

**U. S. RISK UNDERWRITERS, INC. - ENERGY DIVISION**  
**10210 N. Central Expressway      Suite 500      Dallas, TX 75231**  
**(800) 232-5830      FAX: (214) 265-4958**

**OIL LEASE OPERATOR / NON-OPERATOR QUESTIONNAIRE**

**(To Be Accompanied By ACORD Forms As Applicable)**

**SCHEDULES REQUIRED FOR QUOTATION:**

The following schedules must be provided in order to receive a quotation for coverage within our program:

**A. Named Insured's:**

1. A complete schedule of all proposed Named Insured's including a complete description of all operations for each.

**B. Well Information**

1. A complete schedule (hard copy and/or 3 1/2" diskette) of all existing wells as operator and as non-operator, including state, county, total depth, lease block (if applicable), working interest and status (producing, shut-in, etc.).
2. A complete schedule of estimated drilling activity for the next 12 months, including state, county, total depth and working interest.      See attached
3. In addition, please provide separate schedules of: town sites, H2S, saltwater disposals, injection, "wet" location wells, and "horizontal" wells, if any.

**C. Facilities: (Owned and/or Operated)**

1. Schedule of all gas processing, distillation and/or sweetening plants.
2. Schedule of all transmission or distribution pipelines and associated compressor stations.
3. Schedule of all offshore facilities, if any.

**SECTION I. GENERAL INFORMATION:**

**A. Principle Named Insured:**

**B. Address:**

1. Mailing:
2. Office:

**C. Insured's Representatives:**

1. Safety/Inspection:  
Title:  
Phone:  
Fax:

D. Are Audited Financial Statements available, if requested?  Yes  No  
 If not, please explain:

E. Number of Employees: Est. annual payroll: \$  
 Est. 12-Mo. Gross Revenues: Domestic: \$ Foreign: \$  
 Last 12-Mo. Gross Revenues: Domestic: \$ Foreign: \$

**Note:** For operations other than operator/non-operator, please provide a schedule of revenues for each such entity.

F. Does the Insured purchase Workers' Compensation insurance in compliance with the State Workers' Compensation Act?  Yes  No

G. Does the Insured lease any employees?  Yes  No  
 If yes, please explain:

H. Does the existing CGL policy contain retro-date?  Yes  No  
 If so, for which coverages and what is it?

I. Has any carrier cancelled or declined to renew within the past five years?  Yes  No

J. How long has this account been in the agency?

**K. Is the applicant:**

1. An **OPERATOR OF RECORD** owning working interest in the wells, who manages lease operations for his co-owners of the working interest?  Yes  No
2. An **OPERATOR OF RECORD** owning working interest in wells, who utilizes a contract operator to manage lease operations?  Yes  No
3. An **OPERATOR OF RECORD NOT** owning working interest in wells who utilizes a contract operator to manage lease operations?  Yes  No
4. A **PROMOTER** selling drilling prospects to operators for a carried interest in the wells?  Yes  No
5. A lease **OPERATOR BY CONTRACT** who does not have a working interest in the wells?  Yes  No
6. An **INVESTOR** owning a non-operating working interest?  Yes  No
7. An **OPERATOR** which has any service contractor subsidiary?  Yes  No
8. A **SERVICE CONTRACTOR**?  Yes  No

L. Is non-owned Auto coverage desired?  Yes  No

If so, how many non-clerical employees whose duties involve operations outside the office does the Insured have?

What is the estimated cost of hire? \_\_\_ \_\_\_\_\_

**SECTION II. AS OPERATOR:**

How many years' experience:                      Years

A. How are drilling/work over operations contracted?

- |                                     |                               |                              |
|-------------------------------------|-------------------------------|------------------------------|
| 1. Daywork <input type="checkbox"/> | IADC <input type="checkbox"/> | API <input type="checkbox"/> |
| 2. Footage <input type="checkbox"/> | IADC <input type="checkbox"/> | API <input type="checkbox"/> |
| 3. Turnkey <input type="checkbox"/> | IADC <input type="checkbox"/> | API <input type="checkbox"/> |
| 4. Other <input type="checkbox"/>   | (Attach Copy)                 |                              |

