Oil Industry Limitation Endorsement

This endorsement modifies insurance under the following:

- Commercial Umbrella Policy
- Commercial Follow Form Policy

This insurance is modified by the following provisions:

A. This insurance does not apply to:

1. Loss of hole, well, reservoir, formation, or strata, and any in-hole equipment, including fishing costs;

2. Loss or damage to, or loss of use of property directly or indirectly resulting from subsidence caused by subsurface operations of the insured;

3. Any cost or expense incurred by or at the request of the insured or any co-owner of the working interest in connection with controlling or bringing under control any oil, gas or water well which becomes out of control. A well shall be deemed “out of control” only so long as there is a continuous flow of drilling fluid, oil, gas or water above the surface of the ground which is uncontrollable;

4. Loss or damage to drilling rigs, drilling or producing platforms, workover rigs, service rigs, and equipment of specialty contractors in the insured's care, custody or control;

5. Damages claimed by any co-owner of the working interest;

6. Removal of or loss to subsurface oil, gas or any other substance, or to the property of others;

7. Liability arising out of work or operations performed on any oil or gas lease in oceans, gulfs, bays, or marshes;

8. Any professional services performed by or on behalf of the insured, including but not limited to the preparation or approval of maps, plans, opinions, report surveys, designs or specifications, and any supervisory, inspection, or engineering services;

9. Removal of debris or wreck;

10. Pollution Liability

   a) to any liability including defense costs and expenses, arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of pollutants;

All Other Terms and Conditions Remain Unchanged.
b) to any loss, cost or expense arising out of any governmental direction or request that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize pollutants.

Pollutants mean any solid, liquid, gaseous or thermal irritant or contaminant including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

B. Except insofar as coverage is available to the insured in valid and collectible Underlying Insurance as listed in the Schedule of Underlying Insurance, for the full limit shown, and then only for such liability for which coverage is afforded under the Underlying Insurance. However, this insurance shall not apply to:

1. Injury to or destruction of Underground Property defined below as "Underground Resources and Equipment Hazard," except as excluded in Item (A) above;

2. Injury to or destruction of property located on or above the surface of the earth arising from the "Blowout or Cratering Hazard" as defined below, of any well;

3. Injury to or destruction of property arising out of the "Explosion Hazard" as defined below;

4. Any liability arising out of work or operations performed on any oil or gas lease within the limits of any town or city or on the right of way of any railroad;

5. Liability assumed by the insured under any contract or agreement. As used in this Endorsement, the following definitions apply:

a. "Underground Resources and Equipment Hazard" includes property damage to any of the following:

(i) oil, gas, water or other mineral substances which have not been reduced to physical possession above the surface of the earth or above the surface of any body of water;

(ii) any well, hole, formation, strata or area in or through which exploration for or production of any substances is carried on;

(iii) any casing, pipe, bit, tool, pump or other drilling or well servicing machinery or equipment located beneath the surface of the earth in any such well or hole or beneath the surface of any body of water.

b. "Blowout or Cratering Hazard" includes property damage to property located on or above the surface of the earth or any body of water and arising out of the blowout or cratering of any well.

c. "Explosion Hazard" includes property damage arising out of blasting or explosion. The explosion hazard does not include property damage:

(i) arising out of the explosion of air or steam vessels, piping under pressure, prime movers, machinery or power transmitting equipment; or

(ii) arising out of operations performed for the insured by others;

(iii) included within the products-completed operations hazard as defined in the underlying General Liability Insurance.