



WALSH WASHBURN, LLC.
CERTIFIED PUBLIC ACCOUNTING FIRM

5360 College Boulevard, Suite 100
Overland Park, Kansas 66211
Phone: 913-660-7710
Fax: 913-660-1995

March 14, 2019

Interstate Production Company
2901 Verona
Mission Hills, KS 66208

Dear Larry:

Your 2018 Federal S Corporation Income Tax return will be electronically filed with the Internal Revenue Service upon receipt of a signed Form 8879S - IRS e-file Signature Authorization in the web portal. You may also mail it to us, fax it to (913) 660-1995 or e-mail it to jolee@walshwashburn.com. No tax is payable with the filing of this return.

Your 2018 Arkansas S Corporation Income Tax Return will be electronically filed with the State of Arkansas upon receipt of a signed Form AR8453-S. No tax is payable with the filing of this return.

Your 2018 Kansas S Corporation Income Tax Return will be electronically filed with the State of Kansas. No tax is payable with the filing of this return.

Enclosed is your 2018 Kansas S Corporation Annual Report. The original should be signed at the bottom of the form. There is a balance due of \$55. Mail the Kansas annual report on or before April 15, 2019 and make check payable to:

SECRETARY OF STATE
CORPORATIONS DIVISION
FIRST FLOOR, MEMORIAL HALL
120 S.W. 10TH AVE., ROOM 100
TOPEKA, KS 66612-1594

Your 2018/2019 Louisiana Corporation Income and Franchise Tax Return will be electronically filed with the State of Louisiana upon receipt of a signed Form R-8453C. There is a balance of \$27 payable by May 15, 2019. Mail your payment on or before May 15, 2019 to:

LOUISIANA DEPARTMENT OF REVENUE
POST OFFICE BOX 91011
BATON ROUGE, LA 70821-9011

Your 2018 Oklahoma Small Business Corporation Income and Franchise Tax Return will be electronically filed with the State of Oklahoma upon receipt of a signed Form EF. No tax is payable with the filing of this return.

Your 2019 Texas Franchise Tax Return will be electronically filed with the State of Texas. No tax is payable with the filing of this return.

You must distribute a copy of the 2018 Schedule K-1 to each shareholder. Be sure to give each shareholder a copy of the Shareholder's Instructions for Schedule K-1 (Form 1120S).

Please call if you have any questions.

Sincerely,

John W Duncan, CPA

Enclosures

2018 S-Corporation Return
prepared for:

Interstate Production Company
2901 Verona
Mission Hills, KS 66208

WALSH WASHBURN, LLC
5360 COLLEGE BOULEVARD SUITE 100
OVERLAND PARK, KS 66211-1621

IRS e-file Signature Authorization for Form 1120S

- ▶ Return completed Form 8879-S to ERO. (Don't send to IRS.)
- ▶ Go to www.irs.gov/Form8879S for the latest information.

2018

Department of the Treasury
Internal Revenue Service

For calendar year 2018, or tax year beginning _____, 2018, and ending _____.

Name of corporation

Employer identification number

Interstate Production Company

43-1231307

Part I Tax Return Information (Whole dollars only)

1	Gross receipts or sales less returns and allowances (Form 1120S, line 1c)	1	263,163.
2	Gross profit (Form 1120S, line 3)	2	263,163.
3	Ordinary business income (loss) (Form 1120S, line 21)	3	80,657.
4	Net rental real estate income (loss) (Form 1120S, Schedule K, line 2)	4	
5	Income (loss) reconciliation (Form 1120S, Schedule K, line 18)	5	81,433.

Part II Declaration and Signature Authorization of Officer (Be sure to get a copy of the corporation's return)

Under penalties of perjury, I declare that I am an officer of the above corporation and that I have examined a copy of the corporation's 2018 electronic income tax return and accompanying schedules and statements and to the best of my knowledge and belief, it is true, correct, and complete. I further declare that the amounts in Part I above are the amounts shown on the copy of the corporation's electronic income tax return. I consent to allow my electronic return originator (ERO), transmitter, or intermediate service provider to send the corporation's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the corporation's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at **1-888-353-4537** no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the corporation's electronic income tax return and, if applicable, the corporation's consent to electronic funds withdrawal.

Officer's PIN: check one box only

I authorize WALSH WASHBURN, LLC to enter my PIN 94890 as my signature
ERO firm name Don't enter all zeros

on the corporation's 2018 electronically filed income tax return.

As an officer of the corporation, I will enter my PIN as my signature on the corporation's 2018 electronically filed income tax return.

Officer's signature ▶ _____ Date ▶ _____ Title ▶ President

Part III Certification and Authentication

ERO's EFIN/PIN. Enter your six-digit EFIN followed by your five-digit self-selected PIN.

48080198989
Don't enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2018 electronically filed income tax return for the corporation indicated above. I confirm that I am submitting this return in accordance with the requirements of **Pub. 3112**, IRS e-file Application and Participation, and **Pub. 4163**, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature ▶  Date ▶ 03/09/2019

**ERO Must Retain This Form – See Instructions
 Don't Submit This Form to the IRS Unless Requested To Do So**

Department of the Treasury Internal Revenue Service

Do not file this form unless the corporation has filed or is attaching Form 2553 to elect to be an S corporation. Go to www.irs.gov/Form1120S for instructions and the latest information.

For calendar year 2018 or tax year beginning 1/01/2001, 2018, ending

Header section containing: A S election effective date (1/01/2001), B Business activity code number (21120), C Check if Schedule M-3 attached, D Employer identification number (43-1231307), E Date incorporated (5/26/1981), F Total assets (641,905), TYPE OR PRINT (Interstate Production Company, 2901 Verona, Mission Hills, KS 66208)

G Is the corporation electing to be an S corporation beginning with this tax year? (Yes/No)
H Check if: (1) Final return, (2) Name change, (3) Address change, (4) Amended return, (5) S election termination or revocation

I Enter the number of shareholders who were shareholders during any part of the tax year 1
Caution: Include only trade or business income and expenses on lines 1a through 21. See the instructions for more information.

Main table with columns for INCOME, DEDUCTIONS, SEE INSTRUCTIONS, TAX AND PAYMENTS. Rows include: 1a Gross receipts or sales (263,163), 1c Balance (263,163), 2 Cost of goods sold, 3 Gross profit (263,163), 5 Other income (10,707), 6 Total income (273,870), 12 Taxes and licenses (11,644), 19 Other deductions (181,569), 20 Total deductions (193,213), 21 Ordinary business income (80,657), 22a Excess net passive income, 23a 2018 estimated tax payments, 24 Estimated tax penalty, 25 Amount owed (0), 26 Overpayment.

Sign Here section: Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge. Signature of officer: [Signature], Date: [Blank], Title: President. May the IRS discuss this return with the preparer shown below (see instructions)? [X] Yes [] No

Paid Preparer Use Only section: Print/Type preparer's name: John W Duncan, CPA; Preparer's signature: [Signature]; Date: 03/09/2019; Check self-employed: []; PTIN: P01668108; Firm's name: WALSH WASHBURN, LLC; Firm's EIN: 20-1940035; Firm's address: 5360 COLLEGE BOULEVARD SUITE 100, OVERLAND PARK, KS 66211-1621; Phone no.: (913) 660-7710

Schedule B Other Information (see instructions)	Yes	No		
1 Check accounting method: a <input type="checkbox"/> Cash b <input checked="" type="checkbox"/> Accrual c <input type="checkbox"/> Other (specify) ▶ _____				
2 See the instructions and enter the: a Business activity. ▶ <u>OIL & GAS PRODUCTION</u> b Product or service ... ▶ <u>OIL & GAS</u>				
3 At any time during the tax year, was any shareholder of the corporation a disregarded entity, a trust, an estate, or a nominee or similar person? If "Yes," attach Schedule B-1, Information on Certain Shareholders of an S Corporation		X		
4 At the end of the tax year, did the corporation: a Own directly 20% or more, or own, directly or indirectly, 50% or more of the total stock issued and outstanding of any foreign or domestic corporation? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below		X		
(i) Name of Corporation	(ii) Employer Identification Number (if any)	(iii) Country of Incorporation	(iv) Percentage of Stock Owned	(v) If Percentage in (iv) is 100%, Enter the Date (if any) a Qualified Subchapter S Subsidiary Election Was Made
b Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below		X		
(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Type of Entity	(iv) Country of Organization	(v) Maximum % Owned in Profit, Loss, or Capital
5a At the end of the tax year, did the corporation have any outstanding shares of restricted stock? If "Yes," complete lines (i) and (ii) below.		X		
(i) Total shares of restricted stock ▶ _____				
(ii) Total shares of non-restricted stock ▶ _____				
b At the end of the tax year, did the corporation have any outstanding stock options, warrants, or similar instruments? If "Yes," complete lines (i) and (ii) below.		X		
(i) Total shares of stock outstanding at the end of the tax year ▶ _____				
(ii) Total shares of stock outstanding if all instruments were executed ▶ _____				
6 Has this corporation filed, or is it required to file, Form 8918, Material Advisor Disclosure Statement, to provide information on any reportable transaction?		X		
7 Check this box if the corporation issued publicly offered debt instruments with original issue discount. If checked, the corporation may have to file Form 8281, Information Return for Publicly Offered Original Issue Discount Instruments. <input type="checkbox"/>				
8 If the corporation (a) was a C corporation before it elected to be an S corporation or the corporation acquired an asset with a basis determined by reference to the basis of the asset (or the basis of any other property) in the hands of a C corporation and (b) has net unrealized built-in gain in excess of the net recognized built-in gain from prior years, enter the net unrealized built-in gain reduced by net recognized built-in gain from prior years (see instructions). ▶ \$ _____				
9 Did the corporation have an election under section 163(j) for any real property trade or business or any farming business in effect during the tax year? See instructions.		X		
10 Does the corporation satisfy one of the following conditions and the corporation doesn't own a pass-through entity with current year, or prior year carryover, excess business interest expense? See instructions	X			
a The corporation's aggregate average annual gross receipts (determined under section 448(c)) for the 3 tax years preceding the current tax year don't exceed \$25 million, and the corporation isn't a tax shelter; or				
b The corporation only has business interest expense from (1) an electing real property trade or business, (2) an electing farming business, or (3) certain utility businesses under section 163(j)(7). If "No," complete and attach Form 8990.				
11 Does the corporation satisfy both of the following conditions?				
a The corporation's total receipts (see instructions) for the tax year were less than \$250,000				
b The corporation's total assets at the end of the tax year were less than \$250,000. If "Yes," the corporation is not required to complete Schedules L and M-1.		X		

Schedule B Other Information (see instructions) (continued)		Yes	No
12	During the tax year, did the corporation have any non-shareholder debt that was canceled, was forgiven, or had the terms modified so as to reduce the principal amount of the debt?		X
	If "Yes," enter the amount of principal reduction ▶ \$ _____		
13	During the tax year, was a qualified subchapter S subsidiary election terminated or revoked? If "Yes," see instructions		X
14a	Did the corporation make any payments in 2018 that would require it to file Form(s) 1099?	X	
	b If "Yes," did the corporation file or will it file required Forms 1099?	X	
15	Is the corporation attaching Form 8996 to certify as a Qualified Opportunity Fund?		X
	If "Yes," enter the amount from Form 8996, line 13. ▶ \$ _____		

Schedule K Shareholders' Pro Rata Share Items		Total amount	
Income (Loss)	1 Ordinary business income (loss) (page 1, line 21)	1	80,657.
	2 Net rental real estate income (loss) (attach Form 8825)	2	
	3a Other gross rental income (loss)	3a	
	b Expenses from other rental activities (attach statement)	3b	
	c Other net rental income (loss). Subtract line 3b from line 3a	3c	
	4 Interest income	4	777.
	5 Dividends: a Ordinary dividends	5a	
	b Qualified dividends	5b	
	6 Royalties	6	
	7 Net short-term capital gain (loss) (attach Schedule D (Form 1120S))	7	
8a Net long-term capital gain (loss) (attach Schedule D (Form 1120S))	8a		
	b Collectibles (28%) gain (loss)	8b	
	c Unrecaptured section 1250 gain (attach statement)	8c	
9 Net section 1231 gain (loss) (attach Form 4797)	9		
10 Other income (loss) (see instructions) Type ▶ See Statement 4	10	-1.	
Deductions	11 Section 179 deduction (attach Form 4562)	11	
	12a Charitable contributions	12a	
	b Investment interest expense	12b	
	c Section 59(e)(2) expenditures (1) Type ▶ (2) Amount ▶	12c (2)	
d Other deductions (see instructions) ... Type ▶	12d		
Credits	13a Low-income housing credit (section 42(j)(5))	13a	
	b Low-income housing credit (other)	13b	
	c Qualified rehabilitation expenditures (rental real estate) (attach Form 3468, if applicable)	13c	
	d Other rental real estate credits (see instrs) Type ▶	13d	
	e Other rental credits (see instrs) Type ▶	13e	
	f Biofuel producer credit (attach Form 6478)	13f	
	g Other credits (see instructions) Type ▶	13g	
Foreign Transactions	14a Name of country or U.S. possession		
	b Gross income from all sources	14b	
	c Gross income sourced at shareholder level	14c	
	Foreign gross income sourced at corporate level		
	d Section 951A category.	14d	
	e Foreign branch category	14e	
	f Passive category	14f	
	g General category	14g	
	h Other (attach statement)	14h	
	Deductions allocated and apportioned at shareholder level		
	i Interest expense	14i	
	j Other	14j	
	Deductions allocated and apportioned at corporate level to foreign source income		
	k Section 951A category	14k	
	l Foreign branch category	14l	
	m Passive category	14m	
	n General category	14n	
o Other (attach statement)	14o		
Other information			
p Total foreign taxes (check one): ▶ <input type="checkbox"/> Paid <input type="checkbox"/> Accrued	14p		
q Reduction in taxes available for credit (attach statement)	14q		
r Other foreign tax information (attach statement)			

Schedule K Shareholders' Pro Rata Share Items (continued)		Total amount	
Alternative Minimum Tax (AMT) Items	15 a Post-1986 depreciation adjustment.....	15 a	
	b Adjusted gain or loss.....	15 b	
	c Depletion (other than oil and gas).....	15 c	
	d Oil, gas, and geothermal properties – gross income.....	15 d	263,163.
	e Oil, gas, and geothermal properties – deductions.....	15 e	129,686.
	f Other AMT items (attach statement).....	15 f	
Items Affecting Shareholder Basis	16 a Tax-exempt interest income.....	16 a	
	b Other tax-exempt income.....	16 b	
	c Nondeductible expenses.....	16 c	
	d Distributions (attach stmt if required) (see instrs).....	16 d	51,009.
	e Repayment of loans from shareholders.....	16 e	
Other Information	17 a Investment income.....	17 a	777.
	b Investment expenses.....	17 b	
	c Dividend distributions paid from accumulated earnings and profits.....	17 c	
	d Other items and amounts (attach statement).....		See Statement 5
Reconciliation	18 Income/loss reconciliation. Combine the amounts on lines 1 through 10 in the far right column. From the result, subtract the sum of the amounts on lines 11 through 12d and 14p.....	18	81,433.

