Any “Stripper Well Exemption” granted prior to February 1, 2026 shall be continued at the sole discretion of the Cheyenne and Arapaho Tribes Tax Commission.

§4.717 Stripper Well Exemption Application Form

~~The Stripper Well Exemption Application Form shall be in substantially the following form:~~

- (a) As of February 1, 2026, this section is hereby stricken and no “Stripper Well Exemption” is permitted.
- (b) Any “Stripper Well Exemption” granted prior to February 1, 2026 shall be continued at the sole discretion of the Cheyenne and Arapaho Tax Commission.

CHEYENNE AND ARAPAHO TRIBES TAX COMMISSION

Stripper Well Exemption Application Form

(version 05.25.2021)

A. Operator/Purchaser: _____

B. Address: _____

C. Contact Name: _____

D. Contact email: _____

E. Contact Title: _____

F. Contact phone #: _____

G. Agent for Operator/Purchaser: Yes or No

H. Well Name: _____

I. Legal Description: _____

J. County/State: _____

K. API#: _____

L. Reporting Period: from _____ to _____

M. Stripper Well Production Information – refer to attached production data form

_____, as agent/representative of said Operator, hereby confirms that all applicable information and/or production data stated herein, is true and correct to the best of my knowledge, unless specifically otherwise indicated.

Dated this _____ day of _____, _____.

Name:

Title: _____

[Cheyenne and Arapaho Tribes & Tax Commission approval on following page]

CHEYENNE AND ARAPAHO TRIBES TAX COMMISSION

Stripper Well Production Information / Approvals

A. Operator:

B. Well Name:

C. Section/Twnship/Rng:

<u>Sales Month/Year</u>	<u># of Days</u>	<u>OIL SALES</u>	<u>NATURAL GAS SALES</u>
		<u>BBL's / month</u>	<u>MCF / month</u>
Jan-19	31		
Feb-19	28		
Mar-19	31		
Apr-19	30		
May-19	31		
Jun-19	30		
Jul-19	31		
Aug-19	31		
Sep-19	30		
Oct-19	31		
Nov-19	30		
Dec-19	31		
Jan-20	31		
Feb-20	29		
Mar-20	31		
Apr-20	30		
May-20	31		
Jun-20	30		
Jul-20	31		
Aug-20	31		
Sep-20	30		
Oct-20	31		
Nov-20	30		
Dec-20	31		
TOTALS	731	0.00	0.00

Average BBL/day: 0.00

Average mcf/day: 0.00

Aver. Mcf/day in BOE: 0.00

Average BOE/day: 0.00

Stripper Well Exemption considered under following conditions: 1) Natural Gas production does not exceed an average of 60 mcf/day; or 2) Oil production does not exceed an average of 10 bbls/day; or 3) BOE/day does not exceed an average of 10 BOE/day (based on 6,000 cubic feet of gas/BOE). Said averages to be determined on immediate preceeding 24 months.

Approval / Comments				
<u>Name</u>	<u>Initials</u>	<u>Y / N</u>	<u>Date</u>	<u>Comments</u>
Gov. Reggie Wassana				
Lt. Gov. Gilbert Miles				
Easton Yellowfish, Treasurer				
P. Roman Nose, Tax Rev. Coord.				
R. Bolton, O&G Administrator				

§4.718 Stripper Well Exemption Application Form-Instructions

- (a) As of February 1, 2026, this section is hereby stricken and no “Stripper Well Exemption” is permitted.
- (b) Any “Stripper Well Exemption” granted prior to February 1, 2026 shall be continued at the sole discretion of the Cheyenne and Arapaho Tax Commission.

