

INSURANCE APPLICATION

for

Oil & Gas Contractors

OFFERED BY

AMIS

AMIS/Alliance Marketing & Insurance Services

AMIS /Alliance Marketing & Insurance Services
PO Box 567 San Marcos CA 92079-0567
E-Mail Address: bwest@amiscorp.com
<http://www.amisinsurance.com>
Telephone Number: (760)471-7116 or (800)843-8550
FAX: (760)471-9378 - Toll Free Fax: 800-573-8550
Surplus Lines Broker License # 0E22579
CA Insurance License # 0732784

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GENERAL LIABILITY PROGRAM OIL & GAS CONTRACTORS

APPLICATION

This is an application for New Occurrence Basis and not a Claims-Made policy.
Please complete the following information on your operation:

First Name MI Last Name

D.B.A.

Mailing Address

Street Address

City State Zip Code

City State Zip Code

Business Telephone

Residence Telephone

Fax No.

Do you operate from your residence? Yes No E-mail Address

Additional Locations(s) - Include the addresses of all offices other than above:

Business Type (select one): Corporation Partnership Individual Other
Month Day Year

Date business was established: Years of Experience

Name of qualified Principal and/or Partner:

Brief details of
experience:

State License No.: Name of State **(Please attach a copy of your license)**

Tax ID or Social Security # What other States do you operate in?

Do your employees participate in any professional organizations such as:

Is applicant involved in any other operations? Yes No

If yes, please describe:

Describe the duties of owner:

Provide the names of Applicant's
five largest clients & a description
of your duties for them

Subcontractor Used? Yes No What type of License?

If yes, are they licensed by the State they operate in? Yes No What State?

Number of subcontractors used? The amount paid to subcontractors?

What Kind of work is subcontracted?

Do you use a written contract with all your subcontractors? Yes No

Do you obtain Certificates of Insurance from all your subcontractors? Yes No

Are you always added as an additional insured by your subcontractors? Yes No %

Does each subcontractor hold the applicant Yes No

harmless? Does each subcontractor give the applicant an indemnification Yes No

agreement? Does the applicant have a tracking system for certificates of insurance? Yes No

What is the minimum limit the applicant accepts on certificates of insurance?

Signed contract with all customers? Yes No Percent % of customers under standard contract:

PLEASE ATTACH COPY OF YOUR STANDARD CUSTOMER CONTRACT OR PURCHASE ORDER

Gross Receipts Projected - First Prior Year \$

Gross Receipts Projected - Second Prior Year \$

Total Receipts Projected - First Prior Year \$

Total Receipts Projected - Second Prior Year \$

DRILLER/WORKOVER CONTRACTORS

#1 Number of rigs Owned

#2 Average Number of Drilling/Workover

#3 Maximum Depth of Drilling/Workover

#4 Average Depth Driller

#5 States in Which the Insured Operates

#6 Any Operations over water? Yes No

#7 If yes, list the type of work over water

#8 Overwater Operation Payroll \$ Receipts \$

Has the applicant or any of its business predecessors, subsidiaries, affiliates, past or present partners, owners, officers, staff or employees been investigated and/or cited by any regulatory agency for violations arising out of your activities? Yes
No

If yes, attach a statement giving details. Such statement must be part of this application.

Who was your prior insurance carrier for the past three years. Include any coverage that would have been directly related or would have responded in part to the exposure:

Name of Insurance Carrier	Policy Number	Coverage	Period (e.g. 02-14-01/02)
Name of Insurance Carrier	Policy Number	Coverage	Period (e.g. 02-14-01/02)
Name of Insurance Carrier	Policy Number	Coverage	Period (e.g. 02-14-01/02)

I have not carried insurance for the past three years.

This is a renewal application prior carrier listed above.

How do you want us to design your quote? This is written on NEW OCCURRENCE forms.