Schedule L	Balance Sheets per Books	Beginning of tax year		End of tax year	
		(a)	(b)	(c)	(d)
	Assets				
1	Cash.....		80,154.		110,648.
2 a	Trade notes and accounts receivable.....				
b	Less allowance for bad debts.....				
3	Inventories.....				
4	U.S. government obligations.....				
5	Tax-exempt securities (see instructions).....				
6	Other current assets (attach stmt).....				
7	Loans to shareholders.....				
8	Mortgage and real estate loans.....				
9	Other investments (attach statement) See St. 6.....		531,327.		531,257.
10 a	Buildings and other depreciable assets.....	266,034.		266,034.	
b	Less accumulated depreciation.....	266,034.		266,034.	
11 a	Depletable assets.....	412,462.		412,462.	
b	Less accumulated depletion.....	412,462.		412,462.	
12	Land (net of any amortization).....				
13 a	Intangible assets (amortizable only).....				
b	Less accumulated amortization.....				
14	Other assets (attach stmt).....				
15	Total assets.		611,481.		641,905.
	Liabilities and Shareholders' Equity				
16	Accounts payable.....		301.		301.
17	Mortgages, notes, bonds payable in less than 1 year.....				
18	Other current liabilities (attach stmt).....				
19	Loans from shareholders.....		442,000.		442,000.
20	Mortgages, notes, bonds payable in 1 year or more.....				
21	Other liabilities (attach statement).....				
22	Capital stock.....		1,000.		1,000.
23	Additional paid-in capital.....		883,316.		883,316.
24	Retained earnings.....		-715,136.		-684,712.
25	Adjustments to shareholders' equity (att stmt).....				
26	Less cost of treasury stock.....				
27	Total liabilities and shareholders' equity		611,481.		641,905.

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return

Note: The corporation may be required to file Schedule M-3 (see instructions)

1 Net income (loss) per books	81,433.	5 Income recorded on books this year not included on Schedule K, lines 1 through 10 (itemize):	
2 Income included on Schedule K, lines 1, 2, 3c, 4, 5a, 6, 7, 8a, 9, and 10, not recorded on books this year (itemize):		a Tax-exempt interest . \$ _____	
3 Expenses recorded on books this year not included on Schedule K, lines 1 through 12 and 14p (itemize):		6 Deductions included on Schedule K, lines 1 through 12 and 14p, not charged against book income this year (itemize):	
a Depreciation \$ _____		a Depreciation \$ _____	
b Travel and entertainment.. \$ _____		7 Add lines 5 and 6	0.
4 Add lines 1 through 3	81,433.	8 Income (loss) (Schedule K, line 18). Line 4 less line 7	81,433.

Schedule M-2 Analysis of Accumulated Adjustments Account, Shareholders' Undistributed Taxable Income Previously Taxed, Accumulated Earnings and Profits, and Other Adjustments Account
(see instructions)

	(a) Accumulated adjustments account	(b) Shareholders' undistributed taxable income previously taxed	(c) Accumulated earnings and profits	(d) Other adjustments account
1 Balance at beginning of tax year	118,033.			
2 Ordinary income from page 1, line 21	80,657.			
3 Other additions..... See Statement 7	40,252.			
4 Loss from page 1, line 21.....				
5 Other reductions..... See Statement 8	(39,476.)			
6 Combine lines 1 through 5	199,466.			
7 Distributions	51,009.			
8 Balance at end of tax year. Subtract line 7 from line 6	148,457.			

**Schedule K-1
(Form 1120S)**

Department of the Treasury
Internal Revenue Service

2018

For calendar year 2018, or tax year

beginning / / ending / /

Final K-1

Amended K-1

671117
OMB No. 1545-0123

Shareholder's Share of Income, Deductions, Credits, etc. ▶ See page 2 of form and separate instructions.

Part I Information About the Corporation

A Corporation's employer identification number
43-1231307

B Corporation's name, address, city, state, and ZIP code
Interstate Production Company
2901 Verona
Mission Hills, KS 66208

C IRS Center where corporation filed return
e-file

Part II Information About the Shareholder

D Shareholder's identifying number
388-38-7434

E Shareholder's name, address, city, state, and ZIP code
LAURENCE R. JONES, JR.
2901 VERONA
MISSION HILLS, KS 66208

F Shareholder's percentage of stock ownership for tax year 100 %

Part III Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items

1	Ordinary business income (loss)	13	Credits
	80,657.		
2	Net rental real estate income (loss)		
3	Other net rental income (loss)		
4	Interest income		
	777.		
5a	Ordinary dividends		
5b	Qualified dividends	14	Foreign transactions
6	Royalties		
7	Net short-term capital gain (loss)		
8a	Net long-term capital gain (loss)		
8b	Collectibles (28%) gain (loss)		
8c	Unrecaptured section 1250 gain		
9	Net section 1231 gain (loss)		
10	Other income (loss)	15	Alternative minimum tax (AMT) items
H*	-1.	D	263,163.
		E	129,686.
11	Section 179 deduction	16	Items affecting shareholder basis
		D	51,009.
12	Other deductions		
		17	Other information
		A	777.
		R*	STMT
		V	94,482.

*See attached statement for additional information.

FOR IRS USE ONLY

Box 10
Other Income (Loss)

*** Descriptive Information**

H	K-1 Forest Arkoma	\$	-1.
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2018 SHAREHOLDER'S SUMMARY OF OIL AND GAS ACTIVITIES

(Form 1120S, Schedule K-1, Box 17, Other Information, Code R)

Shareholder's name	Shareholder's I.D.
LAURENCE R. JONES, JR.	388-38-7434

INCOME:

1. Gross income from oil and gas activities (Sch. K-1 Box 15, Code D) 263,163.

EXPENSES:

2. Production tax 11,566.

3. Operating expenses 118,120.

4. Depreciation

5. Allocated overhead

6. Other expenses

7. Total deductions allocable to oil and gas activities (Schedule K-1 Box 15, Code E) 129,686.

8. Net income from oil and gas activities (line 1 minus line 7) 133,477.

PASSTHROUGH EXPENSES:

9. Total intangible drilling costs (IDC) (Schedule K-1 Box 12, Code I)

10. Dry hole costs (Schedule K-1 Box 12, Code I)

11. Section 179 expense deduction (Schedule K-1 Box 11)

DEPLETION INFORMATION:

12. Total cost depletion (greater than percentage) from all properties

13. Total percentage depletion (greater than cost) from all properties (subject to 65% taxable income limitation) ... 39,475.

14. Total percentage depletion (greater than cost) from all properties (NOT subject to 65% taxable income limitation)

15. Total tentative depletion deduction (add lines 12, 13 and 14) 39,475.

16. Total AMT cost depletion (greater than percentage) from all properties

17. Total AMT percentage depletion (greater than cost) from all properties (subject to 65% taxable income limitation) ... 39,475.

18. Total AMT percentage depletion (greater than cost) from all properties (NOT subject to 65% taxable income limitation)

19. Total tentative AMT depletion deduction (add lines 16, 17 and 18) 39,475.

OTHER INFORMATION:

20. Total percentage depletion in excess of basis 39,475.

21. Total excess intangible drilling costs (IDC)

2018 SHAREHOLDER'S SHARE OF INVESTMENT IN PASSTHROUGH ENTITIES

Note: The amounts on this schedule are provided for informational purposes only. These amounts are already included on Schedule K-1.

Shareholder's Name LAURENCE R. JONES, JR.	Shareholder's identification number 388-38-7434
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Name of Passthrough Entity	Employer Identification No.	Type of Entity	Final K-1	Specified Service Business
A Forest Arkoma Hedge Partners	47-3272811	Passive		
B				
C				
D				

		Passthrough Entities			
		A	B	C	D
Income (Loss)	Ordinary business income (loss)	10,707.			
	Net rental real estate income (loss)				
	Other net rental income (loss)				
	Interest	777.			
	Ordinary dividends				
	Qualified dividends				
	Royalties				
	Net short-term capital gain (loss)				
	Net long-term capital gain (loss)				
	Collectibles (28%) gain (loss)				
	Unrecaptured section 1250 gain				
	Guaranteed payments				
	Net section 1231 gain (loss)				
Other income (loss)					
Deductions	Section 179 expense deduction				
	Charitable contributions				
	Investment interest expense				
	Section 59(e)(2) expense: Intangible Drilling costs				
	Section 59(e)(2) expense: Dry Hole expense				
	Other section 59(e)(2) expenses				
Other deductions					
Credits	Low-income housing credit:				
	(1) Form section 42(j)(5) partnerships: before 2008				
	(2) Other: before 2008				
	(3) Form section 42(j)(5) partnerships: after 2007				
	(4) Other: after 2007				
	Qual. rehabilitation expenditures related to rental real estate act				
	Other rental real estate credits				
	Other rental credits				
	Biofuel producer credit				
	Work opportunity credit				
	Orphan drug credit				
	Credit for increasing research				
	Disabled access credit				
	Empowerment zone community employment				
	Credit for employer Soc. Sec. tax paid on certain employee tips				
	Indian employment credit				
Small employer pension plan startup costs credit					
Credit for employer-provided childcare					
Alternative motor vehicle credit					
Other credits					

Interstate Production Company

43-1231307

Statement 1
Form 1120S, Line 5
Other Income

Forest Arkoma Hedge Partners
 PO Box 2069
 Marshall, TX 75671
 47-3272811.....

\$ 10,707.
 Total \$ 10,707.

Statement 2
Form 1120S, Line 12
Taxes and Licenses

Corporate License..... \$ 55.
 Franchise..... 23.
 Production Tax from Oil and Gas Activities..... 11,566.
 Total \$ 11,644.

Statement 3
Form 1120S, Line 19
Other Deductions

Bank Charges..... \$ 72.
 Computer and Internet Expenses..... 1,135.
 Contract Labor..... 27,000.
 Dues and Subscriptions..... 22,852.
 Legal and Professional..... 1,832.
 Miscellaneous..... 10,558.
 Operating Expenses from Oil and Gas Activities..... 118,120.
 Total \$ 181,569.

Statement 4
Form 1120S, Schedule K, Line 10
Other Income (loss)

K-1 Forest Arkoma..... \$ -1.
 Total \$ -1.

Statement 5
Form 1120S, Schedule K, Line 17d
Other Items and Amounts

Section 199A Qualified Business Income..... \$ 94,482.

Interstate Production Company

43-1231307

Statement 6
Form 1120S, Schedule L, Line 9
Other Investments

	<u>Beginning</u>	<u>Ending</u>
Camterra Resources Limited.....	\$ 485,959.	\$ 485,959.
Forest Arkoma Partner Limited.....	45,368.	45,298.
Total	<u>\$ 531,327.</u>	<u>\$ 531,257.</u>

Statement 7
Form 1120S, Schedule M-2, Column A, Line 3
Other Additions

Interest Income.....	\$	777.
Oil and Gas Depletion in Excess of Basis.....		39,475.
Total	<u>\$</u>	<u>40,252.</u>

Statement 8
Form 1120S, Schedule M-2, Column A, Line 5
Other Reductions

Oil and Gas Depletion.....	\$	39,475.
Other Loss.....		1.
Total	<u>\$</u>	<u>39,476.</u>

Interstate Production Company

43-1231307

Prop Number	Property Description	Production Type	Gross Income	Production Tax	IDC*	Operating Expenses	Amortization/ Depreciation	* Section 179	Allocated Overhead	Dry Hole Expense*	Other Expenses	Net Income
5	Arkansas	Primary Oil	39,428	1,037		18,471						19,920
1	Kansas	Primary Oil	96,937	1,092		44,931						50,914
4	Louisiana	Primary Oil	48,471	6,071		22,708						19,692
2	Oklahoma	Primary Oil	35,102	1,212		11,760						22,130
3	Texas	Primary Oil	43,225	2,154		20,250						20,821
Totals: Trade or Business Income			263,163	11,566	0	118,120	0	0	0	0	0	133,477
Grand Totals			263,163	11,566	0	118,120	0	0	0	0	0	133,477

* - Pass-through expenses included in net income only for calculation of net income limitation on the Federal Oil and Gas Allowable Depletion Report.

Interstate Production Company

43-1231307

Prop Number	Property Description	Production Type	Gross % Depletion	Tentative % Depletion	Cost Depletion	Greater of % or Cost	Depletion in Excess of Basis	Excess IDC
5	Arkansas	Primary Oil	5,914	5,914		5,914	5,914	
1	Kansas	Primary Oil	14,541	14,541		14,541	14,541	
4	Louisiana	Primary Oil	7,271	7,271		7,271	7,271	
2	Oklahoma	Primary Oil	5,265	5,265		5,265	5,265	
3	Texas	Primary Oil	6,484	6,484		6,484	6,484	
Totals: Trade or Business Income			<u>39,475</u>	<u>39,475</u>	<u>0</u>	<u>39,475</u>	<u>39,475</u>	<u>0</u>
Grand Totals			<u><u>39,475</u></u>	<u><u>39,475</u></u>	<u><u>0</u></u>	<u><u>39,475</u></u>	<u><u>39,475</u></u>	<u><u>0</u></u>



**ARKANSAS S-CORPORATION INCOME TAX
DECLARATION FOR ELECTRONIC FILING**

For calendar year 2018, or tax year beginning _____, ending _____

Name Interstate Production Company			Federal Employer Identification Number 43-1231307
Mailing Address (Number and Street, P.O. Box or Rural Route) 2901 Verona			Telephone 816-474-9737
City Mission Hills	State or Province KS	ZIP 66208	<input type="checkbox"/> Check if address is outside U.S. Foreign Country

PART I - TAX RETURN INFORMATION (Whole Dollars Only)

1 Total Income (Form AR1100S, Arkansas Column, Line 12)	1	273,870.	00
2 Total Tax (Form AR1100S, Line 30)	2		00
3 Estimate Tax Payments (Form AR1100S, Line 31)	3		00
4 Overpayment (Form AR1100S, Line 35)	4		00
5 Tax Due (Form AR1100S, Line 34)	5		00

PART II - DECLARATION OF OFFICER (Sign only after Part I is completed)

6a I authorize the State of Arkansas Income Tax Section to initiate debit entries to my account as indicated on the Arkansas Income Tax Payment form (AR TAX PMT).

6b I authorize the State of Arkansas Income Tax Section to initiate debit entries to my account as indicated on the Arkansas Estimated Tax Payment form (AR EST PMT) or Arkansas Extension Payment form (AR EXT PMT).

If the corporation is filing a balance due return, I understand that if the State of Arkansas does not receive full and timely payment of its tax liability, the corporation will remain liable for the tax liability and all applicable interest and penalties. If the federal corporation return is rejected, I understand the state corporation return may also be rejected.

