

# Oil and Gas Depletion Worksheet

(Keep for your records)

**2021**

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 2022**

Accumulated depletion (line 2 + line 24) . . . . . \_\_\_\_\_

Percentage depletion carryover (lesser of lines 16 and 23) \_\_\_\_\_