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**UPSTREAM ENERGY OPERATOR/NON-OPERATOR APPLICATION FORM**

**­­­­GENERAL INFORMATION**

1. Applicant Name:
2. Is Applicant:  Individual  Corporation  Partnership  Joint Venture  Other

*(If other, please describe)*

1. Other Applicants (If any, please explain relationship):
2. Mailing Address:

Website Address:

1. Number of years in business:

(If new venture, please attach principals resumes)

1. Has the applicant ever been engaged in this or similar enterprises under a different name?

Yes  No

*If yes, please explain:*

1. Proposed policy period:       to

**Please check the coverage options requested and complete those sections of this application.**

Control of Well

Oil and Gas Lease Property

General Liability (Operator/Non-Operator)

Umbrella Supplement

Hired and Non-Owned Auto Supplement

Employee Benefit Plans Administration Liability

SIGNING THIS APPLICATION DOES NOT BIND THE APPLICANT NOR THE INSURER TO THE INSURANCE, BUT IT IS AGREED THAT THE STATEMENTS CONTAINED IN THIS APPLICATION SHALL FORM THE BASIS ON WHICH THE POLICY IS ISSUED AND THE APPLICANT WARRANTS ALL SUCH STATEMENTS TO BE TRUE TO THE BEST OF ITS KNOWLEDGE AND BELIEF.

SIGNATURE OF APPLICANT OR AUTHORIZED REPRESENTATIVE:

DATE:

**CONTROL OF WELL**

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. Applicant is (check all that apply):

An investor owning a non-operating working interest in oil and/or gas wells.

An operator of record managing lease operations for working interest owners.

An operator of record that utilizes a contract lease operator.

A lease operator by contract who does not have a working interest in the wells.

A lease operator by contract with a working interest in the wells.

A drilling contractor

1. Five Year Control of Well Account History (required):

|  |  |  |  |
| --- | --- | --- | --- |
| **POLICY PERIOD** | **CARRIER** | **LIMITS** | **ESTIMATED ANNUAL PREMIUM** |
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1. Loss Record (last five years, insured and uninsured):

*Please attach descriptions of all losses*

1. Has insurance been canceled or non-renewed in the past five years? Yes  No

*If yes, please explain*:

1. With regard to your control of well/liability operations, are you involved in or the subject of any past or present litigation? Yes  No

*If yes, please explain*:

1. Control of Well Limit(s) Requested (100%):
2. Care, Custody & Control Limit(s) Requested (100%):
3. Control of Well Retention(s) Requested (100%):
4. Care, Custody & Control Retention(s) Requested (100%):

If Care, Custody & Control Limit required is more than $1MM, please advise the following:

1. Maximum value of equipment in Assured’s Care, Custody and Control at the wellsite:
2. Breakdown of values at the wellsite:
3. Estimated number of days this equipment is at the wellsite:
4. What fracking contractors are used?
5. Coverage Requested ("√” all that apply):

Unlimited Redrilling Expenses  Making Wells Safe

Care, Custody and Control  Deliberate Well Firing

Priority of Payments  Evacuation Expenses

Underground Blowout  Farmout

Contingent Joint Venture Liability  Turnkey Endorsement

Seepage and Pollution

1. For all drilling and workover wells, please attach well schedules in excel format providing the following information for each well:

* Well name
* Location (County/Parish/State; Province, if located in Canada)
* On land, inland waters or offshore
* Operated or Non-Operated (if non-operated, included name of operator)
* Drilling/Workover/Recompletion/Re-entry
* Total vertical depth
* Total measured depth
* Percentage interest to be insured
* Anticipated spud date or workover date
* Name of drilling or workover contractor
* If well is developmental or exploratory
* Completed well cost AFE
* Maximum anticipated mud weight
* Type of drilling contract (Daywork/Footage/Turnkey)
* Identify any underbalanced or producing while drilling wells
* If workover wells, please provide the age of wells
* Identify any H2S/sour gas wells

1. For all other wells, please attach well schedules in excel format providing the following information for each well:

* Well name
* Location (County/Parish/State; Province, if located in Canada)
* On land, inland waters or offshore
* Operated or Non-Operated (if non-operated, include name of operator)
* Type of well (Producing, Shut-In, Salt Water Disposal, Temporarily Abandoned, Plugged and Abandoned)
* Total vertical depth
* Total measured depth
* Percentage interest to be insured
* Identify any H2S/sour gas wells

1. Please confirm the use of any new technology used in your drilling practices:
2. Are any secondary or tertiary recovery methods used on any of your wells? Yes  No

If yes:

1. What type of methods are used?
2. What is the maximum age of the wells/field?
3. If CO2 Flooding operations are performed, please complete supplemental application form.
4. Do you operate any gas storage wells/facilities? Yes  No

If yes:

a. Where are the wells located?

b. What is the maximum age of the wells/facilities?

c. Please complete supplemental application form.