Under penalties of perjury, I declare that I am an officer of the above corporation and that the information I have given my electronic return originator (ERO), transmitter, and/or internet service provider (ISP) and the amounts in Part I above agree with the amounts on the corresponding lines of the corporation's 2018 Arkansas income tax return. To the best of my knowledge and belief, the corporation's return is true, correct, and complete. I consent to my ERO, transmitter, and/or ISP sending the corporation's return, this declaration, and accompanying schedules and statements to the State of Arkansas. I also consent to the State of Arkansas sending my ERO, transmitter, and/or ISP an acknowledgment of receipt of transmission and an indication of whether or not the corporation's return is accepted, and, if rejected, the reason(s) for the rejection. If the processing of the corporation's return or refund is delayed, I authorize the State of Arkansas to disclose to my ERO, transmitter, and/or ISP the reason(s) for the delay, or when the refund was sent. In addition, by using a computer system and software to prepare and transmit my return electronically, I consent to the disclosure to the State of Arkansas of all information pertaining to my use of the system and software and to the transmission of my tax return electronically.

Sign Here	_____	_____	President
	Signature of Officer	Date	Title

PART III - DECLARATION OF ELECTRONIC RETURN ORIGINATOR (ERO) AND PAID PREPARER

I declare that I have reviewed the above S-Corporation return and that the entries on Form AR8453-S are complete and correct to the best of my knowledge. If I am only a collector, I understand that I am not responsible for reviewing the corporation's return; I declare that Form AR8453-S accurately reflects the data on the return. I have obtained the officer's signature on Form AR8453-S before submitting this return to the State of Arkansas, and have provided the officer with a copy of all forms and information to be filed with the State of Arkansas. If I am also the Paid Preparer, under penalties of perjury I declare that I have examined the above corporations return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. This declaration of Paid Preparer is based on all information of which the preparer has knowledge.

ERO's Use Only	ERO's signature John W Duncan, CPA	Date	Check if also paid preparer <input checked="" type="checkbox"/>	Check if self-employed <input type="checkbox"/>	ERO's SSN or PTIN P01668108
	Firm's name (or yours if self-employed) WALSH WASHBURN, LLC	EIN 20-1940035			
	address and ZIP code 5360 COLLEGE BOULEVARD SUITE 100 OVERLAND PARK KS 66211-1621	Phone No. (913) 660-7710			

Under penalties of perjury, I declare that I have examined the above corporation's return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. This declaration is based on all information of which I have any knowledge.

Paid Preparer's Use Only	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN
	Firm's name (or yours if self-employed)	EIN		
	address and ZIP code	Phone No.		

2018 AR1100S
ARKANSAS S CORPORATION
INCOME TAX RETURN



S

Software ID

LACERTE

Tax Year beginning 1/01/2018 and ending 12/31/2018 Check If Filing as a Financial Institution
 INITIAL Return AMENDED Return FINAL Arkansas Return (Going Out of Business) Check if Cooperative Association

FEIN <input checked="" type="radio"/> 43-1231307	<input type="checkbox"/> Check this box if Automatic Federal Extension Form 7004 filed <input type="checkbox"/> Check this box if Arkansas Extension Form AR1155 filed (See Instructions)	Type of Corporation Check only one box below
NAICS Code <input checked="" type="radio"/> 211120	Name <input type="checkbox"/> Check this box if Name has changed from prior year <input checked="" type="radio"/> Interstate Production Company	<input checked="" type="radio"/> 5 <input checked="" type="checkbox"/> Domestic (in state)
Date of Incorporation <input checked="" type="radio"/> 5/26/1981	Address <input type="checkbox"/> Check this box if Address has changed from prior year <input checked="" type="radio"/> 2901 Verona	<input type="radio"/> 6 <input type="checkbox"/> Foreign (out of state)
Date Began Business in AR <input checked="" type="radio"/> 5/28/1981	City <input checked="" type="radio"/> Mission Hills	<input type="checkbox"/> Check if address is outside U.S. Foreign Country
	State or Province <input checked="" type="radio"/> KS Zip <input checked="" type="radio"/> 66208	

FILING STATUS: 1 S Corporation operating only in Arkansas 3 Multistate S Corporation — Direct Accounting (Prior written approval required for Direct Accounting)
 2 Multistate S Corporation — Apportionment 4 S Corporation with QSSS Entities (Attach schedule of QSSS entities)

Note: Attach completed copy of Federal Return and Sign Arkansas Return		TOTAL	ARKANSAS
7	Gross Sales: (Less returns and allowances)	263,163 00	00
8	Cost of goods sold and/or operations: (Attach schedule)	00	00
9	Gross profit: (Subtract Line 8 from Line 7)	263,163 00	00
10	Net gain (or loss) from Form 4797:	00	00
11	Other income: (Attach schedule)	10,707 00	00
12	TOTAL INCOME (LOSS): (Add Lines 9 through 11 and enter here)	273,870 00	00
13	Compensation of officers:	00	00
14	Salaries and wages: (See Instructions)	00	00
15	Repairs:	00	00
16	Bad Debts: (Attach schedule)	00	00
17	Rent:	00	00
18	Taxes: (See Instructions)	11,644 00	00
19	Deductible interest expense not claimed or reported elsewhere:	00	00
20	Depreciation: (Attach Fed. Form 4562)	00	00
21	Depletion: (Do not deduct oil and gas depletion)	00	00
22	Advertising:	00	00
23	Pension, profit-sharing, plans etc.	00	00
24	Employee benefit programs:	00	00
25	Other deductions: (Attach schedule)	181,569 00	00
26	TOTAL DEDUCTIONS: (Add Lines 13 through 25 and enter here)	193,213 00	00
27	NET INCOME (LOSS) (Subtr. Line 26 from Line 12 or Schedule A, C3 if multistate)	80,657 00	10,333 00

ATTACH ALL AR K-1 FORMS

28	Excess net passive income tax: (See Instructions)	00
29	Income tax on Capital gains/Built in gains: (from Schedule D, page 2, A7+B6)	00
30	Total Tax: (Add Lines 28 and 29) (If Amended Return Checked, Enter Amended Total Tax)	00
31	Payments: (2018 estimated tax payments and amount applied from 2017 return)	00
32	Withholding Payment: (Attach AR1100-WH)	00
33	Amended Return Only: (Enter Net Tax paid (or refunded) on previous returns for this tax year)	00
34	Tax Due: (If Line 31 plus Line 32 is less than Line 30, enter the amount due)	00
35	Overpayment: (If Line 31 plus Line 32 is greater than Line 30, enter the difference)	00
36	Amount of refund to be credited to 2019 estimated tax:	00
37	Refund: (Line 35 less Line 36)	00

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Officer's Signature <input checked="" type="radio"/>	Date	Title President	Telephone Number 816-474-9737
Preparer's Signature	Date	Preparer's FEIN/PIN <input checked="" type="radio"/> P01668108	Check if Self-Employed <input type="checkbox"/>
Preparer's Printed Name John W Duncan, CPA 5360 COLLEGE BOULEVARD SUITE 100 OVERLAND PARK, KS 66211-1621 Area Code and Telephone Number of Preparer (913) 660-7710	May the Arkansas Revenue Agency discuss this return with the preparer shown at left? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		For Department Use Only A • B • C

MAIL RETURN TO: Corporation Income Tax, PO Box 919, Little Rock, AR 72203-0919

DO NOT STAPLE RETURNS, SCHEDULES OR ATTACHMENTS

SCHEDULE A
Apportionment Of Income
For Multistate Corporation



Interstate Production Company

FEIN: 43-1231307

A. INCOME TO APPORTION:

1	Income: (Enter amount from page 1, Line 27, Total Column)	1	80,657	00
2	Interest Income: (Attach schedule)	2		00
3	Dividend Income: (Attach schedule)	3		00
4	Net Income (loss) from rental activities and Royalties: (Attach schedule)	4		00
5	Net capital gain (loss) not listed on page 1: (Attach schedule)	5		00
6	Other income (loss): (Attach schedule) See Statement 1	6	-11,484	00
7	Total Income: (Add Lines 1 through 6 and enter here)	7	69,173	00
8	Charitable Contributions: (Attach schedule)	8		00
9	Section 179 expense deduction: (Attach schedule)	9		00
10	Other expenses (adjustments) not included elsewhere: (Attach schedule)	10		00
11	Total deductions: (Add Lines 8 through 10 and enter here)	11		00
12	TOTAL APPORTIONABLE INCOME: (Subtract Line 11 from Line 7)	12	69,173	00

B. APPORTIONMENT FACTOR:

		(A) Amounts in Arkansas		(B) Total Amounts		(C) Percentage (A) ÷ (B)	
1	Property used in the Production of Business Income:						
a	Tangible Assets used in Business and Inventories Less Construction in Progress						
1	Amount at the Beginning of Year	00	00	00	00	(Calculate to 6 places to the right of decimal. Fill in all spaces) 999.999999 % (EXAMPLE)	
2	Amount at the End of Year	00	00	00	00		
3	Total: (Add Lines a1 and a2)	00	00	00	00		
4	Average Tangible Assets: (Line a3 divided by 2)	00	00	00	00		
b	Rented Property: (8 X net annual rent)	00	00	00	00		
c	Average Value of Intangible Property: (For Financial Institutions Only — Attach schedule)	00	00	00	00		
d	TOTAL PROPERTY: (Add Lines a4, b and c)	00	00	00	00		
2	Salaries, Wages, Commissions and Other Compensation Related to the Production of Income:						
a	TOTAL:	00	00	00	00		
3	Sales/ Receipts:						
a	Destination Shipped From Within Arkansas:	39,428	00				
b	Destination Shipped From Without Arkansas:		00				
c	Origin Shipped From Within Arkansas to U.S. Govt.:		00				
d	Origin Shipped From Within Arkansas to Other Non-taxable Jurisdictions:		00				
e	Other Business Gross Receipts: (Interest, Dividends, Rents, Gains, etc. Attach Schedule)		00				
f	TOTAL SALES: (Add Lines 3a through 3e)	39,428	00	263,940	00	14.938244	%
g	Multiply Column C, Line 3f by 2 to Doubleweight the Sales Factor (Financial Institutions must use Single Weighted Factor)					29.876488	%
4	Sum of the Percentages: (Add Column C, Lines 1d, 2a, and 3g)					29.876488	%
*5	Percentage Attributable to Arkansas: Line 4	29.876488 %		Divided by 2 =		14.938244	%

* For Part B, Line 5, divide Line 4 by the number of entries other than zero which you make on Part B, Column B, Lines (1d), (2a), and (3f).
 Note: An entry other than zero in Part B, Column B, Line 3f, counts as two (2) entries.

C. ARKANSAS TAXABLE INCOME:

1	Income Apportioned to Arkansas: (Multiply Part A, Line 12 by Part B, Line 5)	1	10,333	00
2	Add: Direct Income Allocated to Arkansas: (Attach schedule)	2		00
3	TOTAL INCOME TAXABLE TO ARKANSAS: (Enter here and on page 1, line 27, Arkansas Column)	3	10,333	00

SCHEDULE D – Capital Gains Tax

A. TAX IMPOSED ON CERTAIN CAPITAL GAINS:

1	Taxable Income: (See Instructions; Attach computation schedule)	1		00
2	Enter tax on Line 1 amount: (See Instructions for computation of tax)	2		00
3	Net long-term capital gain reduced by net short-term capital loss: (If Multistate, multiply by apportionment factor, Part B, Line 5 above)	3		00
4	Statutory minimum:	4	\$25,000	00
5	Subtract Line 4 from Line 3:	5		00
6	Tax: (Enter 6.5% of Line 5)	6		00
7	Compare Line 2 and Line 6: (Enter the smaller amount here and on Line 29, page 1, Form AR1100S)	7		00

B. TAX IMPOSED ON CERTAIN BUILT-IN GAINS:

1	Taxable Income: (See Instructions; Attach computation schedule)	1		00
2	Recognized built-in gain: (If Multistate, multiply by apportionment factor, Part B, Line 5 above)	2		00
3	Enter smaller of Line 1 or 2	3		00
4	Section 1374(b)(2) deduction:	4		00
5	Subtract Line 4 from Line 3: (If zero or less, enter zero here and on Line 6 below)	5		00
6	Enter 6.5% of Line 5: (Enter here and on Line 29, page 1, Form AR1100S)	6		00



ARKANSAS INCOME TAX
OWNER'S SHARE OF INCOME, DEDUCTIONS, CREDITS, ETC.

Tax year beginning 1/01, 20 18 and ending 12/31, 20 18

Software ID
LACERTE

<input type="checkbox"/> Final K-1 <input type="checkbox"/> Amended K-1 <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Partnership	Part III Arkansas Shareholder or Partner's Share of Current Year Income, Deductions, Credits and Other Items																					
Part I Information About the Corporation or Partnership	Distributive share allocated and apportioned to Arkansas	Distributive share to be reported by Arkansas residents																				
A Identification Number 43-1231307	1a Ordinary income (loss) 12,049.	1b Ordinary income (loss)																				
B Name, Address, City, State, Zip Code Interstate Production Company 2901 Verona Mission Hills KS 66208	2a Net rental real estate income (loss)	2b Net rental real estate income (loss)																				
	3a Other net rental income (loss)	3b Other net rental income (loss)																				
	4a Interest income	4b Interest income																				
	5a Dividends	5b Dividends																				
	6a Royalties	6b Royalties																				
	7a Net short-term capital gain (loss)	7b Net short-term capital gain (loss)																				
Part II Information About the Shareholder or Partner	8a Net long-term capital gain (loss)	8b Net long-term capital gain (loss)																				
C Identification Number 388-38-7434	9a Unrecaptured Section 1250 gain	9b Unrecaptured Section 1250 gain																				
D Name, Address, City, State, Zip Code LAURENCE R. JONES, JR. 2901 VERONA MISSION HILLS KS 66208	10a Net Section 1231 gain (loss)	10b Net Section 1231 gain (loss)																				
	11a Other income (loss) * Supp Inf -1,716.	11b Other income (loss) *																				
	12a Guaranteed payments	12b Guaranteed payments																				
	13a Section 179 deduction	13b Section 179 deduction																				
	14a Other deductions * Supp Info	14b Other deductions *																				
E Arkansas resident <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If a nonresident, provide state of legal residence. <u>Kansas</u>	15a Credits	15b Credits																				
F Shareholder's Percentage of Stock Ownership for Tax Year <u>100.00</u> %	16a Items affecting shareholder basis	16b Items affecting shareholder basis																				
G Partner's Share of Profit, Loss, and Capital: <table style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:30%;"></th> <th style="width:15%; text-align: center;">Beginning</th> <th style="width:15%;"></th> <th style="width:15%; text-align: center;">Ending</th> <th style="width:15%;"></th> </tr> </thead> <tbody> <tr> <td>Profit</td> <td style="text-align: center;">%</td> <td style="border-left: 1px solid black;"></td> <td style="text-align: center;">%</td> <td style="border-left: 1px solid black;"></td> </tr> <tr> <td>Loss</td> <td style="text-align: center;">%</td> <td style="border-left: 1px solid black;"></td> <td style="text-align: center;">%</td> <td style="border-left: 1px solid black;"></td> </tr> <tr> <td>Capital</td> <td style="text-align: center;">%</td> <td style="border-left: 1px solid black;"></td> <td style="text-align: center;">%</td> <td style="border-left: 1px solid black;"></td> </tr> </tbody> </table>		Beginning		Ending		Profit	%		%		Loss	%		%		Capital	%		%		17a Other information *	17b Other information *
		Beginning		Ending																		
	Profit	%		%																		
Loss	%		%																			
Capital	%		%																			
18a Tax-exempt income and nondeductible expenses	18b Tax-exempt income and nondeductible expenses																					
H Arkansas Apportionment Percentage: <u>14.94</u> %	19a Distributions 7,620.	19b Distributions																				
* Attach statement with additional information	20a Arkansas withholding or other payments																					

**Box 11
Other Income (Loss)**

	Arkansas
	Distr. Share
.....	\$ -1,716.
Total	<u>\$ -1,716.</u>

**Box 14
Other Deductions**

	Arkansas
	Distr. Share
Total	<u><u> </u></u>

Shareholder 1 : LAURENCE R. JONES, JR. 388-38-7434

Statement 1
Form AR1100S, Schedule A - Part A, Line 6
Other Income (Loss)

K-1 Forest Arkoma.....	\$	-11,484
Total	\$	<u>-11,484</u>

K-120S 2018

(Rev. 7-18)

Page 1 of 4

**PARTNERSHIP OR
S CORPORATION INCOME TAX RETURN**

005

154018

For the taxable year beginning **01012018** ending **12312018**

**Interstate Production Company
2901 Verona
Mission Hills, KS 66208**

Filing an AMENDED return? EIN **431231307**

C Business Activity Code **211120** G State of Commercial Domicile **KS**

A This return is being filed for 1 Partnership 2 S Corporation

H Enter number of shareholders/partners included in Part II. **1**

B Method Used to Determine Income of Corporation in Kansas

D Date Business Began in KS

1 Activity wholly within Kansas or single entity apportionment method

05281981

I Tax credits schedules are enclosed?

