Examples of Application of Workers' Compensation Manual Rates
Using 2010 Rates

EXAMPLE 1:

Property X is located onshore Louisiana and $1,000 in labor charges was incurred for production operations for the month. Operator A is self-insured for workers' compensation and charges the joint account as follows:

Class Code: 1320
Louisiana onshore rate per $100 of payroll: 4.35

Convert the rate to a percentage:

\[
\frac{4.35}{100} = 0.0435 \times $1,000 = $43.50 \text{ Charge to the joint account}
\]

EXAMPLE 2:

Same information as example 1, however, the property is located offshore Louisiana, therefore, the rate is adjusted for the USL&H factor listed for Louisiana.

\[
4.35 \times 2.22 = \frac{9.66}{100} \times $1,000 = $96.57 \text{ Charge to the joint account}
\]

EXAMPLE 3:

Same information as Example 2, however, drilling operations are being conducted on the property:

Class Code: 6235
Louisiana onshore rate per $100 of payroll: 17.26

\[
17.26 \times 2.22 = \frac{38.32}{100} \times $1,000 = $383.17 \text{ Charge to the joint account}
\]