Limits of Liability:	\$300,000/300,000	\$500,000/500,000	\$1,000,000/2,000,000
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Deductible:	\$500 Deductible Per Claim	\$1,000 Deductible Per Claim
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CLAIMS/LOSS HISTORY

Date	Description	Paid Amount	Status (Open/Closed)
Date	Description	Paid Amount	Status (Open/Closed)
Date	Description	Paid Amount	Status (Open/Closed)

Has any insurance company cancelled or refused to renew? Yes No If Yes, please describe:

Name of Applicant:

SPECIALTY CONTRACTORS

#1 Cementing	Units		Payroll \$	Receipts \$
# 2 Cleaning/swabbing	Units		Payroll \$	Receipts \$
#3 Erection/dismantling of derricks	Yes	No	Payroll \$	Receipts \$
#4a Number of Cranes				
#4b Type of cranes				
#5 Fracturing/Acidizing	Units		Payroll \$	Receipts \$
#6 Hot Oil/Vacuum	Units		Payroll \$	Receipts \$
#7 Installation/Removal Casing	Units		Payroll \$	Receipts \$
#8a Lease Work			Payroll \$	Receipts \$
#8b Description of work				
#9 Logging			Payroll \$	Receipts \$
#10 Operations over water	Yes	No	Payroll \$	Receipts \$
#11 Perforating	Yes	No	Payroll \$	Receipts \$
#12a Refinery or Petrochemical Work?	Yes	No	Payroll \$	Receipts \$
#12b Description of work				
#13a Equipment rented to others	Yes	No	Payroll \$	Receipts \$
#13b Type of Equipment rented				
#14a Specialty Tool Operation	Yes	No	Payroll \$	Receipts \$
#14b Description of Operation				
#15a Trucking	Yes	No	Payroll \$	Receipts \$
#16a Welding or Cutting	Yes	No	Payroll \$	Receipts \$
#16b Welding or Cutting	Shop %		Field %	
#16c Other Welding or Cutting				
#17a Does Insured Hire Subcontractors?	Yes	No	Sub Costs \$	

Specialty Contractors Comments

NOTICE TO APPLICANT ---PLEASE READ CAREFULLY

For the purpose of this application, the undersigned authorized agent of the persons(s) and entity(ies) proposed for this insurance declares that to the best of his/her knowledge and belief, after reasonable inquiry, the statements in this application, and any attachments, are true and complete. The broker/underwriter is authorized to make any inquiry in connection with this application. Accepting this application does not bind the underwriter to complete, or the applicant to purchase the insurance.

The information contained in and submitted with this application is on file with the broker/underwriter and along with the application is considered physically attached to the policy and will become a part of it. If issued, the broker/underwriter will have relied upon this application and attachments in issuing any policy.

If the information in this application or any attachment materially changes between the date of this application and the policy effective date, the applicant will notify the broker/underwriter, who may modify or withdraw any outstanding quotation or agreement to bind insurance.

WARNING: Any person who knowingly, and with intent to defraud any insurance company or other person, files an application for insurance containing any false information, or conceals for purpose of misleading information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime.

This application and any required supplement data must be completed in full in a legible manner. All questions and sections must be completed and the application dated and signed.

IMPORTANT NOTICE

As part of our underwriting procedure, a routine inquiry may be made to obtain information concerning character, general reputation, person characteristics and mode of living. Upon written request, additional information as to the nature and scope of the report, if one is made, will be provided.

NOTICE TO NEW YORK APPLICANTS: Any person who knowingly and intent to defraud any insurance company or other person, files an application for insurance containing any false information, or conceals for the purpose of misleading information concerning any fact material, thereto, commits a fraudulent insurance act which is a crime (Note: This notice is required by New York Insurance Regulations, but may also be a crime in other states.)

NOTICE TO OKLAHOMA APPLICANTS: Any person who knowingly and with intent to injure, defraud or deceive any insurer, makes any claim for proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

NOTICE TO OREGON AND TEXAS APPLICANTS: Any person who makes an intentional misstatement that is material to the risk may be found guilty of insurance fraud by a court of law.

NOTICE TO TENNESSEE APPLICANTS: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.

NOTICE TO FLORIDA APPLICANTS: Any person who knowingly and with intent to injure, defraud, or deceive any insurer, files a statement of claim or an application containing any false, incomplete or misleading information is guilty of a felony of the third degree.

This is an application for insurance. It is not an insurance policy. Any coverage description shown may be an abbreviated title and does not indicate in force coverage. Only the policy itself provides coverage. This application is not a part of and is not incorporated into the insurance policy. If there is any conflict between the coverage descriptions shown in this application and the actual insurance policy, the insurance policy prevails. The insurance policy supercedes this application and proposal.