2 Combined income method (Enclose Sch K-121S)

E Date Business Discontinued in KS

J Enter the original federal due date if other than 15th day of the 3rd month after the end of the tax year.

3 Common carrier mileage (Enclose mileage apportionment schedule)

K Name or address has changed?

4 Alternative or separate accounting (See instructions under "Definitions" and enclose letter of authorization & schedule)

F State and Date of Incorporation

L Are you filing Form K-40C?

5 Qualified elective two-factor (Part III) Year qualified

TX 051981

M Have you submitted Form K-120EL?

1 Ordinary income from federal Schedule K	80657.00	12 Net income before apportionment (Add line 3 to line 7 and subtract line 11)	81433.00
2a Total of all other income from federal Sch K	776.00	13 Nonbusiness income - Total Company (Sch. req.)	00
2b Total of allowable deductions from federal Schedule K	00	14 Apportionable business income (Subtract line 13 from line 12)	81433.00
3 Total federal income (Add lines 1 to line 2a and subtract line 2b)	81433.00	15 Average percent to Kansas (Part III, lines A, B, C & E)	18.3635
4 Total state and municipal interest (Sch Req)	00	A 0.0000 B	
5 Taxes on or measured by income or fees or payments in lieu of income taxes (Sch Req)	00	C 36.7269	
6 Other additions to federal income (Sch Req)	00	16 Amount to Kansas (Multiply line 14 by line 15)	14954.00
7 Total additions to federal income (Add lines 4, 5 & 6)	00	17 Nonbusiness income - Kansas (Sch Req)	00
8 Interest on U.S. government obligations (Sch Req)	00	18 Kansas Expensing Recapture (Sch Req)	00
9 IRC Sec. 78 and 80% of foreign dividends (Sch Req)	00	19 Total Kansas income (Add lines 16, 17 and 18)	14954.00
10 Other subtractions from federal income (Sch Req)	00	20 Estimated tax paid and amount credited forward (Sep. Sch.)	00
11 Total subtractions from federal income (Add lines 8, 9 & 10)	00	21 Other tax payments (Sep. Sch.)	00
		22 Refund (Add lines 20 & 21)	00

I authorize the Director of Taxation or the Director's designee to discuss my K-120S and any enclosures with my preparer. I declare under the penalties of perjury that to the best of my knowledge and belief this is a true, correct, and complete return.

Officer Signature (Required) _____ Title **President** _____ Date _____

Preparer Signature **John W Duncan, CPA** _____ Preparer Phone Number **(913) 660-7710** _____ Preparer SSN or EIN/PTIN **P01668108** _____ Date _____
WALSH WASHBURN, LLC 5360 COLLEGE BOULEVARD SUITE

OVERLAND PARK, KS 66211-1621

**S-CORPORATION
PO Box 758571
TOPEKA KS 66675-8571**

PART I ADDITIONAL INFORMATION

1 Did the corporation file a Kansas Income Tax return under the same name for the preceding year? Yes No If "no", enter previous name and EIN.

2 Enter the address of the corporation's principal location in Kansas.

3 The corporation's books are in care of:
Name The Corporation
Address 2901 Verona
Mission Hills KS 66208
Telephone 816-474-1237

4 Has your corporation been involved in any reorganization during the period covered by this return? Yes No
If "yes", enclose a detailed explanation.

5 If your federal taxable income has been redetermined for any prior years that have not previously been reported to Kansas, check the applicable box(es) below and state the calendar, fiscal, or short period year ending date. You are required to submit, under separate cover, the federal Forms 1139, 1120X, or Revenue Agent's Report along with the Kansas amended return.

Revenue Agent's Report Net Operating Loss
 Amended Return Years ended _____

PART II PARTNER'S OR SHAREHOLDER'S DISTRIBUTION OF INCOME

This schedule is to be completed for all partners or shareholders. If there are more than 12 partners or shareholders, you must complete a schedule similar to the schedule below and submit it with your return. Individual partners or shareholders complete columns 1 through 8. All other partners and shareholders complete columns 1 through 5.

(1) Name and address of partner or shareholder	Check box if nonresident	(2) SSN or EIN	(3) Partner's or shareholder's percent of ownership	(4) Partner's profit percent or shareholder's applicable percentage
a LAURENCE R. JONES, JR. 2901 VERONA MISSION HILLS, KS 66208	<input type="checkbox"/>	388-38-7434	100	100
b	<input type="checkbox"/>			
c	<input type="checkbox"/>			
d	<input type="checkbox"/>			
e	<input type="checkbox"/>			
f	<input type="checkbox"/>			
g	<input type="checkbox"/>			
h	<input type="checkbox"/>			
i	<input type="checkbox"/>			

See instructions for Nonresident Partner's or Shareholder's Computation of Columns 6, 7 and 8.

KSSZ0102L 10/17/18

(5) Income from Kansas sources. Kansas resident individuals: Multiply column 4 by line 12. Nonresident individuals: If income is earned only from Kansas sources multiply column 4 by line 12. If earned from inside and outside of Kansas, multiply column 4 by sum of lines 16 and 17. All other partners or shareholders: Multiply column 4 by sum of lines 16 and 17	(6) Partner's or shareholder's portion of federal ordinary and other income (losses) and deductions. Multiply the percentage in column 4 by line 3.	(7) Partner's or shareholder's portion of total Kansas income. Multiply the percentage in column 4 by line 12.	(8) Partner's or shareholder's modification. See instructions. Enter result in Part A of Schedule S, Form K-40.
a 81433.	81433.	81433.	
b			
c			
d			
e			
f			
g			
h			
i			

Corporation Apportionment Schedule
FOR USE BY CORPORATIONS APPORTIONING INCOME

(Corporations using the combined income method must use Schedule K-121S)

For the taxable year beginning 1012018 , ending 12312018

Name as shown on Form K-120

Employer Identification Number (EIN)

Interstate Production Company

43-1231307

PART III

APPORTIONMENT FORMULA

A Property	WITHIN KANSAS		TOTAL COMPANY		PERCENT WITHIN KANSAS
	Beginning of Year	End of Year	Beginning of Year	End of Year	
1 Value of owned real and tangible personal property used in business at original cost:					
Inventory					
Depreciable assets			266034.	266034.	
Land Stm. 1					
Other tangible assets (Enclose schedule)			412462.	412462.	
Less: Construction in progress					
Total property to be averaged			678496.	678496.	
Average owned property (Beg. + End ÷ 2)				678496.	
2 Net annual rented property. Multiplied by 8					
TOTAL PROPERTY (Enter on line 15A, page 1)				678496.	A 0.0000

B Payroll (Those corporations qualified and utilizing the elective two-factor formula must complete this area only during the first year of qualifying)	WITHIN KANSAS	TOTAL COMPANY	
1 Compensation of officers			
2 Wages, salaries and commissions			
3 Payroll expense included in cost of goods sold			
4 Payroll expense included in repairs			
5 Other wages and salaries			
TOTAL PAYROLL (Enter on line 15B, page 1) (If qualified and utilizing the elective two-factor formula, do not carry this percentage to page 1)			B 0.0000

C Sales (Gross receipts, less returns and allowances)	96937.	263163.	
1 Sales delivered or shipped to purchasers in Kansas:			
(a) Shipped from outside Kansas			
(b) Shipped from within Kansas			
2 Sales shipped from Kansas to:			
(a) The United States Government			
(b) Purchasers in a state where the taxpayer would not be taxable (e.g., under federal Public Law 86-272)			
3 Dividends			
Interest		777.	
Rents			
Royalties			
Gains/losses from intangible asset sales			
Gross proceeds from tangible asset sales			
Other income (Enclose schedule)			
TOTAL RECEIPTS (Enter on line 15C, Page 1)	96937.	263940.	C 36.7269

D1 Total percent (Sum of lines A, B and C if utilizing three-factor formula)	D1 36.7269
D2 Total percent (Sum of lines A and C if utilizing two-factor formula)	D2
E Average percent of either D(1) or D(2), whichever is applicable (Enter on line 15, page 1)	E 18.3635

Statement 1
 Form K-120S AS, Page 1, Line 1
 Other tangible assets

<u>Description</u>	<u>Kansas Beginning</u>	<u>Kansas Ending</u>	<u>Total Company Beginning</u>	<u>Total Company Ending</u>
Depletion.....			0	412462
Total	\$ 0.	0.	412,462.	412,462.

1315

R-8453C (1/19)

2018

LA8453-C

LOUISIANA
DEPARTMENT of REVENUE**Louisiana Department of Revenue**
Corporation Income/Franchise Tax
Declaration for Electronic Filing

Do not file paper copies. This form must be maintained by the Electronic Return Originator (ERO).

For calendar year 2018, or tax year beginning _____, 2018, ending _____, 2019

PLEASE PRINT OR TYPE.

Name of Corporation Interstate Production Company			
Louisiana Revenue Account Number 6446686001		Federal Employer Identification Number (FEIN) 43-1231307	
Street Address of Corporation 2901 Verona		City Mission Hills	State KS
		ZIP 66208	

Part I – Tax Return Information (whole dollars only)

1	Income & Franchise tax due after Priority 1 Credits (Form CIFT-620, Line 10, the sum of both columns 1 and 2)	1	27.
2	Refund (Form CIFT-620, Line 29, column 3)	2	
3	Total amount due (Form CIFT-620, Line 26, column 3)	3	27.
4	Amount of payment remitted electronically	4	

Part II – Declaration of Officer (Sign only after Part I is completed.)

Under penalties of perjury, I declare that I am an officer of the above corporation and that the information that I have given my electronic return originator (ERO), transmitter, and/or intermediate service provider (ISP) and the amounts in Part I above agree with the amounts on the corresponding lines of the Louisiana 2018 Income/2019 Franchise tax return. To the best of my knowledge and belief, the corporation's return is true, correct, and complete. I consent to my ERO, transmitter, and/or ISP sending the corporation's return, this declaration, accompanying schedules, and statements to the Louisiana Department of Revenue. I also consent to the Louisiana Department of Revenue sending my ERO, transmitter, and/or ISP an acknowledgment of receipt of transmission and an indication of whether or not the corporation's return is accepted, and, if rejected, the reason(s) for the rejection.

I authorize a representative of the Louisiana Department of Revenue to discuss my return and attachments with my preparer.

Signature of Officer	Date (mm/dd/yyyy)	Title
		President

Part III – Declaration of Electronic Return Originator (ERO) and Paid Preparer

I declare that I have reviewed the above corporation's return and that the entries on LA8453-C are complete and correct to the best of my knowledge. If I am only a collector, I am not responsible for reviewing the return and only declare that this form accurately reflects the data on the return. The corporate office will have signed this form before I submit the return. I will give the officer a copy of all forms and information to be filed with the Louisiana Department of Revenue, and have followed all other requirements in Pub. 3112, IRS E-file Application and Participation, and Pub. 4163, Modernized E-File Information for Authorized IRS E-Providers. If I am also the Paid Preparer, under penalties of perjury I declare that I have examined the above corporation's return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. This Paid Preparer declaration is based on all information of which I have any knowledge.

ERO's Use Only

ERO's Signature X	Date (mm/dd/yyyy)	<input checked="" type="checkbox"/> Check if also paid preparer	<input type="checkbox"/> Check if self-employed	ERO's SSN or PTIN P01668108
Firm's Name (or yours if self-employed) WALSH WASHBURN, LLC				FEIN 20-1940035
City 5360 COLLEGE BOULEVARD SUITE 100 OVERLAND PARK		State KS	ZIP 66211-1621	Phone Number (913) 660-7710

Paid Preparer's Use only

Preparer's Signature X	Date (mm/dd/yyyy)	<input type="checkbox"/> Check if self-employed	Preparer's SSN or PTIN
Firm's Name (or yours if self-employed)			
FEIN			
City		State	ZIP
Phone Number			

Louisiana Department of Revenue
 Post Office Box 91011
 Baton Rouge, LA 70821-9011

Enter your LA Revenue Account Number here (Not FEIN):

6446686001

For office use only.

Mark box if:

La Corporation Income Tax Return for 2018	La Corporation Franchise Tax Return for 2019
<input checked="" type="checkbox"/> Mark box for calendar year Or Fiscal Year (Enter dates)	
Begun _____, 2018	Begun _____, 2019
Ended _____, 2019	Ended _____, 2020
Calendar year returns are due May 15 . See instrs for fiscal years.	
Final return	Mark the appropriate box for Short period or Final return.
Short period return	

- Name change.
- Amended return.
- Entity is not required to file franchise tax.
- Entity is not required to file income tax.
- First time filing of this form.
- 2015 Legislation Recovery

Legal Name Interstate Production Company		
Trade Name		
Address 2901 Verona		
City Mission Hills	State KS	ZIP 66208

A Federal Employer Identification Number	<u>43-1231307</u>
B Federal taxable income	<u>41958</u>
C Federal income tax	<u>0</u>
D Income tax apportionment percentage	<u>18.42</u> %
E Gross revenues	<u>263163</u>
F Total assets	<u>641905</u>

G NAICS code	<u>211120</u>
H Enter the state abbreviation for location of the principal place of business.	
I Does the income of this corporation include the income of any disregarded entities?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
J Was the income of this corporation included in a consolidated federal income tax return?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
K If answered yes to J, enter FEIN of consolidated federal income tax return.	<u> </u>
L Do the books of the corporation contain intercompany debt?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
M Enter the code for the federal form filed.	<u>2</u>
N Enter the code for the type of entity.	