1. Please provide details of any underbalanced wells or producing while drilling wells:
2. Do you anticipate the use of mud weight in excess of 12.5 pounds per gallon drilling fluid for any well?

Yes  No

1. Number of plugged or abandoned wells being opened/to be opened?
2. What formations do you operate in?
3. What shale plays do you operate in?
4. Do you utilize in-house engineering or use outside engineers? If outside, who do you use?

In-house  Outside:

1. Do you utilize in-house rig supervisors or outside consultants? If outside, who do you use?

In-house  Outside:

1. Does the Assured intend to cover all of their drilling wells?

Yes  No

1. Does the Assured intend to cover all of their workover wells?

Yes  No

1. Does the Assured intend to cover all of their producing/shut-in/salt water disposal wells?

Yes  No

1. Does the Assured intend to cover all of their temporarily abandoned/plugged and abandoned wells?

Yes  No

*If yes, are you able to identify the location of all temporarily abandoned/plugged and abandoned wells?*

Yes  No

**GAS STORAGE AND CO2 FLOODING SUPPLEMENT**

Please provide the following information:

1. Maximum age of wells
2. Where are the wells located (what state/city)?
3. How close are the wells to populated areas?
4. Cement bond quality on casing strings (bond logs if available)?
5. Metallurgy of the “production/injection” casing and tubing string
6. Access to any prior casing calipers or ultrasonic logs run to obtain casing wall thickness/metal loss
7. Data on present xmas tree and wellhead assembly (pressure rating(s) and valve placement to allow easy access to obtain pressure readings)
8. Is tubing/casing annulus “pickled” (inhibited solution to suppress corrosion)?
9. History of corrosion inhibition programs (were wells placed on “cathodic protection” or was a chemical inhibition program in place prior to conversion?)
10. Pressure readings on each casing string

For gas storage wells only:

1. Is the gas storage well in a depleted gas reservoir, salt dome or aquifer?
2. What is the reservoir storage capacity?
3. Composition of gas to be stored?

**OIL AND GAS LEASE PROPERTY**

1. Limit(s) Requested (100%):
2. Deductible(s) Requested (100%):
3. Five Year Oil & Gas Lease Property Account History (required):

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| --- | --- | --- | --- |
| **POLICY PERIOD** | **CARRIER** | **LIMITS** | **PREMIUM** |
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1. Loss Record (last five years, insured and uninsured):

*Please attach descriptions of all losses*

1. Has insurance been canceled or non-renewed in the past five years? Yes  No

*If yes, please explain*:

1. Please attach property schedule in excel format providing the following information:

* Location (County/Parish/State; Province, if located in Canada)
* Description of equipment
* 100% value
* Percentage interest to be insured

**GENERAL LIABILITY – OPERATOR / NON-OPERATOR**

1. Applicant is (check all that apply):

An investor owning a non-operating working interest in oil and/or gas wells.

An operator of record managing lease operations for working interest owners.

An operator of record that utilizes a contract lease operator.

A lease operator by contract who does not have a working interest in the wells.

A lease operator by contract with a working interest in the wells.

An operator or non-operator of gas plant(s) or co-generation plant(s).

An operator or non-operator of pipeline(s) other than gathering lines.

A drilling contractor

1. Number of employees:
2. Gross Payroll:
3. Estimated Annual Gross Revenue:
4. Five Year General Liability Account History:

|  |  |  |
| --- | --- | --- |
| **POLICY PERIOD** | **CARRIER** | **ANNUAL PREMIUM** |
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1. Loss Record (last five years, insured and uninsured):

*Please provide description of all losses including number of losses and incurred amount (including defense or loss adjustment expenses)*

1. Has any carrier cancelled or non-renewed the applicant’s liability insurance?

Yes  No

*If yes, please explain:*

1. Has the applicant ever been sued or has any claim been made against it other than those described above?

Yes  No

*If yes, please explain:*

1. Is the applicant aware of any incidents or circumstances involving or rising out of the applicant’s products or operations which are likely to result in a claim against the applicant?

Yes  No

*If yes, please explain:*

1. Safety Information:
2. Applicant has regularly scheduled safety meetings: Yes  No
3. Drug testing program is in place: Yes  No
4. Regular equipment maintenance program is in place: Yes  No
5. Motor Vehicle Reports (MVR) are obtained: Yes  No

Name and title of person to contact for safety inspections:

Telephone number:

1. Is applicant involved with lease operations? Yes  No

If yes:

* 1. Please attach a schedule of wells.
  2. How many wells are located in water (ocean, gulf, marsh, bay)?

