

Oil and Gas Depletion Worksheet

(Keep for your records)

2016

Name(s) as shown on return

Tax ID Number

Description of property _____

Date placed in service _____

Cost Depletion calculation

1 Original basis of property _____

2 Accumulated depletion _____

3 Basis for depletion (line 1 - line 2) _____

4 Total recoverable units _____

5 Rate per unit (line 3 / line 4) _____

6 Number of units sold this year _____

7 Cost depletion (line 5 * line 6) _____

Percentage depletion calculation

8 Income from this property _____

9 Royalties and bonus payments paid (_____)

10 Gross production income (combine lines 8 and 9) _____

11 Lease bonus income _____

12 Other income _____

13 Total production income (combine lines 10 through 13) _____

14 Direct expenses (_____)

15 Allocated overhead expenses (_____)

16 Production income limit (combine lines 13 through 15) _____

17 Taxpayer's taxable income before depletion deduction _____

18 Taxable income limit (line 17 * 65%) _____

19 Current depletion (line 10 * depletion percentage) _____

20 Prior year carryover _____

21 Depletion before limits (line 19 + line 20) _____

22 Percentage depletion allowed (smallest of lines 16,18, and 21) _____

23 Percentage depletion disallowed (line 21 - line 22) _____

24 **Current year depletion deduction (greater of line 7 or 22)** _____

Carryovers to 2017

Accumulated depletion (line 2 + line 24) _____

Percentage depletion carryover (lesser of lines 16 and 23) _____