B. How are servicing operations contracted?

- |   |                              |                             |
|---|------------------------------|-----------------------------|
| 1. Master Service Agreement?  | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| If yes, what type of agreement is used?   |                              |                             |
| <input type="checkbox"/> IADC <input type="checkbox"/> AOSC <input type="checkbox"/> API <input type="checkbox"/> Other (submit copy) |                              |                             |
| 2. Well Service Contract?   | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| If yes, attach copy.  |                              |                             |
| 3. Individual job order/purchase order?   | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

C. Insurance required of contractors and subcontractors:

- |  |                              |                             |
|--|------------------------------|-----------------------------|
| 1. What limits of insurance are required of contractors and subcontractors?                          |                              |                             |
| (a) General Liability  | \$                           |                             |
| (b) Auto Liability   | \$                           |                             |
| (c) Employer's Liability   | \$                           |                             |
| (d) Other  | \$                           |                             |
| 2. Do you require contractors and subcontractors to purchase the following:                          |                              |                             |
| (a) Comprehensive General Liability?   | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| (b) Contractual Liability?   | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| (c) Completed Operations?  | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| (d) Coverage for Explosion "X"?  | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| (e) Coverage for Blowout & Cratering "E"?  | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| (f) Coverage for Underground Resources "D"?  | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| (g) Coverage for Saline Contamination "W"?   | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 3. Are Certificates of Insurance required?   | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| If yes, are they kept on file?   |                              |                             |
| Where?   | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 4. Does Insured require Waiver of Subrogation from drillers and work over contractors?               | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 5. Does Insured require that he be an Additional Insured on contractor's & subcontractor's policies? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 6. Does Insured maintain an approved Contractor's list?  | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 7. Are all well sites fenced, including pump jacks, tank batteries, separators, etc.?                | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

8. Is any livestock in lease area? Yes No
9. Does Insured do site preparation? Yes No
10. Are there any secondary recovery operations? Yes No
11. What is the amount the Insured expects to spend as operator on independent contractors for:
- (a) Lease work: \$
- (b) Work over: \$
- (c) Drilling: \$

D. Well Information:

1. Indicate the number of **producing, saline and shut-in wells** as a Lease Operator

State	Oil	Gas	Saline	Shut-In	Avg. Depth
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2. Indicate the number of **plugged & abandoned wells** as a Lease Operator

State	Oil	Gas	Saline	Shut-In	Avg. Depth
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3. Indicate the number of **wells to be drilled** as a Lease Operator

State	Estimated Depth	Vertical	Horizontal
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4. Any **wells within the city or town limits**?  Yes  No  
 If yes, advise the names of the wells, location, if wells are fenced, name any surrounding exposure, and if the wells are diked:

Name	Location	Fenced? Y/N	Surrounding Exposure	Diked? Y/N
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5. Any **wells located within oceans, gulfs or bays**? Yes  How many? No
6. Any **wells within inland waterways, lakes or marsh areas**? Yes  How many? No
7. Any **hydrogen wells**? Yes  How many? No
8. Any **wells in or near railroad right-of-ways**? Yes  How many? No
9. Do you operate or have working interest in any **gas processing, gasoline recovery plants, or gas sweetening plants**?  Yes  No  
 If yes, provide details:

**SECTION III. AS NON-OPERATOR:**

How many years' experience?          Years

- A. Are certificates of insurance available from the operator of the well?  Yes  No
- B. Does the operator's policy have:  
 (1) 'Additional Insured-Working Interest Endt'  Yes  No  
 (2) Is insured named as an 'Additional Insured'  Yes  No
- C. Well Information:

1. Indicate the **number of non-operated wells with 0 – 25% working interest**:
- |       |     |     |        |         |            |
|-------|-----|-----|--------|---------|------------|
| State | Oil | Gas | Saline | Shut-In | Avg. Depth |
|-------|-----|-----|--------|---------|------------|

2. Indicate the **number of non-operated wells with 26 - 50% working interest**:

State            Oil            Gas            Saline            Shut-In            Avg. Depth

3. Indicate the **number of non-operated wells with more than 50% working interest**:

State            Oil            Gas            Saline            Shut-In            Avg. Depth

4. Indicate the **number of wells to be drilled** as a Non-Operator

State            Estimated Depth            Vertical            Horizontal

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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 is materially false, inaccurate or incomplete, the insurer may deny coverage or cancel the policy.

Signature of First Named Insured

Title

Date

Signature of Producer

Date