**CONTRACTOR INSURANCE REQUIREMENTS**

This **Exhibit D** is attached to and made a part of that certain MASTER SERVICE AGREEMENT (**“Agreement”**) dated

\_\_\_\_\_\_\_\_\_\_ \_\_\_, 2013, between **CAPITAL** **STAR OIL** **& GAS,** **INC.** (**“Company”**) and

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** (**“Contractor”**).

Without modifying the indemnity obligations and liabilities of Contractor, or its insurers, Contractor shall at all times during the term of this Agreement further comply with the following:

1. Contractor shall carry insurance of the types and in the minimum amounts as set forth below provided that all insurance obtained shall (a) be of an “occurrence” type policy and not a “claims made” type; (b) contain endorsements requiring thirty (30) days notice to Company prior to any cancellation or material modification by any insurer or underwriter of any such policy or policies; (c) name Company Group (as defined in the Agreement) **AS**

**ADDITIONAL INSUREDS TO THE EXTENT OF CONTRACTOR’S LIABILITIES AND INDEMNITIES UNDER THE AGREEMENT**, **WHICH INCLUDES INDEMNITIES WITHOUT REGARD TO CAUSE OR**

**CAUSES THEREOF INCLUDING WITHOUT LIMITATION NEGLIGENCE AS PROVIDED IN ARTICLE 6 OF THE AGREEMENT**, except as to the Workers Compensation Insurance as set forth below; (d) be primary to and without contribution from any insurance policies or self-insurance maintained by Company; (e) **WAIVE ALL RIGHTS OF SUBROGATION AGAINST THE PARTIES NAMED IN (c) ABOVE**; and (f) be without recourse against such parties for payment of premium. Contractor, on behalf of itself and its employees, agents, officers, directors, servants, subcontractors and related entities, expressly acknowledges the hazardous nature of working around and in oil and gas operations, and further assumes all risk inherent in working in such environment.

1. Contractor agrees to protect its employees, agents, officers, directors, servants and subcontractors and subcontractor’s employees by carrying statutory Workers’ Compensation Insurance with other states coverage clause and Alternate Employer Endorsement in compliance with the applicable workers’ compensation or similar laws, as amended from time to time, applicable for the state or states where the work contemplated hereby is to be performed, and Employer’s Liability Insurance with a limit of not less than:

Bodily Injury by accident:

Bodily Injury by disease:

Bodily Injury by disease:

$1,000,000 each accident

$1,000,000 policy limit

$1,000,000 each employee

If any work or services to be performed hereunder is on, over, incidental to, or otherwise pertains to state, federal or international waters, coverage will be endorsed to provide (i) protection for liabilities under the United States Longshoremans’ and Harbor (USL&H) Workers’ Compensation Act and the Jones Act (including Outer Continental Shelf Lands Act) and Maritime Liability (including transportation wages, maintenance and cure), (ii) that a claim *In Rem* shall be treated as a claim *In Personam* against the employer, and (iii) the following Borrowed Servantendorsement:

It is agreed that a claim against Company, its parent, subsidiaries and affiliated companies, and their owners, co-owners, and joint venturers, if any, and their respective Underwriters by an employee of the Contractor based on the doctrine of “Borrowed Servant” shall as respects this insurance be treated as a claim arising under this policy against the Contractor hereunder; and Company additional insureds and their respective Underwriters, shall receive benefit of this insurance with respect to such claim.

1. Contractor further agrees to carry Commercial General Liability Insurance including Products and Completed Operations, Broad Form Property Damage, Blanket Contractual Liability Coverage, **TO INSURE THE INDEMNITY AND LIABILITY PROVISIONS OF THIS AGREEMENT**, underground resources and equipment

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coverage, blowout and cratering coverage, saline substances contamination coverage, and seepage and pollution coverage. Coverages will be purchased with combined single limits of liability of not less than:

|  |  |
| --- | --- |
| General Aggregate: | $2,000,000 |
| Each Occurrence: | $1,000,000 |
| Personal Injury: | $1,000,000 |
| Products/Completed |  |
| Operations: | $1,000,000 |
| Fire Damage: | $50,000 |
| Medical Payments: | $5,000 each person |

If applicable, such insurance shall also include an *In Rem* endorsement, deletion of watercraft (for vessels not covered by Protection and Indemnity Insurance) exclusions, and deletion of any language limiting coverage to liability “as owner.”

1. Contractor agrees to carry Business Automobile Liability Insurance for owned, hired and non–owned vehicles, including trailers and attached or related equipment, with minimum limits of One Million Dollars ($1,000,000) combined single limit for bodily injury and property damage as to each accident or occurrence. Coverage will include contractual liability. Contractor will be responsible for physical damage to any vehicles and related equipment and can insure this exposure but with a waiver of subrogation in favor of Company.
2. Contractor further agrees to carry Excess (Umbrella) Liability Insurance providing coverage of One Million Dollars ($1,000,000) in excess of that provided in policies described above.
3. Contractor further agrees to carry Physical Damage Insurance covering loss of or damage to Contractor’s equipment and machinery including but not limited to drilling rigs, used in the performance of work set forth in this Contract, including loss or damage during loading, unloading, and while in transit. Such coverage shall be on an all-risk basis to the full value of the equipment with any and all deductibles to be assumed by, for the account of, and at Contractor’s sole risk.
4. If Contractor elects to self-insure for any of the above liabilities, it may self-insure only if it shall first qualify as a self-insurer under applicable state and/or federal laws and regulations and obtain Company consent to such as to any one or more of the risks as to which coverage is required herein; evidence of such consent must be in writing and approved by authorized officer of the Company.