

DRILLING WELL SIDETRACK
INSURANCE



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What does this insurance cover?

- A mechanical sidetrack suffered during the drilling of a well
- A serious kick
- A fishing operation for failed drillstring

What can you claim for?

Charges incurred from the onset of an occurrence to when drilling recommences in the original hole or upon reaching the same measured depth in the side-tracked hole, including:

- Rig
- Mud
- Logistics
- Up to well Authorisation for Expenditure (AFE) cost
- Min AFE \$25 million

Special product features

- Cover can also be provided for any of the insured's co-owners, partners and/or other parties having financial and insurable interest in the well
- Innocent insured clause
- Indemnity basis of an agreed fixed daily rate may be agreed

How does this help you?

- Provides cover for a range of potentially expensive critical well scenarios that are not covered under well control policies
- Mitigates against well cost escalation occurring if a sidetrack is required to enable the well to be drilled to its bottom hole location. Therefore increases certainty in financial planning
- Assists with budgetary management whilst increasing the resilience of well (and thus project investment) economics to certain fortuities that can cause major well cost overruns

Protecting you against cost overrun

Our team

London



Geoff Tin
Head of Energy
+44 20 7337 3754
geoff.tin@canopus.com



Jonathan Watson
Underwriter
+44 20 7337 3755
jonathan.watson@canopus.com



James Townsley
Underwriter
+44 20 7337 8572
james.townsley@canopus.com



Victoria Phillips
Underwriter – Energy
+65 6593 8570
victoria.phillips@canopus.com

About Canopus

Canopus is a global speciality (re)insurer with underwriting operations in Bermuda, Netherlands, Singapore, Switzerland, the UK and US. We are privately owned and are proud to offer an independent view of risk – our expert people ask the difficult questions so that our clients get exactly the solutions they need.

Underwriting platforms

- Lloyd's: Syndicate 4444, managed by Canopus Managing Agents Limited, the ninth-largest managing agent
- US: surplus lines insurance company, Canopus US Insurance, Inc.

Financial strength ratings

- Syndicate 4444 shares the Lloyd's ratings of A+ (strong), Standard & Poor's; AA- (Very Strong), Fitch; A (Excellent), A.M. Best
- Canopus US Insurance, Inc.: A- (Excellent), A.M. Best