



# Ironshore Environmental®

## Oil & Gas Site Pollution Incident Legal Liability Select (SPILLS)



Ironshore SPILLS Oil & Gas is a comprehensive environmental insurance program that assists upstream and midstream oil and gas companies manage their environmental exposures while providing valuable coverage rarely included in their standard insurance programs.

All operations in the upstream and midstream Oil & Gas sector are eligible for coverage, including crude oil and natural gas wells, pipelines, compressor stations, processing facilities and storage facilities. Coverage is structured to not only protect operators of these facilities, but is also available to protect non-operators, including private equity and sovereign wealth investments, for their working interests in these operations and facilities.

The below exposures have been magnified by the rapid increase in the development of wells, pipelines, compressor stations and processing plants combined with the increased scrutiny, including concerns related to hydraulic fracturing, placed on the industry by regulatory agencies, plaintiffs' firms and politicians. Regulatory scrutiny has expanded dramatically over the past few years and federal, state and local governments have enacted new and expanded environmental regulations which have led to a significant increase in government enforcement actions.

### Exposures

<b>Hazardous Spills and Releases</b>	Remediation expenses due to spills or releases of hazardous substances, including produced water, oil, chemicals and radioactive materials, associated bodily injury claims and potential evacuation expenses associated with transporting and lodging affected persons.
<b>Storage Tanks</b>	Remediation expenses and associated bodily injury claims arising out of releases of oil or other hazardous materials from underground or above ground storage tanks.
<b>Contamination of Groundwater and Potable Wells</b>	Remediation expenses and associated bodily injury claims arising from the migration of gas or hazardous materials from leaks or cracks in well casing into potable wells and discharges of pollutants into the groundwater from impoundments, spills and other site uses.
<b>Air Emissions</b>	Third party claims alleging bodily injury and property damage, including diminution in property value, arising from emissions at well pads, processing plants and compressor stations.
<b>Waste Disposal</b>	Under the Resource Conservation and Recovery Act (RCRA), companies are liable for their waste stream, including produced water and drilling mud, in perpetuity. These wastes include hydro- carbons, salts, metals, naturally occurring radioactive material (NORM) and production chemicals which can lead to costly remediation as well as bodily injury claims. The SPILLS policy covers this exposure regardless of whether such wastes are disposed at injection wells, wastewater treatment facilities or land farms.
<b>Defense, including associated Investigation Costs, of Third Party Claims and Governmental Enforcement Actions</b>	Defense and investigation costs associated with environmental exposures can be costly, even when the Insured ultimately prevails on the merits.
<b>Natural Disasters</b>	Many of the facilities in the Oil & Gas sector are vulnerable to natural disasters, including windstorms, hurricanes, earthquakes and flooding, and such events can result in releases requiring costly remediation as well as claims for bodily injury and property damage.
<b>Control of Well Events</b>	Provides coverage for remediation expenses and related bodily injury, property damage and evacuation expenses.



## Relying on other insurance could have an adverse impact on your bottom line:

Typical General Liability Coverage for Exploration and Production provides narrow environmental coverage on a time element basis. A substantial amount of the exposure associated with these companies is not covered under a General Liability program as it either arises from gradual pollution or falls outside the narrow grant of coverage. Control of Well and Owners Extra Expense policies provide limited coverage arising from well control events and often share limits with non-environmental coverages which means there may not be limits available to fund your environmental liabilities. The SPILLS Oil & Gas coverage provides both sudden and gradual coverage, and includes:

- Blanket insured properties (no need to schedule)
- Broad definition of Pollutants including mold, legionella, radioactive materials and hydraulic fracturing fluids
- First and Third Party On-Site and Off-Site Remediation of Pollutants
- Third Party Bodily Injury and Property Damage, including Natural Resource Damages
- Emergency Response Expenses (without a sublimit)
- First and Third Party Blanket Transportation Coverage
- Blanket Waste Disposal Activities Coverage
- Evacuation Expenses and Image Restoration Expenses
- Automatic coverage for newly acquired or installed wells, pipelines or other assets
- Blanket contractual liability give-back for non-operated interests
- Limits available from \$1M up to \$50M
- All geographic areas are eligible for coverage including the Marcellus Shale and operations in Louisiana
- Coverage is available for operations on land as well as wet operations

### Product enhancements and services

- 24/7 Emergency Claims Response Hotline
- Rapid on-site response to claims nationwide
- Pre- and Post-crisis management
- Public relations services
- Governmental compliance and regulatory support
- Contract review services

### Claims - Our policies are our promises

- Ironshore distinguishes itself in the industry with Environmental Claims and the Production Unit working closely to meet our customers' needs
- Nationally recognized panel counsel
- One claims notification department
- One point of contact for information on your claims
- Open dialogue with insureds
- Regional claims presence

### Consultants Network

- National Network of Environmental Consultants available for a multitude of services to support client's risk management activities.
- Risk Management Services available to support clients regarding risk mitigation strategies, compliance with government regulations or prepare for complex government acts.

When considering a long-term insurance partner for your business, please call:  
**1-877-IRON411**

[www.ironshore.com](http://www.ironshore.com)  
[info@ironshore.com](mailto:info@ironshore.com)



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