Computation of Income Tax – See instructions.	
1A Louisiana net income before loss adjustments and federal income tax deduction	<u>12885</u>
1B Subchapter S corporation exclusion	<u>12885</u>
1C Loss carryforward [<u>\$ 0</u>] less federal tax refund applicable to loss [<u>\$ 0</u>] Att sch.	<u>0</u>
1C1 Loss carryforward utilized	<u>0</u>
1C2 Act 123 loss utilization recovery	<u>0</u>
1D Federal income tax deduction	<u>0</u>
1D1 Federal Disaster Relief Credits	<u>0</u>
1E Louisiana taxable income	<u>0</u>
2 Louisiana income tax	<u>0</u>
3 Nonrefundable income tax credits from Schedule NRC-P1	<u>0</u>
4 Income tax after priority 1 credits	<u>0</u>

Computation of Franchise Tax – See instructions.	
5A Total capital stock, surplus, and undivided profits	<u>199604</u>
5B Franchise tax apportionment percentage	<u>9.21</u> %
5C Franchise taxable base	<u>18384</u>
6 Amount of assessed value of real and personal property in Louisiana in 2018	<u>0</u>
7 Louisiana franchise tax	<u>27</u>
8 Nonrefundable franchise tax credits from Schedule NRC-P1	<u>0</u>
9 Franchise tax after priority 1 credits	<u>27</u>

IMPORTANT!
 All three (3) pages of this return MUST be mailed in along with completed schedules. Please sign and date the return on Page 3 and remit any amount due shown on Line 26, Column 3. **Do not send cash.**



FOR OFFICE USE ONLY

DEV ID 1315

Field Flag

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Interstate Production Comp

Net Amount Due			
	Col. 1 - Income tax	Col. 2 - Franchise tax	Col. 3 - Total
10 Tax liability after priority 1 credits	10 0	10 27	
11 Louisiana Citizens Insurance Assessment Paid	11 0		
11A Louisiana Citizens Insurance Credit	11A 0		
11B Refundable credits from Schedule RC-P2	11B 0	11B 0	
12 Total priority 2 credits	12 0	12 0	
13 Tax liability after priority 2 credits	13 0	13 27	
14 Overpayment after priority 2 credits	14 0	14 0	
15 Nonrefundable credits from Schedule NRC-P3	15 0	15 0	
16 Tax liability after priority 3 credits	16 0	16 27	16 27
17A Overpayment after priority 2 credits	17A 0	17A 0	
17B Refundable credits from Schedule RC-P4	17B 0	17B 0	
17C Credit carryforward from prior year return	17C 0	17C 0	
17D Estimated payments	17D 0		
17E Payment made with extension	17E 0	17E 0	
17F Total refundable credits and payments	17F 0	17F 0	
18 Overpayment	18 0	18 0	18 0
19 Tax due	19 0	19 27	
20 Amount of Income tax overpayment applied to franchise tax		20 0	
21 Net Tax due		21 27	
22 Interest	22 0	22 0	
23 Delinquent filing penalty	23 0	23 0	
24 Delinquent payment penalty	24 0	24 0	
25 Additional donation to The Military Family Assistance Fund	25 0	25 0	
26 Total amount due	26 0	26 27	26 27

▼ PAY THIS AMOUNT ▼

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IMPORTANT!

All three (3) pages of this return MUST be mailed in along with completed schedules. Please sign and date the return on Page 3 and remit any amount due shown on Line 26, Column 3. **Do not send cash.**



Interstate Production Comp

Net Amount Due			
	Col. 1 - Income tax	Col. 2 - Franchise tax	Col. 3 - Total
27 Net overpayment		<u>0</u>	<u>0</u>
28 Amount of overpayment you want to donate to The Military Family Assistance Fund			<u>0</u>
29 Amount of overpayment to be refunded			<u>0</u>
30 Amount of overpayment to be credited to 2019			<u>0</u>

Make payment to Louisiana Department of Revenue. DO NOT SEND CASH. You can pay your taxes online at: www.revenue.louisiana.gov/LaTap.

Under the penalties of perjury, I declare that I have examined this return, including all accompanying documents, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which he has any knowledge.				
Signature of Officer		Title of Officer President		
Print Name of Officer		Telephone 816-474-9737	Date (mm/dd/yyyy)	
PAID PREPARER USE ONLY	Print Preparer's Name John W Duncan, CPA	Preparer's Signature John W Duncan, CPA	Date (mm/dd/yyyy)	Check <input type="checkbox"/> if Self-employed
	Firm's Name ▶ WALSH WASHBURN, LLC	Firm's FEIN ▶ 20-1940035		
	Firm's Address ▶ 5360 COLLEGE BOULEVARD SUITE 100 OVERLAND PARK, KS 66211-1621	Telephone ▶ 913-660-7710		

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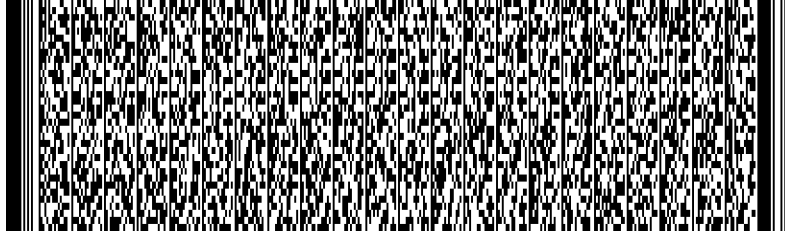
IMPORTANT!

All three (3) pages of this return MUST be mailed in along with completed schedules. Please sign and date the return on Page 3 and remit any amount due shown on Line 26, Column 3. **Do not send cash.**

**PTIN, FEIN, or LDR Account
Number of Paid Preparer**

201940035





Interstate Production Company

All applicable schedules must be completed.

Schedule A – Required Information				
1 At the end of the tax year, did you directly or indirectly own 50% or more of the voting stock of any corporation or an interest of any partnership, including any entity treated as a corporation or partnership? If yes, list the FEIN and percentage owned for the five largest percentages. Attach a schedule listing the names, addresses, FEIN and percentage owned of all entities.	Yes <input type="checkbox"/>	1	FEIN	Percentage
		2		
	No <input checked="" type="checkbox"/>	3		
		4		
		5		
	2 At the end of the tax year, did any corporation, individual, partnership, trust, or association directly or indirectly own 50% or more of your voting stock? If yes, list the FEIN and percentage owned for the five largest percentages. Attach a schedule listing the names, addresses, FEIN and percentage owned of all entities. See Statement 1	Yes <input checked="" type="checkbox"/>	1	388-38-7434
2				
No <input type="checkbox"/>		3		
		4		
		5		
3 If you answered yes to Line 1 on CIFT 620, list the FEIN of five of those entities. Also, attach a schedule listing the names, addresses FEIN of all entities.		Yes <input type="checkbox"/>	1	FEIN
	2			
	No <input checked="" type="checkbox"/>	3		
		4		
		5		

Schedule B – Computation of Income Tax Apportionment Percentage			
Description of items used as ratios	1 Total amount	2 Louisiana amount	3 Percent
1 Net sales of merchandise and/or charges for services			
A Sales	263,163.	48,471.	
B Charges for services			
C Other gross apportionable income			
D Total – Add the amounts in Columns 1 and 2.	263,163.	48,471.	18.42 %
2 For certain oil & gas businesses only. Wages, salaries, and other personal service compensation paid during the year (see instructions). If ratio not used, check box. <input checked="" type="checkbox"/>			%
3 For certain oil & gas businesses only (see instructions). Income tax property ratio – Enter percentage from Schedule C, Line 24. If ratio not used, check box. <input checked="" type="checkbox"/>			%
4 ONLY corporations primarily in the oil and gas business, enter ratio from Line 1D, Column 3 (see instructions).			%
5 Total of percents in Column 3			18.42 %
6 Average of percents – Divide Line 5 by applicable number of ratios. Enter here and on CIFT-620, Line D.			18.42 %



Interstate Production Company

Schedule D – Computation of Louisiana Net Income					
See instructions if separate accounting method is used and check box. <input type="checkbox"/>					
	Totals			Totals	
1A Gross receipts	263,163	.00	22 Other employee benefit plans		.00
1B Less returns and allowances		.00	23 Other deductions – Attach sch. See Statement 4	181,569	.00
1C Balance. Subtract Line 1B from Line 1A.	263,163	.00	24 Total deductions – Add Lines 10 through 23.	234,224	.00
2 Less: Cost of goods sold and/or operations – Attach schedule.		.00	25 Net income from all sources – Subtract Line 24 from Line 9.	80,656	.00
3 Gross profit – Subtract Line 2 from Line 1C.	263,163	.00	26 Allocable income from all sources :		
4 Gross rents		.00	26A Net rents and royalties from immovable or corporeal movable property		.00
5 Gross royalties		.00	26B Royalties from the use of patents, trademarks, etc.		.00
6 Income from estates, trusts, partnerships	10,707	.00	26C Income from estates, trusts, and partnerships See Stmt 5	10,707	.00
7 Income from construction, repair, etc.		.00	26D Income from construction, repair, etc.		.00
8 Other income – Attach schedule. See Statement 2	41,010	.00	26E Other allocable income		.00
9 Total income – Add Lines 3 through 8.	314,880	.00	26F Allocable expenses	()	.00
10 Compensation of officers		.00	26G Net allocable income from all sources	10,707	.00
11 Salaries and wages (not deducted elsewhere)		.00	27 Net income subject to apportionment – Subtract Line 26G from Line 25.	69,949	.00
12 Repairs		.00	28 Net income apportioned to Louisiana	12,885	.00
13 Bad debts		.00	29 Allocable income from Louisiana sources:		
14 Rent		.00	29A Net rents and royalties from immovable or corporeal movable property		.00
15 Taxes and licenses – Attach schedule. See Statement 3	11,644	.00	29B Royalties from the use of patents, trademarks, etc.		.00
16 Interest		.00	29C Income from estates, trusts, and partnerships		.00
17 Charitable Contributions		.00	29D Income from construction, repair, etc.		.00
18 Depreciation – Attach schedule.		.00	29E Other allocable income		.00
19 Depletion – Attach schedule.	41,011	.00	29F Allocable expenses	()	.00
20 Advertising		.00	29G Net allocable income from Louisiana sources		.00
21 Pension, profit sharing, stock bonus, and annuity plans		.00	30 Louisiana net income before loss adjustments and federal income tax deduction – Add Line 28 and Line 29G.	12,885	.00

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Schedule E - Reconciliation of Income Per Books with Income Per Return			
1 Net income per books	81,433.	6 Total – Add Lines 1 through 5c	122,444.
2 Louisiana income tax		7 Income recorded on books this year, but not included in this return – Attach Sch. See Stmt 7	41,788.
3 Excess of capital loss over capital gains		8 Deductions in this tax return not charged against book income this year:	
4 Taxable income not recorded on books this year – Attach Sch. See Stmt 6	41,011.	a Depreciation	
5 Expenses recorded on books this year, but not deducted in this return:		b Depletion	
a Depreciation		c Other – Attach Sch.	
b Depletion		9 Total – Add Lines 7 and 8c.	41,788.
c Other – Attach Sch.		10 Net income from all sources per return – Subtract Line 9 from Line 6.	80,656.

Schedule G – Liabilities and Capital from Balance Sheet		
Liabilities and Capital	1 Beginning of year	2 End of year
1 Accounts payable	301.	301.
2 Mortgages, notes, and bonds payable one year old or less at balance sheet date and having a maturity of one year or less from original date incurred		
3 Other current liabilities – Attach schedule.		
4 Loans from stockholders – Attach schedule. See Statement 8	442,000.	442,000.
5 Due to subsidiaries and affiliates		
6 Mortgages, notes, and bonds payable more than one year old at balance sheet date or having a maturity of more than one year from original date incurred		
7 Other liabilities – Attach schedule.		
8 Capital stock: a Preferred stock		
b Common stock	1,000.	1,000.
9 Paid-in or capital surplus	883,316.	883,316.
10 Surplus reserves – Attach schedule.		
11 Earned surplus and undivided profits	-715,136.	-684,712.
12 Excessive reserves or undervalued assets		
13 Totals – Add Lines 1 through 12.	611,481.	641,905.



Interstate Production Company
All applicable schedules must be completed.

Schedule F – Reconciliation of Federal and Louisiana Net Income See R.S. 47:287.71, R.S. 47:287.73, and R.S. 47:287.82 for information.	
	Column 1
1 Enter the total net income calculated under federal law, before special deductions. <small>See Corp Tax Inc Worksheet</small>	41,958.
2 Additions to federal net income:	
a Louisiana income tax	
b Related members interest\intangible\management fee expenses or costs. From Form R-6950 (see instructions).	
c Donation to School Tuition Organization Credit (see instructions).	
d Other additions – Attach schedule. See Statement 9	41,011.
e Total additions – Add Lines 2a through 2d.	41,011.
3 Subtractions from federal net income:	
a Bank dividends (see instructions).	
b All other dividends	
c Interest	777.
d Road Home – The amount included in federal taxable income	
e Louisiana depletion in excess of federal depletion	1,536.
f Expenses not deducted on the federal return due to Internal Revenue Code Section 280C	
g Exempt amount of related members interest\intangible\management fee expenses or costs. From Form R-6950 (see instructions).	
h Compensation for disaster services (see instructions).	
i Act 123 recovery (see instructions).	
j Other subtractions – Attach schedule.	
k Total subtractions – Add Lines 3a through 3j.	2,313.
4 Louisiana net income from all sources – The amount should agree with Schedule D, Line 25.	80,656.

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Interstate Production Company

See Revenue Ruling 06-010 and Revenue Information Bulletin 13-006. **All applicable schedules must be completed.** Complete Lines 1 through 11 only if there is an end of year balance in the 'Due to Subsidiaries and Affiliates' account or an **equivalent account** on the books of the corporation. All corporations must complete Lines 12 through 19.