*Please provide details:*

* 1. How many wells are located in towns or cities? Please provide details of specific location and distance to the nearest occupied area:
  2. How are drilling operations contracted?

Turnkey

Daywork

Footage

IADC

API

Other

* 1. How many wells has applicant had drilled by sub-contractors within the past twelve months?

1. Does the applicant(s) have any operations that are not oil/gas related? Yes  No

*If yes, please explain:*

1. What deductible or self-insured retention does the applicant request?
2. If the expiring CGL contained a retroactive date, what is the date and coverage?
3. What Control of Well limits does the applicant carry?
4. Does the applicant’s Control of Well policy include pollution coverage? Yes  No
5. Does it cover all drilling wells? Yes  No
6. Does it cover all other wells in which the applicant has an interest? Yes  No
7. Provide details of any contracts whereby applicant indemnify or hold another entity harmless.

*Attach sample contract.*

1. Provide details of any work subcontracted by applicant including work performed and certificates of insurance required.
2. Please provide details of any over water exposure: (over water includes, but is not limited to oceans, gulfs, marshes, swamplands)

None

1. Please provide details of any owned, leased or hired watercraft, docks or floats.
2. Please provide details of any owned, leased or hired mobile equipment.
3. Does the applicant maintain, own, operate or have a non-operating interest in: 
   1. Gas processing or sweetening facilities (plants)?

Yes  No

* 1. Any gathering systems or flow lines? Defined as small pipelines, 2-6 inches in diameter that moves crude oil mixture from wellheads and production locations to an oil processing facility.

Yes  No

1. If yes, how many systems?       How many total miles?
2. Any gathering or flow lines greater than 6” in diameter? Yes  No

***If yes, please complete pipeline supplemental***

* 1. Does the gathering or flow lines cross any:

1. Roads? Yes  No
2. Waterways? Yes  No

* 1. Production platforms, well head protectors, etc? Yes  No
  2. Injection or disposal wells? Yes  No

*If yes, any injection or disposal wells open for third party use?* Yes  No

Are there any injection or disposal wells in Oklahoma? Yes  No

***If yes, please complete SWD/Injection Well supplemental***

* 1. Any gathering; flow lines or gas processing facilities that primarily service third party wells? Yes  No

**OPERATOR (complete this section only if it pertains to your operations):**

1. How many years experience as an operator?
2. Does the applicant lease employees? Yes  No

*If yes, please explain.*

1. Does the applicant require Stop Gap Coverage? Yes  No

*If yes, list states and payroll amount for each:*

1. What limits are required of drilling and workover contractors?

CGL/Excess Liability (including contractual) $       Control of Well $

1. Does the applicant maintain an approved contractor list? Yes  No
2. How are servicing operations contracted by the applicant?
3. Master Service Agreements are used Usually  Seldom  Never
4. Well Service Contracts are used Usually  Seldom  Never
5. Job Order/Purchase Orders are used Usually  Seldom  Never
6. Does the applicant’s servicing contract contain the following?
7. Contractors are required to carry CGL, including Contractual Liability,

with limits of at least $1,000,000. Yes  No

1. Mutual Indemnity (hold harmless) agreements. Yes  No
2. Contractors are required to include the applicant as an Additional Insured. Yes  No
3. Contractors are required to provide Waivers of Subrogation. Yes  No
4. Does the applicant keep a copy of the contractors Certificates of Insurance on file? Yes  No
5. Does the applicant own any geophysical exploration or well-servicing mobile

equipment that is not covered under their automobile liability policy? Yes  No

1. Summary of estimated number of Operated wells to be drilled during the policy period:

|  |  |  |  |
| --- | --- | --- | --- |
| **NUMBER OF WELLS** | | | |
|  | **Land** | **Wet** | **Offshore** |
| **0 - 5,000’** |  |  |  |
| **5,001 - 10,000’** |  |  |  |
| **10,001 - 15,000’** |  |  |  |
| **15,001 - Deeper** |  |  |  |

1. Summary of all other Operated wells except wells that have been permanently plugged & abandoned:

|  |  |  |  |
| --- | --- | --- | --- |
| **NUMBER OF WELLS** | | | |
|  | **Land** | **Wet** | **Offshore** |
| **0 - 5,000’** |  |  |  |
| **5,001 - 10,000’** |  |  |  |
| **10,001 - 15,000’** |  |  |  |
| **15,001 - Deeper** |  |  |  |

1. Number of existing wells with new producing zones opened/to be opened:
2. Number of plugged or abandoned wells being opened/to be opened:
3. Does the applicant supply house gas or gas for other buildings (taps)? Yes  No
4. Hydrogen Sulphide (H2S) *– if applicable*
5. Number of producing wells or wells to be drilled that have, or are planned to have, H2S levels of 10 parts per million or more:
6. How close to the nearest residence or building?
7. Are there Gas Detection Systems on wells inside city limits?
8. Are any secondary or tertiary recovery methods used on any of your wells? Yes  No

If yes:

* 1. What type of methods are used?
  2. What is the maximum age of the wells/field?