~~(c) **Page 1.** The first page of the Stripper Well Exemption Application should be completed as follows:~~

~~**A. Operator/Purchaser:** Designate if Operator or Purchaser, and fill in correct name as it appears in the Oklahoma Corporation Commission records.~~

~~**B. Address:** address of Operator/Purchaser.~~

~~**C. Contact Name:** name of individual preparing application form.~~

~~**D. Contact Email:** email of individual preparing application form.~~

~~**E. Contact Title:** title of individual preparing application form.~~

~~**F. Contact Phone #:** phone # of individual preparing application form.~~

~~**G. Agent for Operator/Purchaser:** Designate if preparer is agent for either Operator or Purchaser.~~

~~**H. Well Name:** well name as it appears in Oklahoma Corporation Commission records.~~

~~**I. Legal Description:** Section(s), Township and Range.~~

~~**J. County/State:** as stated.~~

~~**K. API #:** API# as it appears in Oklahoma Corporation Commission records.~~

~~**L. Reporting Period:** production volumes covering 24 month period immediately preceding date of application.~~

~~**M. Stripper Well Production Information:** refer to production data sheet described below.~~

~~Date and execute, printing preparer’s name and title at bottom.~~

~~(d) **Page 2.** The second page of the Stripper Well Exemption Application should be completed as follows:~~

A. Operator: fill in correct name of Operator as it appears in the Oklahoma Corporation Commission records.

B. Well Name: well name as it appears in Oklahoma Corporation Commission records.

C. Section/Towship/Rng: legal description stating Section(s), Township and Range

Sales Month/Year: month in which applicable sales of Oil and/or Natural Gas transpired.

Number of Days: number of days for the associated month of sales.

Oil Sales: gross volume of barrels of oil sold in the associated month of sales.

Natural Gas Sales: gross volume of natural gas sold in the associated month of sales. Gross volume determined at the wellhead and prior to any processing of said natural gas.

Approval / Comments: reserved for Tax Commission purposes.

CHAPTER FIVE: TRIBAL ENTERTAINMENT TAX

§4.719 Definitions

For the purpose of this section, the term:

- (a) "Person" includes any Indian or non-Indian who is 16 years of age or older.
- (b) "Bingo" includes any game or sessions as defined in the Bingo ordinance of the Cheyenne and Arapaho Tribes.
- (c) "Bingo Operator (manager)" is a person, persons, or organization operating a Bingo game or sessions as defined in the Cheyenne and Arapaho Tribal Bingo Ordinance.
- (d) "Entertainment Tax" is a fee that is assessed and levied on each person playing tribal bingo within the jurisdictional area of the Cheyenne and Arapaho Tribes.
- (e) The term "within the tribal jurisdiction" shall mean all geographical areas within the territorial jurisdiction for the Cheyenne and Arapaho Tribes as defined by 18 U.S.C. §1151.

[April 27, 2022: Subsection (e) added to further define "within the tribal jurisdiction" for specificity and clarity.]

§4.720 The Collection of a Tribal Entertainment Tax

- (a) Tribal Entertainment Tax is hereby imposed upon all persons playing tribal bingo games within the jurisdictional boundary of the Cheyenne and Arapaho Tribes.
- (b) The Bingo operator shall be responsible for the remittance of the tax based on daily attendance records.
- (c) A Tribal Entertainment Tax of one dollar (\$1.00) shall be collected, at time of admission, by each Bingo operator for each person paying tribal bingo beginning _____, 1988.
- (d) Each Bingo operator shall submit the Tribal Entertainment Taxes collected each month to the Tax Commission offices no later than 14 days following the end of the month in which collected.
- (e) Interest for late payments shall be assessed as prescribed in §4.497 of this Act.
- (f) General penalties for any person who files any false report or return shall be assessed a civil penalty as contained in §4.493 of this Act.

§4.721 Reports Required

- (a) Each Bingo operator shall provide each month to the Tax Commission a daily attendance record of the bingo operations under his management or control within the Cheyenne and Arapaho Tribal reservation area.
- (b) The Tribal Entertainment Tax, record keeping and reporting shall

commence _____, 1988. Reports shall be due for the preceding month within 14 calendar days following the end of each month in which the Entertainment Tax is levied.

§4.722-§4.799 Reserved