Schedule G-1 Computation of Franchise Tax Base	
1 Capital Stock:	
1A Common Stock – Include paid-in or Capital Surplus	■
1B Preferred Stock – Include paid-in or Capital Surplus	
2 Total Capital stock – Add Lines 1A and 1B.	
3 Surplus and undivided profits	
4 Surplus reserves – Include any excessive reserves or undervalued assets	
5 Total – Add Lines 2, 3, and 4	
6 Due to subsidiaries and affiliates (Do not net with receivables)	
7 Deposit liabilities to affiliates – Included in the amount on Line 6	
8 Accounts payable less than 180 days old – Included in the amount on Line 6	
9 Adjusted debt to affiliates – Subtract Lines 7 and 8 from Line 6	
10A If Line 9 is greater than zero, AND Line 5 is greater than or equal to zero, subtract Line 5 from Line 9. If both conditions of this line do not apply, skip to Line 10B.	
10B If Line 9 is greater than zero, AND Line 5 is less than or equal to zero, subtract Line 5 from Line 9. Multiply the difference by 50 percent and enter the result here.	
11 Additional Surplus and Undivided Profits – See instructions	
Total Franchise Taxable Base	
12 Capital Stock: Common Stock	■
Preferred Stock	
13 Paid-in or capital surplus – Include items of paid-in capital in excess of par value	883,316.
14 Surplus reserves – Attach schedule	
15 Earned surplus and undivided profits	-684,712.
16 Excessive reserves or undervalued assets	
17 Additional surplus and undivided profits – From Line 11 above	
18 Allowable deductions – See instructions	0
19 Total capital, surplus and undivided profits – Add Lines 12 through 18. Also enter the total on CIFT-620, Line 5A. Round to the nearest dollar.	199,604.

Note: All accounts on the books of the corporation should be reviewed to determine if an account is an item of capital, surplus or undivided profits. All items of capital, surplus and undivided profits must be included in the franchise taxable base. See Revenue Information Bulletin 06-026.



Schedule H – Computation of Corporate Franchise Tax Property Ratio		
	LOCATED EVERYWHERE	LOCATED IN LOUISIANA
	1 End of year	2 End of year
1 Cash	110,648.	
2 Notes and accounts receivable		
3 Reserve for bad debts	()	()
4 Investment in U.S govt. obligations		
5 Stock and obligations of subsidiaries		
6 Other investments – Attach schedule See Statement 10	531,257.	
7 Loans to stockholders		
8 Other intangible assets – Attach schedule		
9 Accumulated depreciation	()	()
10 Total intangible assets – Add Lines 1-9	641,905.	
11 Inventories		
12 Buildings and other depreciable assets	266,034.	
13 Accumulated depreciation	(266,034.)	()
14 Depletable assets	412,462.	
15 Accumulated depletion	(412,462.)	()
16 Land		
17 Other real & tangible assets – Attach schedule		
18 Excessive reserves, assets not reflected on books, or undervalued assets		
19 Total real and tangible assets – Add Lines 11 through 18		
20 Total Assets – Add Lines 10 and 19	641,905.	
21 Franchise tax property ratio (Line 20, Column 2 ÷ Line 20, Column 1)		0 %



Interstate Production Company

Schedule I – Computation of Corporate Franchise Tax Apportionment Percentage			
Description of items used as ratios	1 Total amount	2 Louisiana amount	3 Percent
1 Net sales of merchandise, charges for services, and other revenues			
A Sales	263,163.	48,471.	
B Charges for services			
C Other Revenues:			
(i) Rents and royalties			
(ii) Dividends and interest from subsidiaries			
(iii) Other dividends and interest			
(iv) All other revenues			
D Total – If the ratio is not used, check the box. <input type="checkbox"/>	263,163.	48,471.	_____18.42%
2 Franchise tax property ratio – Enter the percentage from Schedule H, Line 21. If the ratio is not used, check the box. <input checked="" type="checkbox"/>			_____0%
3 Total of applicable percents in Column 3			_____18.42%
4 Average of percents – Divide Line 3 by applicable number of ratios. Enter here and on CIFT-620, Line 5B. <input type="checkbox"/>			_____9.21%

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Schedule J – Calculation of Income Tax			
1 Enter the amount of net taxable income from CIFT-620, Line 1E. Short period filers mark this box <input type="checkbox"/> and see the instructions.			
2 Calculation of tax	Column 1 Net income in each bracket	RATE	Column 2 TAX
a First \$25,000 of net taxable income		x 4%=	
b Next \$25,000		x 5%=	
c Next \$50,000		x 6%=	
d Next \$100,000		x 7%=	
e Over \$200,000		x 8%=	
3 Add the amounts in Column 1, Lines 2a through 2e and enter the result.			
4 Add the amounts in Column 2, Lines 2a through 2e. Round to the nearest dollar. Enter the result in Column 2 and on CIFT-620, Line 2.			

Schedule K - Summary of Estimated Tax Payments			
	Check number	Date	Amount
1 Credit from prior year return			
2 First quarter estimated payment			
3 Second quarter estimated payment			
4 Third quarter estimated payment			
5 Fourth quarter estimated payment			
6 Payment made with extension request			

Schedule L – Calculation of Franchise Tax	
1 Enter the amount from CIFT-620, Line 5C or Line 6, whichever is greater. Short period filers mark this box <input type="checkbox"/> and see the instructions.	18,384.
2 Enter the amount of Line 1 or \$300,000, whichever is less.	18,384.
3 Multiply the amount on Line 2 by \$1.50 for each \$1,000 or major fraction and enter the result.	27.
4 Subtract Line 2 from Line 1 and enter the result.	
5 Multiply the amount on Line 4 by \$3.00 for each \$1,000 or major fraction and enter the result.	
6 Add Lines 3 and 5. Round to the nearest dollar. Enter the result here and on CIFT-620, Line 7.	27.

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Schedule M – Analysis of Schedule G, Line 11, Column 2 – Earned surplus and undivided profits per books			
1 Balance at beginning of year	-715,136.	■ b Stock	
2 Net income per books	81,433.	c Property	
3 Other increases –Att. sch.		6 Other decreases – Attach schedule.	
4 Total – Add Lines 1, 2, and 3.	-633,703.	7 Total – Add Lines 5 and 6.	51,009.
5 Distributions: a Cash	51,009.	8 Balance at end of year – Subtract Line 7 from Line 4.	-684,712.

Schedule N – Additional Information Required	
<p>1 Describe the nature of your business activity and specify your principal product or service, both in Louisiana and elsewhere.</p> <p>Louisiana:</p> <p>_____</p> <p>_____</p> <p>OIL & GAS PRODUCTION OIL & GAS</p> <p>Elsewhere:</p> <p>_____</p> <p>_____</p> <p>OIL & GAS PRODUCTION OIL & GAS</p>	<p>2 Indicate the date and state of incorporation. <u>5/26/1981</u> TE</p> <p>3 Indicate parishes in which property is located.</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>■</p>



Calculation of Corporate Taxable Income Worksheet

(Form 1120 Computation)

Name of Corporation

Louisiana Revenue Account Number

Interstate Production Company

6446686001

I N C O M E	1	Gross receipts or sales. Less returns and allowances	▶	1	263,163.
	2	Cost of goods sold		2	
	3	Gross profit. Subtract line 2 from line 1		3	263,163.
	4	Dividends		4	
	5	Interest		5	777.
	6	Gross rents		6	
	7	Gross royalties		7	
	8	Capital gain net income		8	
	9	Net gain or (loss) from Form 4797, Part II, line 17		9	
	10	Other income (attach schedule)	Stm. 11	10	10,706.
	11	Total income. Add lines 3 through 10	▶	11	274,646.
D E D U C T I O N S	12	Compensation of officers		12	
	13	Salaries and wages. Less employment credits	▶	13	
	14	Repairs and maintenance		14	
	15	Bad debts		15	
	16	Rents		16	
	17	Taxes and licenses		17	11,644.
	18	Interest		18	
	19	Charitable contributions (10% limitation)		19	
	20	Depreciation		20	
	21	Depletion		21	39,475.
	22	Advertising		22	
	23	Pension, profit-sharing, etc., plans		23	
	24	Employee benefit programs		24	
	25	Domestic production activities deduction		25	
	26	Other deductions (attach schedule)	Stm. 12	26	181,569.
	27	Total deductions. Add lines 12 through 26	▶	27	232,688.
	28	Corporate Taxable income. Subtract line 27 from line 11		28	41,958.

Interstate Production Company

6446686001

Statement 1
Form CIFT-620, Required Information, Line 2
Ownership of 50% or More of this Corporation

Name of Shareholder: LAURENCE R. JONES, JR.
 Street Address: 2901 VERONA
 City, State, Zip Code: MISSION HILLS, KS 66208
 Social Security Number: 388-38-7434
 % of Voting Stock: 100.000000

Statement 2
Form CIFT-620, Computation of LA Net Income, Line 8
Other Income

Federal Depletion in Excess of LA Deplet.....	\$	41,011.
K-1 Forest Arkoma.....		-1.
Total	\$	<u>41,010.</u>

Statement 3
Form CIFT-620, Computation of LA Net Income, Line 15
Taxes

Corporate License.....	\$	55.
Franchise.....		23.
Production Taxes (Oil & Gas).....		11,566.
Total	\$	<u>11,644.</u>

Statement 4
Form CIFT-620, Computation of LA Net Income, Line 23
Other Deductions

Bank Charges.....	\$	72.
Computer and Internet Expenses.....		1,135.
Contract Labor.....		27,000.
Dues and Subscriptions.....		22,852.
Legal and Professional.....		1,832.
Miscellaneous.....		10,558.
Operating Expense (Oil & Gas).....		118,120.
Total	\$	<u>181,569.</u>

Statement 5
Form CIFT 620, Computation of LA Net Income, Line 26C
Income from estates, trusts, and partnerships

.....	\$	10,707.
Total	\$	<u>10,707.</u>

Interstate Production Company

6446686001

Statement 6
Form CIFT-620 , Schedule E, Line 4
Taxable Income not Recorded on Books this Year

Federal Depletion in Excess of LA Deplet.....	\$	41,011.
Total	\$	<u>41,011.</u>

Statement 7
Form CIFT-620 , Schedule E, Line 7
Book Income not Included in this Return

Federal Depletion in Excess of LA Deplet.....	\$	41,011.
Interest.....		777.
Total	\$	<u>41,788.</u>

Statement 8
Form CIFT-620, Schedule G, Line 4
Loans from Stockholders

	<u>Beginning</u>	<u>Ending</u>
Loan from Shareholder.....	\$ 442,000.	\$ 442,000.
Total	\$ <u>442,000.</u>	\$ <u>442,000.</u>

Statement 9
Form CIFT-620, Schedule F, Line 2(d)
Other Additions to Federal Net Income

Federal Depletion in Excess of LA Deplet.....	\$	41,011.
Total	\$	<u>41,011.</u>

Statement 10
Form CIFT-620, Franchise Tax Property Ratio, Line 6
Other Investments - Everywhere

	<u>Beginning</u>	<u>Ending</u>
Camterra Resources Limited.....	\$ 485,959.	\$ 485,959.
Forest Arkoma Partner Limited.....	45,368.	45,298.
Total	\$ <u>531,327.</u>	\$ <u>531,257.</u>

Statement 11
Corporate Taxable Income Worksheet, Line 10
Other Income

K-1 Forest Arkoma.....	\$	-1.
Net Income from Pass-through K-1.....		10,707.
Total	\$	<u>10,706.</u>

Statement 12
Corporate Taxable Income Worksheet, Line 26
Other Deductions

Bank Charges	\$	72.
Computer and Internet Expenses.....		1,135.
Contract Labor.....		27,000.
Dues and Subscriptions.....		22,852.
Legal and Professional.....		1,832.
Miscellaneous.....		10,558.
Operating Expense (Oil & Gas).....		118,120.
	Total	<u>\$ 181,569.</u>

Interstate Production Company

6446686001

Prop Number	Property Description	Production Type	Gross Income	Production Tax	IDC*	Operating Expenses	Amortization/ Depreciation	* Section 179	Allocated Overhead	Dry Hole Expense*	Other Expenses	Net Income
3	Texas	Primary Oil	43,225	2,154		20,250						20,821
1	Kansas	Primary Oil	96,937	1,092		44,931						50,914
2	Oklahoma	Primary Oil	35,102	1,212		11,760						22,130
4	Louisiana	Primary Oil	48,471	6,071		22,708						19,692
5	Arkansas	Primary Oil	39,428	1,037		18,471						19,920
Totals: Trade or Business Income			263,163	11,566	0	118,120	0	0	0	0	0	133,477
Grand Totals			263,163	11,566	0	118,120	0	0	0	0	0	133,477

* - Pass-through expenses included in net income only for calculation of net income limitation on the Federal Oil and Gas Allowable Depletion Report.

Interstate Production Company

6446686001

Prop Number	Property Description	Production Type	Gross % Depletion	Tentative % Depletion	Cost Depletion	Greater of % of Cost	% Depletion in Excess of Basis	Excess IDC
3	Texas	Primary Oil	6,830	6,830		6,830	6,830	
1	Kansas	Primary Oil	15,316	15,316		15,316	15,316	
2	Oklahoma	Primary Oil	5,546	5,546		5,546	5,546	
4	Louisiana	Primary Oil	7,658	7,089 *		7,089	7,089	
5	Arkansas	Primary Oil	6,230	6,230		6,230	6,230	
Totals: Trade or Business Income			<u>41,580</u>	<u>41,011</u>	<u>0</u>	<u>41,011</u>	<u>41,011</u>	<u>0</u>
Grand Totals			<u><u>41,580</u></u>	<u><u>41,011</u></u>	<u><u>0</u></u>	<u><u>41,011</u></u>	<u><u>41,011</u></u>	<u><u>0</u></u>

* - Tentative depletion limited to 36% of net income

OKLAHOMA SMALL BUSINESS CORPORATION INCOME AND FRANCHISE TAX RETURN

Form 512-S
2018



This form is due 30 days after the due date of the Federal Return

For the year January 1 - December 31, 2018, or other taxable year
beginning: , 2018 ending: ,

AMENDED RETURN!
If this is an Amended Return place an 'X' here
See Schedule 512-S-X on page 10.

Corporate Name:
Interstate Production Company
Street Address:
2901 Verona
City, State or Province, Country and ZIP or Foreign Postal Code:
Mission Hills, KS 66208
Federal Employer Identification Number: 43-1231307 Business Code Number: 211120

Extension
If you have applied for an extension from the IRS, place an 'X' here and provide a copy.

If this is a final return, place an 'X' here:

Date of Incorporation: 5/26/1981 Under the Laws of: TEXAS Type of Business: OIL & GAS PRODUCTION

→ **Notice:** Corporations that filed a Form 200-F electing to file a combined corporate income and franchise tax return should:

- Complete Sections One, Two and Three on pages 1 and 2.
- Complete the applicable income tax schedules on pages 3-5.
- Complete the applicable franchise tax schedules on pages 6-9.
- NOT have remitted the maximum amount of franchise tax for the preceding tax year.

Corporations filing a stand-alone Oklahoma Annual Franchise Tax Return (Form 200) or who are not required to file a franchise tax return should:

- Complete Sections One and Three on pages 1 and 2.
- Complete the applicable income tax schedules on pages 3, 4 and 5.
- NOT complete the franchise tax portion of the return.

Part One, Section One: Income Tax - Tax Computation Schedule for Nonresident Shareholders Who Do Not File Form 512-SA and for a Corporation Claiming the Refundable Credits from Form 577 or 578.

