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Lease Operator  
 Wet Operations  
 Application Supplement

Note: Information provided in this Lease Operator - Wet Operations Application Supplement should pertain to "Wet Operations" only. **Wet Operations are any in, over or upon any watercourse, body of water, bog, marsh, swamp or wetland.** All other Lease Operator information should be provided on the Lease Operator Application Supplement.

**A. APPLICANT**

1. Insured Name \_\_\_\_\_

**B. OPERATOR**

1. **WELLS** (producing, injection, shut-in, suspended & workover) for which you are Operator or Operator by Contract:

<u>State/Location</u>	<u># Oil Wells</u>	<u># Gas Wells</u>	<u>State/Location</u>	<u># Oil Wells</u>	<u># Gas Wells</u>
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

*\*In place of completing above, applicant may provide a well schedule containing the information requested.*

2. **WELLS TO-BE-DRILLED** in next 12 months for which you are Operator or Operator by Contract:

<u>State/Location</u>	<u># Oil Wells</u>	<u># Gas Wells</u>	<u>State/Location</u>	<u># Oil Wells</u>	<u># Gas Wells</u>
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

3. Other than supervision of subcontractors do your employees perform any operations at "wet" facilities?  Yes  No

If yes, describe such operations below. Include annual payroll and number of employees for each operation .  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

4. How many wells were drilled for you by subcontractors in the last 12 months? \_\_\_\_\_

5. Do you have plans for any directional wells in the next 12 months?  Yes  No If yes attach details

6. Indicate length of **PIPELINE** for which you are responsible as Operator or Operator by Contract:  
 \_\_\_\_\_

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- a. trunk lines (connecting offshore and onshore facilities): \_\_\_\_\_ (indicate miles or km)
- b. tie-in/gathering lines (all other): \_\_\_\_\_ (indicate miles or km)
7. Indicate diameter of largest pipeline you operate: \_\_\_\_\_  inches  cm
8. Indicate maximum operating and design pressure of pipeline you operate:
- a. maximum operating pressure: \_\_\_\_\_  psi  kPa
- b. design pressure: \_\_\_\_\_  psi  kPa
9. Do you operate any pipelines above 2/3 of design pressure?  Yes  No If "yes" attach details
10. Do any operated pipelines transport crude, condensate or other liquids?  Yes  No  
If yes, indicate product(s) transported, length of pipeline involved, location and volume:  
\_\_\_\_\_  
\_\_\_\_\_
11. Describe pipeline Emergency Shutdown equipment and operation (and/or attach additional information)  
\_\_\_\_\_  
\_\_\_\_\_
12. Do you operate any **SALTWATER DISPOSAL WELLS**?  Yes  No  
If yes attach details with number penetrating known producing zones.
13. Indicate which of the following you require of your **SUBCONTRACTORS** for wet operations:  
 Certificate of Insurance  
 Additional Insured status for yourself on subcontractor's insurance  
 Waiver of subrogation provisions on subcontractor's insurance  
 Subcontractor insurance endorsed to be primary
14. Do you require subcontractors for wet operations to have a Master Service Agreement (MSA) completed and on-file in your office before they begin work for you?  Yes  No
- a. If "Yes" what form of MSA do you use?  API  IADC  Other (attach)
- b. If "Yes", describe your company MSA guidelines: do you require MSA's from all subs?  
 only from subs who perform specific operations? based on expenditure threshold?  
 based on other factors? \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_
15. Indicate the insurance coverages and limits you require for subcontractors for wet operations?
- |  |                        |
|--|------------------------|
| <u>Coverages</u>                           | <u>Limits Required</u> |
| <input type="checkbox"/> General Liability | _____                  |

- Blanket Contractual
- Products/Completed Operations
- Underground Resources
- Pollution \_\_\_\_\_
- Auto Liability \_\_\_\_\_
- Workers Compensation \_\_\_\_\_
- Umbrella Liability \_\_\_\_\_

16. Indicate how you contract for wet operations drilling work by the percentage applicable to each method:

- Not applicable no drilling planned
  - No contract used
- \_\_\_\_\_% Turnkey                       API  IADC                       Other (attach sample)  
 \_\_\_\_\_% Day Work                       API  IADC                       Other (attach sample)  
 \_\_\_\_\_% Footage                       API  IADC                       Other (attach sample)

17. What amount do you expect to spend annually for the following subcontractors for wet operations?

- a. Lease Operations \_\_\_\_\_
- b. Workover \_\_\_\_\_
- c. Drilling \_\_\_\_\_

18. a. Indicate the Operator's Extra Expense or Cost of Control or Blowout coverage you carry for wet operations:

- none
- all wells - producing, injection, shut-in, suspended, workover and wells-being-drilled
- producing, injection, shut-in, suspended and workover only
- wells-being-drilled only
- other (describe) \_\_\_\_\_

b. What limits do you carry for this insurance? \_\_\_\_\_

c. Does this coverage include pollution liability?  Yes  No  n/a

**C. NON-OPERATING WORKING INTEREST**

1. **WELLS** (producing, injection, shut-in, suspended & workover) in which you have a non-operating working interest:

<u>State/Location</u>	<u># Oil Wells</u>	<u># Gas Wells</u>	<u>State/Location</u>	<u># Oil Wells</u>	<u># Gas Wells</u>
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

2. Indicate the number of your non-operating working interest "wet" wells by your ownership percentage:

0% - 15%                      \_\_\_\_\_                      16% - 25%                      \_\_\_\_\_  
 26% - 50%                      \_\_\_\_\_                      over 50%                      \_\_\_\_\_

\* In place of completing 1. & 2. above, applicant may provide a well schedule containing the information requested.

3. **WELLS TO-BE-DRILLED** in next 12 months in which you have a non-operating working interest:

<u>State/Location</u>	<u># Oil Wells</u>	<u># Gas Wells</u>	<u>State/Location</u>	<u># Oil Wells</u>	<u># Gas Wells</u>
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

4. Indicate length of **PIPELINE** in which you have a non-operating working interest:

a. trunk lines (connecting offshore and onshore facilities): \_\_\_\_\_ (include miles or km)

b. tie-in/gathering lines (all other): \_\_\_\_\_ (include miles or km)

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**DECLARATION and SIGNATURE**

I have read the above Application. I declare that to the best of my knowledge and belief the statements and information in this Application and any attachments thereto are true, accurate and complete. This information is given to the insurer for the specific purpose of obtaining insurance coverage. It is agreed that if any information given in this Application or in any attachments thereto is materially false, inaccurate or incomplete, the insurer may deny coverage or cancel the policy.

\_\_\_\_\_  
Signature for First Named Insured  
not be signed by Producer)

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date (May

\_\_\_\_\_  
Submitted by:  
Producer

FOR NEW YORK AND OHIO APPLICANTS:

ANY PERSON WHO, KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON, FILES AN APPLICATION FOR INSURANCE, CONTAINING ANY MATERIALLY FALSE INFORMATION, OR CONCEALS FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO, COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME.