

Downhole Tool Insurance Program Summary

This document provides a summary of the key features, terms, and conditions of the Downhole Tool Insurance Program. Please note that this summary is intended for informational purposes only and does not represent the full scope of policy terms. All coverage is subject to the complete insurance policy and applicable endorsements.

1. APPLYING FOR COVERAGE

- A completed Equipment Coverage Data (ECD) Form and a well profile/schematic must be submitted for each well to be insured.
- Coverage applications are submitted on a per-well basis; however, multiple wells may be included within a single application if they share similar well plans, target formations and bottom hole assemblies (BHA).
- Coverage must apply to the entire well, including both build and lateral sections. Coverage for the vertical section is optional.
- All applications are subject to underwriter approval, which must be obtained prior to tools being deployed below the surface. Coverage is not effective until formal confirmation is issued.

2. COVERAGE LIMITS

- The maximum limit of insurance coverage available under this program is USD \$1,000,000.

3. DEDUCTIBLE

- The deductible is 10% of the insured loss, subject to a minimum deductible of \$10,000.
- Damage to the insured tools incurred as a result of any salvage, fishing or jarring operations, which may be performed to retrieve insured property which has become stuck, lost, or damaged downhole, will be subject to a 50% deductible with a \$50,000 minimum.

4. PREMIUM CHARGES

Specialty Drilling Equipment:

- o Charged on a daily rate for each calendar day tools are downhole
- o Partial days are billed as full days

Fishing Cost Coverage (optional - Oil & Gas operators only):

- o Available limits of \$25,000, \$50,000, \$75,000 or \$100,000
- o Charged per well on the application

5. CLAIMS

- The insured must notify the underwriter via email within 30 days of the date of loss.
- In the event of stuck or lost tools, a reasonable attempt must be made to recover the equipment from the well bore by jarring/fishing or other means available to the operator.
- Upon filing a claim, coverage for that well ceases. Any subsequent operations (e.g., sidetrack or re-entry) will require a new application and approval for coverage.

1. NAMED INSURED

Company Name		Address	
City	State / Province	Zip	Phone
Country	Contact First Name		Contact Last Name
United States			
Contact Email	What Industry Is the Project In?	Is the Named Insured the Operator or the Contractor?	
		☐ Operator ☐ Contractor	

2. DIRECTIONAL DRILLING CONTRACTOR

Complete this section for the directional drilling contractor on this well.

Contractor Name	State / Province	Country
		United States
How Many Losses by the Drilling Contractor Within the Last Two Years?		
List Any Downhole Tool Losses by the Directional Drilling Contractor Within the Last Two Years. Please Provide Details.		

3. OPERATOR

Complete this section for the operator of this well.

Operator Name	State / Province	Country
		United States
Is This Well Insured Under the Operator's Control of Well Policy?		
☐ Yes ☐ No ☐ Unknown		
How Many Wells Drilled in This Field by the Operator?	How Many Losses by the Operator Within the Last Two Years?	
List Any Downhole Tool Losses by the Operator Within the Last Two Years. Please Provide Details.		

4. FIELD LOCATION

Field Name

Nearest Town

County

State / Province

Country

United States

5. WELL INFORMATION

Is the Well a New Well, Re-Entry or Sidetrack?

☐ New ☐ Re-Entry ☐ Sidetrack

If Re-Entry or Sidetrack, Please Explain

Sticking Issues in This Well?

☐ Yes ☐ No ☐ Unknown

Tool Losses in This Well?

☐ Yes ☐ No ☐ Unknown

What is the Unit of Measurement?

☐ Imperial (US) ☐ Metric

Tool Type

6. DRILLING INFORMATION

Est. Days Tools Will Be in Use Below the Rotary?

Will a Top Drive Be Used?

☐ Yes ☐ No

Max Bottom Hole Temperature

Max Bottom Hole Pressure

MWD Wireline Retrievable?

☐ Yes ☐ No ☐ Unknown

What is the Target Formation?

Is This an Exploratory Well?

☐ Yes ☐ No ☐ Unknown

How Many BHA's Will Be Used in This Well?

How Many Laterals Will Be Drilled on the Well?

7. FISHING COVERAGE

Do You Want Coverage for Fishing Costs?

☐ Yes ☐ No

Select Fishing Cost Limit

8. WELL SCHEDULE

In order to list multiple wells on this application, all wells must meet the following criteria: (1) similar well plan (casing, angle, mud); (2) drilling for the same target formation; (3) using the same bottom hole assembly and values.

#	Well Name	Date Tools First Go Downhole	Max Angle	TVD	TMD	KOP	HZ Displ.
1							
2							
3							
4							
5							
6							
7							

9. CASING INFORMATION

Casing Size	Depth (MD)	Casing Section

10. WELL BORE DETAILS

Hole Sec. Type	Pipe Size	Open Hole Size	BHA #	Starting Depth	Finish Depth	Max Angle	Mud Type	Mud Weight



Enter equipment that corresponds with each Bottom Hole Assembly, listed separately for each BHA.

12. CERTIFICATION & SIGNATURE

Signature