1a	Nonresident share of income from Page 5, Part 5, line 14	1a	<input type="text"/>	0	00	
1b	Nonresident share of Okla. capital gain deduction (provide Form (s) 561S)	1b	<input type="text"/>		00	
1c	Nonresident share of deductions (see instructions)	1c	<input type="text"/>		00	
1	Nonresident share of taxable income (line 1a minus lines 1b and 1c)	1			00	
2	Tax: 6% of line 1 (If recapturing the Oklahoma Affordable Housing Tax Credit, add the recaptured credit here and enter a "1" in the box. If making an Oklahoma installment payment pursuant to IRC Section 965(h) and 68 O.S. Sec. 2368(K), add the installment payment here and enter a "2" in the box)	2	<input type="text"/>	0	00	
3	Other Credits Form (see instructions) (provide Form 511CR)	3	<input type="text"/>		00	
4	Balance of tax due (line 2 minus line 3, but not less than zero)	4		0	00	
5	2018 Oklahoma estimated tax payments (i.e. Form(s) OW-8-ESC)	5	<input type="text"/>		00	
6	Amount paid with extension request	6	<input type="text"/>		00	
7	Okla. withholding (provide Form 1099, 500-A, 500-B or other withholding statement)	7	<input type="text"/>		00	
8	Refundable Credits from Form <input type="checkbox"/> 577 <input type="checkbox"/> 578	8	<input type="text"/>		00	
9	Amount paid with original return and amount paid after it was filed (amended return only)	9	<input type="text"/>		00	
10	Any refunds or overpayment applied (amended return only)	10	(<input type="text"/>)		00	
11	Total of lines 5 through 10	11			00	
12	Overpayment (line 11 minus line 4)	12	Overpayment	→	0	00
13	Tax Due (line 4 minus line 11)	13	IncomeTax Due	→		00
14	Donation: Support the Oklahoma General Revenue Fund	14				00
15	Underpayment of estimated tax interest	15	Annualized	<input type="checkbox"/>		00
16	For delinquent payment add penalty of 5% interest of 1.25% per month	16	\$ _____ plus \$ _____			00
17	Total tax, penalty and interest (add lines 13 - 16)	17	Income Tax Balance Due	→		0

The Oklahoma Tax Commission is not required to give actual notice to taxpayers of changes in any state tax law.



Name shown on Form 512-S: **Interstate Production Company**

Federal Employer Identification Number: **43-1231307**

SECTION TWO: FRANCHISE TAX

Place an 'X' here if filing a combined corporate income and franchise tax return and complete Section Two. Corporations filing a Form 200 will skip Section Two and complete Section Three.

To complete lines 18 - 25, use the figures from page 6, lines 12-19.

18	Tax.....	18		00
19	Registered Agents Fee.....	19		00
20	Interest.....	20		00
21	Penalty.....	21		00
22	Reinstatement Fee.....	22		00
23	Previous Payment.....	23	() 00
24	Overpayment..... Franchise Tax Overpayment →	24		00
25	Total Due..... Franchise Tax Balance →	25		00

SECTION THREE: TOTAL

All corporations complete Section Three. Combine Income Tax and Franchise Tax. If there is a net balance due, complete line 26. If there is a net overpayment, complete lines 27-31.

Balance Due

26 Total Balance Due..... Balance Due → 26 00

Overpayment

27 Total Overpayment..... 27 00
 28 Amount of line 27 to be credited to 2019 estimated income tax (original return only)..... 28 00

Line 29 provides you the opportunity to make a financial gift from your refund to a variety of Oklahoma organizations. Place the line number of the organization from the line 29 instructions in the box below and enter the amount you are donating. If giving to more than one organization, put a '99' in the box and provide a schedule showing how you would like your donation split.

29 Donations from your refund..... \$2 \$5 \$_____ 29 00
 30 Total (add lines 28 and 29)..... 30 00
 31 Amount of line 27 to be refunded to you (line 27 minus line 30)..... Refund → 31 00

Direct Deposit Note:

All refunds must be by direct deposit. See Direct Deposit Information on page 12 of the 512-S Packet for details.

Is this refund going to or through an account that is located outside of the United States? Yes No
 Deposit my refund in my: checking account savings account
 Routing Number: Account Number:

If the Oklahoma Tax Commission may discuss this return with your tax preparer, place an 'X' here:

Under penalties of perjury, I declare I have examined this return, including any accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct and complete. If prepared by person other than the taxpayer, this declaration is based on all information of which preparer has any knowledge.

Make check payable to the Oklahoma Tax Commission

Corporate Seal	Signature of Officer	Date	Signature of Preparer	Date
	Printed Name of Officer		John W Duncan, CPA	
	Title	Phone Number	Printed Name of Preparer	
	President	816-474-9737	John W Duncan, CPA	Preparer's PTIN
			(913) 660-7710	P01668108

5360 COLLEGE BOULEVARD SUITE 100

OVERLAND PARK, KS 66211-1621

Provide a copy of Federal return - Remit to Oklahoma Tax Commission - Post Office Box 26800 - Oklahoma City, OK 73126-0800



Name shown on Form 512-S: Interstate Production Company

Federal Employer Identification Number: 43-1231307

PART 2: ORDINARY INCOME FROM TRADE OR BUSINESS

Complete Column A. Column B should be completed by S Corporations whose income is all within Oklahoma and/or by those whose income is partly within and partly without Oklahoma (not of a unitary nature). **CAUTION:** Include only trade or business income and expenses on lines 1a through 21 below.

		Column A As reported on Federal Return	Column B Total applicable to Oklahoma
1	a Gross receipts or sales	\$ 35,102.	
	b Minus returns and allowances		
2	Cost of goods sold and/or operations		
3	Gross profit (subtract line 2 from line 1)	263,163.00	00
4	Net gain (loss) (Form 4797 Part II, line 17)		00
5	Other income (loss) (provide schedule)	10,707.00	00
6	Total income (loss) (add lines 3 through 5)	273,870.00	00
7	Compensation of officers		00
8	Salaries and wages		00
9	Repairs and maintenance		00
10	Bad debts		00
11	Rent		00
12	Taxes and licenses	11,644.00	00
13	Interest		00
14	Depreciation		00
15	Depletion (do not deduct oil and gas depletion)		00
16	Advertising		00
17	Pension, profit-sharing, etc. plans		00
18	Employee benefit programs		00
19	Other deductions (provide schedule)	181,569.00	00
20	Total deductions (add lines 7 through 19)	193,213.00	00
21	Ordinary Income (Loss) from trade or business: Subtract line 20 from line 6. Enter here and below on Part 3, line 1	80,657.00	00

PART 3: SHAREHOLDERS' PRO RATA SHARE ITEMS

Income (lines 1 through 11)

		Column A As reported on Federal Return	Column B Total applicable to Oklahoma
1	Ordinary income (loss) from trade or business (from above on Part 2, line 21)	80,657.00	00
2	Net income (loss) from rental real estate activity(ies) (provide schedule)		00
3	Net income (loss) from other rental activity(ies) (provide schedule)		00
4	Interest income		
	a Interest on loans, notes, mortgages, bonds, etc	777.00	00
	b Interest on obligations of a state or political subdivision		00
	c Interest on obligations of the United States		00
	d Other interest income		00
5	Dividend income		00
6	Royalties		00
7	Net short-term capital gain (loss) (Schedule D, 1120-S)		00
8	Net long-term capital gain (loss) (Schedule D, 1120-S)		00
9	Net gain (loss) under Section 1231 (other than due to casualty or theft)		00
10	Other (provide schedule)	-1.00	00
11	Total income (add lines 1 through 10)	81,433.00	00

Deductions (lines 12 through 17)

12	Section 179 deduction (provide schedule)		00
13	Contributions		00
14	Deductions related to portfolio income		00
15	Intangible drilling costs		00
16	Other deductions authorized by law (provide schedule)		00
17	Total Deductions (add lines 12 through 16)		00

Total (line 18)

18	Net distributable income (line 11 minus line 17)	81,433.00	9,330.00
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If Federal and Oklahoma distributable net incomes are the same, please see instructions on page 5 of packet.



Name shown on Form 512-S: **Interstate Production Company**

Federal Employer Identification Number: **43-1231307**

PART 4: COMPUTATION OF OKLAHOMA TAXABLE INCOME OF A UNITARY ENTERPRISE WHOSE INCOME IS PARTLY WITHIN AND PARTLY WITHOUT OKLAHOMA

1	Net distributable income from Page 3, Part 3, Column A, line 18		1	81,433.
2	Add:			
	a Taxes based on income	2a		
	b Unallowable deduction (provide schedule)	2b		
	c Other income (provide schedule) Statement 1	2c		-11,484.
	d Total of lines 2a through 2c		2d	-11,484.
3	Deduct all items separately allocated:			
	a Interest on obligations of the United States	3a		
	b _____	3b		
	c _____	3c		
	d Total of lines 3a through 3c		3d	
	(Note: Items listed in 2 and 3 above must be net amounts supported by schedules showing source, location, expenses, etc.)			
4	Net apportionable income (line 1 plus line 2d, minus line 3d)		4	69,949.
5	Oklahoma's portion thereof _____ 13.3385% , from schedule below		5	9,330.
6	Add items separately allocated to Oklahoma:			
	a _____	6a		
	b _____	6b		
	c _____	6c		
	d _____	6d		
	e Total of lines 6a through 6d		6e	
7	Oklahoma net distributable income (add lines 5 and 6e; enter here and on Page 3, Part 3, Column B, line 18)		7	9,330.

OKSA0134L 11/14/18

APPORTIONMENT FORMULA

		Column A	Column B	Column C (A divided by B)
		Total Within Oklahoma	Total Within and Without Oklahoma	Percent Within Oklahoma
1	Value of real and tangible personal property used in the unitary business (by averaging the values at the beginning and ending of the tax period):			
	a Owned property (at original cost):			
	(i) Inventories 1ai			
	(ii) Depreciable property 1aai			
	(iii) Land 1aiii			
	(iv) Total of section 'a' 1aiv			
	b Rented property (capitalize at 8 times net rental paid) .. 1b			
	c Total of sections 'a' and 'b' above	\$	\$	1c %
2	a Payroll			
	b Less: Officer's salaries			
	c Total (subtract officer's salaries from payroll)	\$	\$	2c %
3	Sales:			
	a Sales delivered or shipped to Oklahoma purchasers:			
	(i) Shipped from outside Oklahoma 3ai			
	(ii) Shipped from within Oklahoma 3aii	35,102.		
	b Sales shipped from Oklahoma to:			
	(i) The United States Government 3bi			
	(ii) Purchasers in a state or country where the corporation is not taxable (i.e. under Public Law 86-272) 3bii			
	c Total of sections 'a' and 'b'	\$ 35,102.	\$ 263,163.	3c 13.3385 %
4	If Revenue, Traffic Units or Miles Traveled is used rather than Sales, indicate here ... <u>Revenue</u>			
5	Total percent (sum of items 1, 2 and 3)			5 13.3385 %
6	Average percent (1/3 of total percent) (Carry to Part 4, line 5 above)			6 13.3385 %

Note: Provide a complete copy of your Federal return.

**NONRESIDENT
SHAREHOLDER AGREEMENT**



FORM **512-SA** 2018

I, LAURENCE R. JONES, JR., the undersigned, do agree I will file an Oklahoma Income Tax Return for the taxable year ending 12/31/2018. I will include, in Oklahoma adjusted gross income, my share of distributable taxable income or net operating loss of the corporation named below to the extent such income, gain or loss, is at the corporate level, derived from sources within Oklahoma. I further state I made and executed this agreement for the purpose of filing it with the following named corporation to be submitted with the Oklahoma Small Business Corporation Income Tax Return, Form 512-S, filed by the corporation for the taxable year indicated above.

Corporation Interstate Production Company

Street Address or Post Office Box 2901 Verona

City Mission Hills State KS ZIP 66208

Federal Employer Identification Number 43-1231307

Signature of Shareholder Executing Agreement

388-38-7434
Social Security Number or
Federal Employer
Identification Number

Dated this 14th day of March, 2018.

CORPORATION PLEASE NOTE:

This agreement must be filed with the original Small Business Corporation Income Tax Return, Form 512-S, for each nonresident shareholder. Otherwise, the corporation shall be taxed on that part of the corporation's net taxable income allocable to the shares of stock owned by the nonresident shareholder. Once the agreement has been signed, it is irrevocable for this taxable year. Rule 710:50-21-1

Statement 1
Form 512-S, Part IV, Line 2(c)
Other Income

K-1 Forest Arkoma	\$	-11,484.
	Total	<u>\$ -11,484.</u>

Interstate Production Company

43-1231307

Prop Number	Property Description	Production Type	Gross Income	Production Tax	IDC*	Operating Expenses	Amortization/Depreciation	Section 179	* Allocated Overhead	Dry Hole Expense*	Other Expenses	Net Income
2	Oklahoma	Primary Oil	35,102	1,212		11,760						22,130
Totals: Trade or Business Income			35,102	1,212	0	11,760	0	0	0	0	0	22,130
Grand Totals			35,102	1,212	0	11,760	0	0	0	0	0	22,130

* - Pass-through expenses included in net income only for calculation of net income limitation on the Federal Oil and Gas Allowable Depletion Report.

Interstate Production Company

<u>Prop Number</u>	<u>Property Description</u>	<u>Production Type</u>	<u>Gross % Depletion</u>	<u>Tentative % Depletion</u>	<u>Cost Depletion</u>	<u>Greater of % of Cost</u>	<u>% Depletion in Excess of Basis</u>	<u>Excess IDC</u>
2 Oklahoma		Primary Oil	7,722	7,722		7,722	7,722	
Totals: Trade or Business Income			<u>7,722</u>	<u>7,722</u>	<u>0</u>	<u>7,722</u>	<u>7,722</u>	<u>0</u>
Grand Totals			<u><u>7,722</u></u>	<u><u>7,722</u></u>	<u><u>0</u></u>	<u><u>7,722</u></u>	<u><u>7,722</u></u>	<u><u>0</u></u>

Texas Franchise Tax No Tax Due Report

■ **Tcode** 13255 Annual

The law requires No Tax Due Reports originally due on or after Jan. 1, 2016 to be filed electronically. Filing this paper report means you are requesting, and we are granting, a waiver from the electronic reporting requirement for this report year ONLY.