1. Do you operate any gas storage wells/facilities? Yes  No

If yes:

a. Where are the wells located?

b. What is the maximum age of the wells/facilities?

1. Other wells:
2. Are wells adequately fenced? Yes  No
3. Are tank batteries diked? Yes  No
4. Are any tanks made of non-conductive materials (e.g. plastic, fiberglass)? Yes  No
5. Do all tanks have lightening protection meeting API/NFPA standards? Yes  No

**Non-operator (complete this section only if it pertains to your operations):**

1. Does the operator’s CGL include applicant as an Additional Insured? Yes  No
2. Are Certificates of Insurance obtained from the operator? Yes  No
3. Any Salt Water Disposal/Injection wells located in Oklahoma? Yes  No

***If yes, please complete the SWD/Inject wells supplemental application.***

1. Summary of Non-Operated wells:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Working Interest** | **Estimated wells to be drilled** | | | **All other wells (except those that are permanently P&A)** | | |
|  | **Land** | **Wet** | **Offshore** | **Land** | **Wet** | **Offshore** |
| **0 – 10%** |  |  |  |  |  |  |
| **11 – 25%** |  |  |  |  |  |  |
| **26 – 50%** |  |  |  |  |  |  |
| **51% - plus** |  |  |  |  |  |  |

**UMBRELLA SUPPLEMENT:**

1. Limit of liability required:       / Alternate limit:
2. Expiring Carrier:
3. Expiring Premium:
4. Does the applicant have any owned watercraft? Yes  No

*If yes, attach a schedule including type of watercraft and length.*

1. Does the applicant have any owned aircraft? Yes  No

*If yes, attach a schedule including type of aircraft and number of seats.*

1. If the expiring policy contains a retroactive date, what is the date and coverage?
2. Loss Record (last five years, insured and uninsured):

*Please attach descriptions of all losses*

1. Anticipated underlying information:

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| --- | --- | --- | --- | --- |
| **COVERAGE** | **CARRIER** | **POLICY PERIOD** | **LIMITS** | **ANNUAL PREMIUM** |
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1. Has the applicant had any losses in excess of $10,000 for any of the underlying to be scheduled?

Yes  No

*If yes, please attach description of all losses in excess of $10,000.*

1. If the applicant has Maritime Employers Liability scheduled above, what is the estimated overwater payroll?
2. Vehicles:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | | | Radius | | |
| **Type** | **Owned/Leased** | **Hired/Non- owned** | **0 - 50 miles** | **50 - 200 miles** | **over**  **200 miles** |
| Private Passenger |  |  |  |  |  |
| Light Truck |  |  |  |  |  |
| Medium Truck |  |  |  |  |  |
| Heavy Truck |  |  |  |  |  |
| Ex. Heavy Truck |  |  |  |  |  |
| Semi-Truck |  |  |  |  |  |
| Trailers |  |  |  |  |  |

1. Please attach your audited financial statement.

**HIRED AND NON-OWNED AUTO SUPPLEMENT**

1. Does the applicant own or lease any commercial autos for use in the specific

business covered by this policy? Yes  No

1. Does the applicant have any commercial auto coverage elsewhere? Yes  No

*If yes, what limit of liability is carried?*

1. Are there any company vehicles not insured under your Auto policy? Yes  No
2. Do any employees use their personal vehicles for business purposes? Yes  No
3. How many employees are there:
4. Does the applicant require any employee who drives his/her own car on company

business to provide evidence of personal auto insurance coverage? Yes  No

*If yes, what limit of liability is required?*

1. Does the applicant maintain a Certificate of Insurance file on each employee? Yes  No
2. Does the applicant use non-owned autos other that those owned by your

employees? Yes  No

*If yes, please describe exposure:*

1. Does the applicant provide valet parking of any kind? Yes  No
2. Does the applicant regularly hire, rent or borrow, or are you expecting to hire, rent

or borrow in the next 12 months, vehicles for use in the business? Yes  No

*If yes, please explain:*

**EMPLOYEE BENEFIT PLANS ADMINISTRATION LIABILITY**

1. Total number of employees, including any part-time or seasonal employees, that receive or are eligible to receive, any one of the covered employee benefit plans administered by you:
2. List any employee benefit plans you administer and wish us to consider:

