

Global Special Risks
WELLSURE®
APPLICATION FORM

The WELLSURE® form provides Control of Well, Restoration / Redrill, and Seepage & Pollution along with associated extensions. All of the following information must be provided to allow underwriters to offer a quotation. Underwriters reserve the right to ask for further information and/or clarification of issues raised herein if required.

1) Name (First Named Assured and other Named Assureds):

2) Address of Assured:

3) Description of Operations:

Assured is: Operator Non-Operator Contract Operator Drilling Contractor

4) How many years has the Assured been in business:

5) Name of Principals:

6) Number of Employees:

7) Estimated Annual Revenue:

8) Net Assets:

a) Up to USD 8M

b) More than USD 8M

9) Policy Period:

10) Account History (required):

<u>Year</u>	<u>Carrier</u>	<u>Limits</u>	<u>Premium</u>
16/17			
15/16			
14/15			
13/14			
12/13			

11) Limits Requested:

<u>Area</u>	<u>Limit of Liability</u>
1	
2	
2W	
3	
4	
Care, Custody & Control	

12) Retention / Deductibles Requested:

<u>Area</u>	<u>Retention / Deductible</u>
1	
2	
2W	
3	
4	
Care, Custody & Control	

13) Coverage Requested ("v" all that apply):

- | | | | |
|--------------------------|------------------------------------|--------------------------|------------------------|
| <input type="checkbox"/> | Unlimited Redrilling Expenses | <input type="checkbox"/> | Making Wells Safe |
| <input type="checkbox"/> | Care, Custody and Control | <input type="checkbox"/> | Deliberate Well Firing |
| <input type="checkbox"/> | Priority of Payments | <input type="checkbox"/> | Evacuation Expenses |
| <input type="checkbox"/> | Underground Blowout | <input type="checkbox"/> | Farmout |
| <input type="checkbox"/> | Contingent Joint Venture Liability | <input type="checkbox"/> | Turnkey Endorsement |
| <input type="checkbox"/> | Seepage and Pollution | | |

14) Loss Record (last five years, insured, uninsured):

15) Has insurance been canceled or non-renewed in past five years?

16) Location of Wells (County/State):

17) Well Schedule

	Land		Wet	
	Oil	Gas	Oil	Gas
Wells to be Drilled:				
as Operator				
as Contract Operator				
as Non-Operator				
Workover/Re-entry:				
as Operator				
as Contract Operator				
as Non-Operator				
Producing/S.I./Abandoned:				
as Operator				
as Contract Operator				
as Non-Operator				

NOTE: When providing details of drilling, workover, and re-entries, please provide the Dryhole and Completed Well AFE's. Please confirm maximum anticipated mud weights for all drilling and workover operations.

- 18) Drilling Contractor(s) to be used or used previously:
- 1)
 - 2)
 - 3)
 - 4)
- 19) Producing / Shut-In Wells – attach a complete well schedule (**Excel format**):
- 20) Drilling / Workover Anticipated Activity – attach a complete well schedule (**Excel format**). Also confirm:
- 1) Type of Contract:
 - Daywork
 - Turnkey
 - Footage
 - 2) Please confirm the use of any new technology used in your drilling practices:
- 21) If operator, who normally participates in your wells as a Non-operator?
- 1)
 - 2)
 - 3)
- 22) Retail Agent:
- 23) Signature: _____ Authorized Representative

DUE DILIGENCE CLAUSE:

It is a condition of this insurance that:

- a. The Assured shall exercise due care and diligence in the conduct of all operations covered hereunder, utilizing all safety practices and equipment generally considered prudent for such operations, and in the event any hazardous condition develops with respect to an insured well, the Assured shall at their sole expense make all reasonable efforts to prevent the occurrence of a loss insured hereunder. In addition when a hazardous situation exists, the Assured shall contact Boots & Coots Services immediately.
- b. In the event of a blowout or other escape of oil or gas, from a well operated by the Assured that has the potential to become a claim recoverable under this Certificate, the Assured will endeavor in accordance with normal and customary practices in the trade to control the well or stop the escape. The Assured shall notify Boots & Coots Services immediately.
- c. Where the Assured is the operator and/or contract operator of any insured well, the Assured will comply with all regulations, requirements and normal and customary practices in the trade in respect of utilizing blowout preventers, storm chokes and other equipment to prevent the occurrence of and/or to minimize a loss insured hereunder.
- d. Where the Assured is not the operator, the Assured will endeavor to ensure that the contractors and/or operator comply with all regulations, requirements and normal and customary practices in the trade in respect of utilizing blowout preventers, storm chokes and other equipment to prevent the occurrence of and/or to minimize a loss insured hereunder.

- e. The Assured, as operator of record and/or contract operator, must submit a well prognosis to Boots & Coots Services, prior to spud, if the anticipated mud weight on any well (under a Daywork, Footage or Turnkey contract basis) to be drilled is excess of 12.00 p.p.g.
- f. The Assured will maintain customary electronic data monitoring equipment. Upon any suspected crossflow, or Underground Blowout situation, the Assured will dispatch without delay a logging unit and conduct noise / temperature logging measurements as a means to confirm basis of case. It is further agreed that the Assured will protect such data and make it readily available for inspection.
- g. In the event of an incident that gives rise to a claim covered under Section A and/or Section B, a new well prognosis for any continued activity in the well must be submitted to Boots & Coots Services, and the well will be covered subject to the provisions of Appendix A attached hereto.

RATING AREAS:

Area 1 Land areas in the United States of America and Canada, excluding:

- (a) Alabama, Alaska, Arizona, Colorado, Florida, Louisiana, Mississippi, Montana, New Mexico, Texas Railroad Commission Districts 1 through 4 inclusive, Utah, Wyoming;
- (b) North of 60° North Latitude, South of 24° North Latitude, West of 140° West Longitude, and East of 52° West Longitude; and
- (c) Texas Railroad Commission Districts 5 through 10 inclusive and Oklahoma, but only as respects those wells 10,000 feet or more in depth measured through the hole from the surface of the ground to the bottom of the well.

Area 2

(Land) All land areas worldwide, excluding:

- (a) Area 1 as defined above; and
- (b) North of the Arctic Circle and South of the Antarctic Circle.

Area 2

(Wet) Inland waters of the United States of America and Canada, Lake Maracaibo and territorial waters of the United States of America adjacent to the Continent of North America of water depths less than 10 feet at mean low tide, excluding:

- (a) North of the Arctic Circle and South of the Antarctic Circle; and
- (b) Alaska.

Area 3 The Gulf of Mexico, Venezuelan waters and the Gulf of Paria, excluding Area 2 (Wet) as defined above.

Area 4 Waters worldwide, excluding:

- (a) Areas 2 (Wet) and 3 as defined above; and
- (b) North of the Arctic Circle and South of the Antarctic Circle.

Area 5 North of the Arctic Circle and South of the Antarctic Circle.