■ Taxpayer number	■ Report year	Due date
14312313076	2019	05/15/2019

Taxpayer name Interstate Production Company				Secretary of State file number or Comptroller file number 0056326900	
Mailing address 2901 Verona					
City Mission Hills	State KS	Country United States	ZIP code plus 4 66208	Check box if the address has changed <input type="checkbox"/>	
Check box if this is a combined report <input type="checkbox"/>				NAICS code 211120	
Check box if Total Revenue is adjusted for Tiered Partnership Election, see instructions. (Note: Upper tiered partnerships do not qualify to use this form.) <input type="checkbox"/>			Check box to request a Certificate of Account Status <input type="checkbox"/>		
Is this entity a corporation, limited liability company, professional association, limited partnership or financial institution? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No					

If any of the statements below are true, you qualify to file this No Tax Due Report (Check all boxes that apply.):

1. This entity is a passive entity as defined in Texas Tax Code Sec. 171.0003. (See instructions.) (Passive income does NOT include rent.) 1.
2. This entity's annualized total revenue is below the no tax due threshold. 2.
3. This entity has zero Texas Gross Receipts. 3.
4. This entity is a Real Estate Investment Trust (REIT) that meets the qualifications specified in Texas Tax Code Sec. 171.0002(c)(4). 4.
5. This entity is a new veteran-owned business as defined in Texas Tax Code Sec. 171.0005. (See instructions.) (Must have formed after Jan. 1, 2016 and must be pre-qualified.) 5.

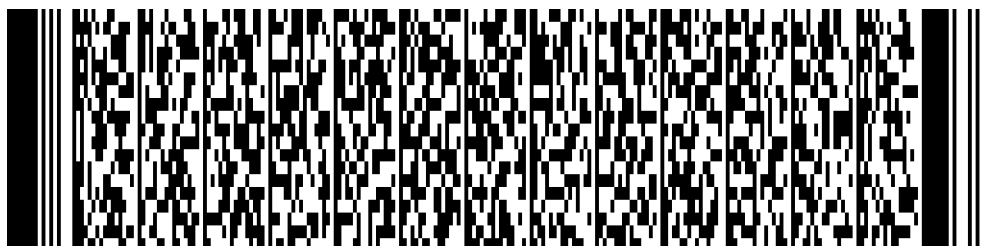
6a. Accounting year begin date	m m d d y y	6b. Accounting year end date	m m d d y y
6a. <input type="checkbox"/> 010118		6b. <input type="checkbox"/> 123118	

7. TOTAL REVENUE (Whole dollars only)	7. <input type="checkbox"/>	263162.00
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Print or type name LAURENCE R. JONES, JR.		Area code and phone number (816) 474-9737	
I declare that the information in this document and any attachments is true and correct to the best of my knowledge and belief.		Mail original to: Texas Comptroller of Public Accounts P.O. Box 149348 Austin, TX 78714-9348	
sign here	Date		

Instructions for each report year are online at www.comptroller.texas.gov/taxes/franchise/forms/. If you have any questions, call 1-800-252-1381.

Texas Comptroller Official Use Only



VE/DE	<input type="checkbox"/>
PM Date	<input type="text"/>



Texas Franchise Tax Public Information Report
To be filed by Corporations, Limited Liability Companies (LLC), Limited Partnerships (LP),
Professional Associations (PA) and Financial Institutions

■ Tcode 13196

■ Taxpayer number

■ Report year

14312313076	2019
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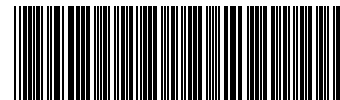
You have certain rights under Chapter 552 and 559, Government Code, to review, request and correct information we have on file about you. Contact us at 1-800-252-1381.

Taxpayer name Interstate Production Company			<input type="checkbox"/> Check box if the mailing address has changed.	
Mailing address 2901 Verona			Secretary of State (SOS) file number or Comptroller file number	
City Mission Hills	State KS	ZIP code plus 4 66208	0056326900	

Check box if there are currently no changes from previous year; if no information is displayed, complete the applicable information in Sections A, B and C.

Principal office 2901 Verona, Mission Hills, KS 66208
Principal place of business 2901 Verona, Mission Hills, KS 66208

You must report officer, director, member, general partner and manager information as of the date you complete this report.



1431231307619

Please sign below! This report must be signed to satisfy franchise tax requirements.

SECTION A Name, title and mailing address of each officer, director, member, general partner or manager.

Name LAURENCE R. JONES, JR	Title President	Director <input type="checkbox"/> YES	Term expiration m m d d y y
Mailing address 2901 VERONA	City MISSION HILLS	State KS	ZIP Code 66208
Name LAURENCE R. JONES, III	Title Secretary	Director <input type="checkbox"/> YES	Term expiration m m d d y y
Mailing address 2901 VERONA	City MISSION HILLS	State KS	ZIP Code 66208
Name LAURENCE R. JONES, III	Title Treasurer	Director <input type="checkbox"/> YES	Term expiration m m d d y y
Mailing address 2901 VERONA	City MISSION HILLS	State KS	ZIP Code 66208

SECTION B Enter information for each corporation, LLC, LP, PA or financial institution, if any, in which this entity owns an interest of 10 percent or more.

Name of owned (subsidiary) corporation, LLC, LP, PA or financial institution	State of formation	Texas SOS file number, if any	Percentage of ownership
Name of owned (subsidiary) corporation, LLC, LP, PA or financial institution	State of formation	Texas SOS file number, if any	Percentage of ownership

SECTION C Enter information for each corporation, LLC, LP, PA or financial institution, if any, that owns an interest of 10 percent or more in this entity.

Name of owned (parent) corporation, LLC, LP, PA or financial institution	State of formation	Texas SOS file number, if any	Percentage of ownership
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Registered agent and registered office currently on file (see instructions if you need to make changes) *You must make a filing with the Secretary of State to change registered agent, registered office or general partner information.*

Office:	City	State	ZIP Code
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The information on this form is required by Section 171.203 of the Tax Code for each corporation, LLC, LP, PA or financial institution that files a Texas Franchise Tax Report. Use additional sheets for Sections A, B, and C, if necessary. The information will be available for public inspection.

I declare that the information in this document and any attachments is true and correct to the best of my knowledge and belief, as of the date below, and that a copy of this report has been mailed to each person named in this report who is an officer, director, member, general partner or manager and who is not currently employed by this or a related corporation, LLC, LP, PA or financial institution.

sign here ▶	Title President	Date	Area code and phone number (816) 474-9737
-------------	--------------------	------	--

Texas Comptroller Official Use Only



VE/DE	<input type="checkbox"/>	PIR IND	<input type="checkbox"/>
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Texas Franchise Tax Public Information Report

*To be filed by Corporations, Limited Liability Companies (LLC), Limited Partnerships (LP),
Professional Associations (PA) and Financial Institutions*

Tcode 13196

■ Taxpayer number

■ Report year

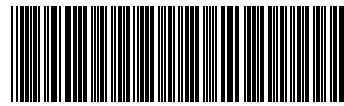
14312313076	2019
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You have certain rights under Chapter 552 and 559, Government Code, to review, request and correct information we have on file about you. Contact us at 1-800-252-1381.

Taxpayer name Interstate Production Company			<input type="checkbox"/> Check box if the mailing address has changed.
Mailing address 2901 Verona		Secretary of State (SOS) file number or Comptroller file number	
City Mission Hills	State KS	ZIP code plus 4 66208	0056326900

Check box if there are currently no changes from previous year; if no information is displayed, complete the applicable information in Sections A, B and C.

Principal office
Principal place of business



You must report officer, director, member, general partner and manager information as of the date you complete this report.

Please sign below! This report must be signed to satisfy franchise tax requirements.

1431231307619

SECTION A Name, title and mailing address of each officer, director, member, general partner or manager.

Name	Title	Director	Term expiration	m	m	d	d	y	y
WILLIAM A. GARRETT, III	Director	<input type="checkbox"/> YES							
Mailing address 36546 INNISBROOK CR		City PURCELVILLE	State VA	ZIP Code 20132					
		<input type="checkbox"/> YES							
Mailing address		City	State	ZIP Code					
		<input type="checkbox"/> YES							
Mailing address		City	State	ZIP Code					

SECTION B Enter information for each corporation, LLC, LP, PA or financial institution, if any, in which this entity owns an interest of 10 percent or more.

Name of owned (subsidiary) corporation, LLC, LP, PA or financial institution	State of formation	Texas SOS file number, if any	Percentage of ownership

SECTION C Enter information for each corporation, LLC, LP, PA or financial institution, if any, that owns an interest of 10 percent or more in this entity.

Name of owned (parent) corporation, LLC, LP, PA or financial institution	State of formation	Texas SOS file number, if any	Percentage of ownership

Registered agent and registered office currently on file *(see instructions if you need to make changes)* *You must make a filing with the Secretary of State to change registered agent, registered office or general partner information.*

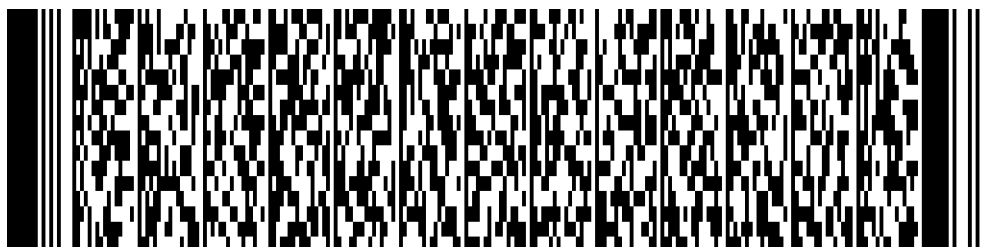
Office:	City	State	ZIP Code
---------	------	-------	----------

The information on this form is required by Section 171.203 of the Tax Code for each corporation, LLC, LP, PA or financial institution that files a Texas Franchise Tax Report. Use additional sheets for Sections A, B, and C, if necessary. The information will be available for public inspection.

I declare that the information in this document and any attachments is true and correct to the best of my knowledge and belief, as of the date below, and that a copy of this report has been mailed to each person named in this report who is an officer, director, member, general partner or manager and who is not currently employed by this or a related corporation, LLC, LP, PA or financial institution.

sign here ▶	Title President	Date	Area code and phone number (816) 474-9737
--------------------	--------------------	------	--

Texas Comptroller Official Use Only



VE/DE	<input type="checkbox"/>	PIR IND	<input type="checkbox"/>
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AR
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**KANSAS SECRETARY OF STATE
For-Profit Corporation
Annual Report**

Memorial Hall, 1st Floor
120 S.W. 10th Avenue
Topeka, KS 66612-1594

(785) 296-4564
kssos@ks.gov
www.sos.ks.gov

THIS SPACE FOR OFFICE USE ONLY.

1 Business entity ID # This is not the Federal Employer ID Number (FEIN).

7195753

2 Name of corporation Must match name on record with Kansas Secretary of State
(17-7503(a)(1), 17-7505(a)(1))

Interstate Production Company

3 Principal office address
Must be a street or highway.
A P.O. box is unacceptable.
(17-7503(a)(2), 17-7505(a)(2))

Street Address

2901 Verona

City

State Zip

Country

Mission Hills, KS 66208 USA

4 Tax closing date

Month Year
12/2018

5 State of incorporation
(17-7505(a)(1))

TX

6a Name, title, and address of each officer of corporation
If additional space is needed, please provide attachment.
Do not leave blank.
(17-7503(a)(3), 17-7505(a)(3))

Name

Title

See Statement 1

Address

City

State Zip

Country

Name

Title

Address

City

State Zip

Country

Name

Title

Address

City

State Zip

Country

6b Name and address of each director of corporation

If additional space is needed, please provide attachment.

Leave this question blank if the directors and officers are the same.
(17-7503(a)(3), 17-7505(a)(3))

Name	Address		
City	State	Zip	Country
Name	Address		
City	State	Zip	Country
Name	Address		
City	State	Zip	Country

7 Federal Employer Identification Number (FEIN)

(Not required)

43-1231307

8 Total number of shares of capital stock issued

(17-7503(a)(4), 17-7505(a)(4))

1,000.

9 What is the nature and kind of business in which corporation is engaged?

(17-7503(a)(5), 17-7505(a)(5))

OIL & GAS PRODUCTION

10a Does this corporation hold more than 50% equity ownership in any other business entity that is filed with the Kansas Secretary of State?

(17-7503(a)(6), 17-7505(a)(6))

Yes (Complete Question 10b.) No (Skip to Question 11.)

10b Name and ID number of each business

Name and ID # should be provided exactly as filed with Kansas Secretary of State.

Business Entity Name	Business Entity ID Number (Not FEIN)
Business Entity Name	Business Entity ID Number (Not FEIN)
Business Entity Name	Business Entity ID Number (Not FEIN)

11 Does this corporation own or lease land in Kansas that is suitable for use in agriculture?

(17-7503(b), 17-7505(b))

This question does not apply to 1) tracts of land of fewer than 10 acres, 2) contiguous tracts of land that are fewer than 10 acres in aggregate, or 3) state-assessed railroad operating property.

Yes (Complete Attachment AG.) No (Skip to Question 12.)

12 I declare under penalty of perjury pursuant to the laws of the state of Kansas that the foregoing is true and correct.

(17-7503(c), 17-7505(c))

Signature of Authorized Officer

X

Name of Signer (printed or typed)

Title/Position (Required)

Phone Number

**Statement
Annual Report, Line 7
Officers**

Name, Title, and Address of Officers

LAURENCE R. JONES, JR President
2901 VERONA
MISSION HILLS, KS 66208 USA

LAURENCE R. JONES, III Secretary
2901 VERONA
MISSION HILLS, KS 66208 USA

LAURENCE R. JONES, III Treasurer
2901 VERONA
MISSION HILLS, KS 66208 USA

WILLIAM A. GARRETT, III Director
36546 INNISBROOK CR
PURCELVILLE, VA 20132 USA

LOUISIANA
DEPARTMENT of REVENUE

**Corporation Tax Electronic
Filing Payment Voucher**

Louisiana Department of Revenue
P.O. Box 91011
Baton Rouge, LA 70821-9011

IMPORTANT NOTICE

The voucher below must accompany payments made by corporation tax filers that have filed their corporation tax returns electronically and are not required to submit their payments through electronic funds transfer. In order to avoid the assessment of penalties and interest, the full amount due on the electronically filed return must be remitted to the Department on or before the 15th day of the fifth month following the close of the accounting period. Please provide the corporation's Louisiana Revenue Account Number and the filing period in the spaces provided on the voucher.

- **DO NOT SEND CASH**
- Complete and retain this portion as a record of payment
- You can make payments electronically at www.revenue.louisiana.gov/latap

Name Interstate Production Company		Louisiana Revenue Account Number 6446686001	
Address 2901 Verona		Filing period (mm/yy) 12/18	
City Mission Hills	State KS	ZIP 66208	

Amount of Payment	27.
Check Number	
Date Sent	

LACA9901L 12/12/18

Detach and submit the voucher below with your payment. You MUST enter your LA Revenue Account number below.

Corporation Tax Electronic Filing Payment Voucher

Name Interstate Production Company		Louisiana Revenue Account Number 6446686001	
Address 2901 Verona		Filing period (mm/yy) 12/18	
City Mission Hills	State KS	ZIP 66208	

C

Make payment to
Louisiana Department of Revenue P.O. Box 91011 Baton Rouge, LA 70821-9011

DO NOT SEND CASH

AMOUNT ENCLOSED ▶

\$	27.
----	-----

FOR OFFICE USE ONLY.					
Mail date					

1903