1. Are any of your employee benefit plans shared or pooled with other employers’ benefit plans?

Yes  No

1. Do you administer employee benefits provided by or for a union or similar employee organization?

Yes  No

1. Do you maintain a unit that is responsible for the administration of all employee benefit plans?

Yes  No

1. For elective or optional employee benefit plans that employees can enroll in, waive, or select options for, do you utilize the following?
   1. Written verification or confirmation forms that summarize the employee’s latest elections and current elective benefits status?

Yes  No

* 1. Written election forms requiring the employee’s signature and date?

Yes  No

If neither are utilized, please describe how employee elections are recorded, confirmed, and verified:

1. Do you ask your employees to review and verify their elections at least annually?

Yes  No

1. Do you permanently retain copies of all plan documents and your employee’s benefit plan records?

Yes  No

1. Has any claim ever been made against you alleging any negligent act, error or omission resulting from the administration of your employee benefit plans?

Yes  No

*If yes, please provide complete details for each such negligent act, error, or omission on a separate sheet.*

1. Do you have any knowledge of any negligent act, error, or omission resulting from the administration of your employee benefit plans which might lead to a later claim?

Yes  No

*If yes, please provide complete details for each such negligent act, error, or omission on a separate sheet.*

**GAS PLANT / CO-GENERATION**

(Complete a separate form for each plant)

1. Plant information:
   1. Name and location of plant:
   2. What type of process is performed at this plant?
   3. What is the 100% value of the plant?
   4. What is the plant’s maximum output per day?
   5. Please detail surrounding third party exposure:
2. Operator *(complete this section only if the applicant is the operator of the plant)*
   1. How are servicing operations contracted by the applicant?
      1. Master Service Agreements are used. Usually  Seldom  Never
      2. Well Service Contracts are used. Usually  Seldom  Never
      3. Job Order / Purchase Orders are used. Usually  Seldom  Never
   2. Does the applicant’s servicing contract contain the following?
      1. Contractors are required to carry CGL, including Contractual Liability,

with limits of at least $1,000,000. Yes  No

* + 1. Mutual Indemnity (hold harmless) agreements. Yes  No
    2. Contractors are required to include the applicant as an Additional

Insured. Yes  No

* + 1. Contractors are required to provide Waivers of Subrogation. Yes  No

1. Non-Operator *(complete this section only if the applicant has a non-operating working interest in the plant)*
   1. What is the applicant’s percentage working interest in the plant?
   2. Does the operator’s CGL include applicant as an Additional Insured? Yes  No
   3. Are Certificates of Insurance obtained from the operator? Yes  No

**PIPELINES**

(Complete a separate form for each pipeline)

1. Pipeline information
2. Name of pipeline system:
3. Location of pipeline:
4. Length of pipeline:
5. Diameter of pipe:
6. Age of pipe:
7. Percentage of pipeline: above ground:       below ground:
8. Maximum operating pressure of pipeline:
9. What is transported in the pipeline?       Gas  Oil
10. Does the pipeline transport only your product? Yes  No
11. Does the pipeline service any other user? Yes  No

*If yes, please list end user:*

1. Does the pipeline cross any:

i. roads? Yes  No

ii. waterways? Yes  No

1. Does the pipeline run through any populated areas? Yes  No
2. How often is the pipeline inspected?
3. Operator *(complete this section only if the applicant operates the pipeline)*
4. How are servicing operations contracted by the applicant?
5. Master Service Agreements are used: Usually  Seldom  Never
6. Well Service Contracts are used: Usually  Seldom  Never
7. Job Order / Purchase Orders are used: Usually  Seldom  Never
8. Does the applicant’s servicing contract contain the following?
9. Contractors are required to carry CGL, including Contractual Liability,

with limits of at least $1,000,000: Yes  No

1. Mutual Indemnity (hold harmless) agreements: Yes  No
2. Contractors are required to include the applicant as an

Additional Insured: Yes  No

1. Contractors are required to provide Waivers of Subrogation: Yes  No
2. Non-Operator *(complete this section only if the applicant has a non-operating interest in the pipeline)*
3. What is the applicant’s percentage working interest in the pipeline?
4. Does the operator’s CGL include applicant as an Additional Insured?

Yes  No

1. Are Certificates of Insurance obtained from the operator?

Yes  No