I/we hereby declare that the statement and particulars in this application are true, and that I/we have not misstated or suppressed any material facts. I agree that this application together with any other information supplied by me on behalf of the applicant, shall form the basis of any contract of insurance effected thereon. The applicant undertakes to inform the insurer of any material alteration to these facts, whether occurring before or after issuance of the contract of insurance.

Month/Day/Year

X

Signature of authorized representative

Name

Title

Phone Number

Name and phone number of individual to contact for inspection/audit:

PRODUCED BY (Insurance Agent or Broker)

Company

Street Address

Signature

Producer License No.

City

State Zip Code

NOTICE

1. THE INSURANCE POLICY THAT YOU ARE APPLYING TO PURCHASE IS BEING ISSUED BY AN INSURER THAT IS NOT LICENSED BY THE STATE OF CALIFORNIA. THESE COMPANIES ARE CALLED "NON-ADMITTED" OR "SURPLUS LINES" INSURERS.
2. THE INSURER IS NOT SUBJECT TO THE FINANCIAL SOLVENCY REGULATION AND ENFORCEMENT WHICH APPLIES TO CALIFORNIA LICENSED INSURERS.
3. THE INSURER DOES NOT PARTICIPATE IN ANY OF THE INSURANCE GUARANTEE FUNDS CREATED BY CALIFORNIA LAW. THEREFORE, THESE FUNDS WILL NOT PAY YOUR CLAIMS OR PROTECT YOUR ASSETS IF THE INSURER BECOMES INSOLVENT AND IS UNABLE TO MAKE PAYMENTS AS PROMISED.
4. CALIFORNIA MAINTAINS A LIST OF ELIGIBLE SURPLUS LINE INSURERS APPROVED BY THE INSURANCE COMMISSIONER. ASK YOUR AGENT OR BROKER IF THE INSURER IS ON THAT LIST.
5. FOR ADDITIONAL INFORMATION ABOUT THE INSURER YOU SHOULD ASK QUESTIONS OF YOUR INSURANCE AGENT, BROKER, OR "SURPLUS LINES" BROKER OR CONTACT THE CALIFORNIA DEPARTMENT OF INSURANCE AT THE FOLLOWING TOLL-FREE TELEPHONE NUMBER: 1-800-927-4357.
6. IF YOU, AS THE APPLICANT, REQUIRED THAT THE INSURANCE POLICY THAT YOU HAVE PURCHASED BE BOUND IMMEDIATELY, EITHER BECAUSE EXISTING COVERAGE WAS GOING TO LAPSE WITHIN TWO BUSINESS DAYS OR BECAUSE YOU WERE REQUIRED TO HAVE COVERAGE WITHIN TWO BUSINESS DAYS, AND YOU DID NOT RECEIVE THIS DISCLOSURE FORM AND A REQUEST FOR YOUR SIGNATURE UNTIL AFTER COVERAGE BECAME EFFECTIVE, YOU HAVE THE RIGHT TO CANCEL THIS POLICY WITHIN FIVE DAYS OF RECEIVING THIS DISCLOSURE. IF YOU CANCEL COVERAGE, THE PREMIUM WILL BE PRORATED AND ANY BROKER FEE CHARGED FOR THIS INSURANCE WILL BE RETURNED TO YOU.

Signature: _____

Name: _____

Policy #: _____

(PLEASE PRINT)

NOTICE OF OFFER OF COVERAGE FOR "ACTS OF TERRORISM"
DISCLOSURE OF PREMIUM AND DISCLOSURE OF FEDERAL PARTICIPATION IN PAYMENT OF LOSSES
ARISING FROM CERTIFIED "ACTS OF TERRORISM."

Applicant/Insured's

Applicant/Insured's Mailing

Quote Number:

The Terrorism Risk Insurance Act of 2002 ("Program") established a program within the United States Department of the Treasury, under which the federal government shares, with the insurance industry, the risk of loss from future "acts of terrorism," as defined in the Act. The Act defines an "act of terrorism" as any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States: (1) to be an act of terrorism; (2) to be a violent act, or an act that is dangerous to human life, property or infrastructure; (3) to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States mission; and (4) to have been committed by an individual or individuals acting on behalf of any foreign person or foreign interest, as part of an effort to coerce the civilian population of the United States or to influence the policy or to affect the conduct of the United States Government by coercion. Additionally, to be certified, an "act of terrorism" must cause aggregate property and casualty insurance losses of at least five million dollars.

The Terrorism Risk Insurance Extension Act of 2005 ("Extension Act"), signed into law by the President on December 22, 2005, extends the "Program" through December 31, 2007 by adding Program Year 4 (January 1 – December 31, 2006) and Program Year 5 (January 1 – December 31, 2007). Please note that the "Extension Act" created a new "Program Trigger" for any certified act of terrorism occurring after March 31, 2006, that prohibits payment of Federal compensation by Treasury unless the aggregate industry insured losses resulting from that act of terrorism exceed \$50 million for Program Year 4 and \$100 million for Program Year 5.

In accordance with these Acts, you have the right to purchase or reject coverage for losses resulting from a certified "act of terrorism." The premium charge to purchase this coverage is set forth below. If you wish to purchase this coverage, please indicate that choice by marking the appropriate box below, sign and date this disclosure notice, and return it to us no later than the effective date of the general liability policy we will be providing you. **Your policy will then be written to include a Terrorism Exclusion; however, this Terrorism Exclusion will not apply to "acts of terrorism" certified by The United States Government.**

If you do not wish to purchase coverage for "Certified Acts of Terrorism," you may reject the coverage by marking the appropriate box below and signing and returning this form to us, again no later than the effective date of the general liability policy we will be providing you. Your policy will then be written to exclude **any losses arising from acts of terrorism, whether certified or non-certified by The United States Government.**

DISCLOSURE OF FEDERAL PARTICIPATION IN PAYMENT OF LOSSES ARISING FROM CERTIFIED "ACTS OF TERRORISM."

The United States Government will pay a share of any losses arising from certified "acts of terrorism." The Government's share equals 90% of the portion of the amount of such losses that exceed a statutorily established deductible paid by us. **Under the Terrorism Risk Insurance Extension Act of 2005, the Government's share in Program Year 5 will equal 85% of the portion of the amount of such losses that exceed a statutorily established deductible paid by us.** The premium set forth below for coverage for losses arising from certified "acts of terrorism" does not include any charges for the portion of loss covered by the Government under the Act.

DISCLOSURE OF ESTIMATED PREMIUM PENDING DISPOSITION OF THE "PROGRAM."

The premium for Certified Acts of Terrorism coverage is calculated based in part on the federal participation in payment of terrorism losses as set forth in the "Program." The federal program established by the Act is scheduled to terminate at the end of 12/31/07. The federal program may terminate or may be renewed, extended or continued. If renewed, extended or continued, the renewal program may or may not have revisions in the level or terms of federal participation. Due to the uncertainty of the disposition of the federal program as of 12/31/07, the premium for this coverage for Certified Acts of Terrorism is estimated. Should you choose to purchase this coverage, once disposition of the federal program is determined, coverage for Certified Acts of Terrorism may or may not continue to be afforded to you beyond 12/31/07, and if it is, we may recalculate the premium. Any such recalculations would be made in compliance with all regulatory considerations; should we notify you of an additional premium charge, the additional premium will be due as specified in such notice.

DISCLOSURE OF PREMIUM AND SELECTION OR REJECTION OF COVERAGE FOR "CERTIFIED ACTS OF TERRORISM."

REQUEST TO PURCHASE "PROGRAM" COVERAGE AT FULL GENERAL LIABILITY POLICY LIMITS. I hereby elect to purchase coverage for losses arising from "Certified Acts of Terrorism." I understand that the premium quote of \$_____ for this coverage is tentative pending final approval by the Insurer. I further understand that the final approved premium due for this coverage will be an estimate pending disposition of the "Program," and the Insurer may reconsider providing the coverage, and/or recalculate the premium depending upon the final disposition of the "Program." I understand that an exclusion of terrorism losses will be part of this policy for terrorism not considered "Certified Acts of Terrorism."

REQUEST TO REJECT "PROGRAM" COVERAGE. I hereby reject coverage for losses arising from certified "acts of terrorism." I understand that an exclusion of terrorism losses will be part of this policy.

Policyholder's

Date