

MAIL TO:
STATE OF NEW MEXICO
GSD - PURCHASING DIVISION
PO BOX 26110
SANTA FE, NEW MEXICO 87502-0110

IMPORTANT
PLEASE INDICATE BID NUMBER
AND OPENING DATE ON THE LEFT
BOTTOM CORNER OF YOUR
BID ENVELOPE

VENDOR



T TIERRA
E ENVIRONMENTAL
C COMPANY
I NO. P.O. DRAWER 15250
FARMINGTON, NM 87401

* INVITATION TO BID *

WELL PLUGGING

CONTRACT

TELEPHONE NO. 505-334-8894
IF YOUR ORDERING OR PAYMENT
ADDRESS IS DIFFERENT FROM
ABOVE, PLEASE SUBMIT AN
ATTACHMENT WITH YOUR ADDRESSES.

BID NUMBER: 90-521-02-03315
COMMODITY CODE(S): 05403

COMPANY:

Tierra Environmental Co., Inc.

N.M. 5% RESIDENT PREFERENCE
CERTIFICATION NUMBER _____

BUYER: KATHY SANCHEZ *KS*
(505) 827-0487

SEALED BID OPENING: FORMAL
STATE PURCHASING AGENT'S OFFICE
DATE: 12/04/98 TIME: 02:00 PM

NOTE: TO BE VALID BID MUST BE SIGNED

SIGNATURE: *T. Nobis*
TYPE/PRINT NAME: Timothy S. Nobis

PAYMENT TERMS. Net 30
DISCOUNTS WILL NOT BE CONSIDERED IN
COMPUTING THE LOW BID. SEE TERMS
AND CONDITIONS.

SHIP TO:
ENERGY MINERALS & NAT RESOURCES
DEPARTMENT
2040 S PACHECO
SANTA FE NM 87503

FOB POINT: JOBSITE
REQUESTED DELIVERY:
WITHIN 2 WEEKS ARO

INVOICE:
SAME AS SHIP TO ADDRESS

VENDOR'S DELIVERY: N/A
DELIVERY MAY BE CONSIDERED IN
THE AWARD.

THIS BID IS SUBJECT TO THE TERMS AND CONDITIONS SHOWN ON THE REVERSE SIDE
OF THIS PAGE AND ADDITIONAL BIDDING INSTRUCTIONS.

PLEASE NOTE: DO NOT RETURN INVITATION TO BID FORM IN CASE OF A "NO BID".
BID MUST BE RECEIVED IN THE STATE PURCHASING DIVISION OFFICE BY THE
BID OPENING DATE AND LOCAL TIME AS INDICATED ABOVE.

HAND DELIVERIES WILL ALSO BE ACCEPTED AT THE JOSEPH MONTOYA BLDG. RM 2016
1100 ST. FRANCIS DR. SANTA FE, NEW MEXICO 87505

THIS MAILING CONTAINS 23 SHEETS, PLUS _____ SAMPLES WHICH COMPRISE
SPECIFICATIONS, INSTRUCTIONS, AND BID FORMS. IF YOUR INVITATION CONTAINS
LESS, PLEASE ADVISE THIS OFFICE IMMEDIATELY.

IF APPLICABLE - BIDDER ACKNOWLEDGES RECEIPT OF THE FOLLOWING AMENDMENT(S)
AMENDMENT NO: 1 DATED: 12-4-98 AMENDMENT NO: _____ DATED: _____
AMENDMENT NO: _____ DATED: 12-4-98 AMENDMENT NO: _____ DATED: _____

BID FORM (Page 1)

NEW MEXICO OIL CONSERVATION DIVISION

Plugging/Remediating/Restoring Well/Well Site

Mail sealed bid to: Purchasing Division
Rm. 2016, Joseph M. Montoya Bldg.
1100 St. Francis Drive
Santa Fe, NM 87503
Phone 505-827-0472

Bid Identification Number: 90-521-02-03315

Bid Opening Date and Time: **December 4, 1998 at 2:00 p.m.**

Show bid opening date and identification number in lower left hand corner of sealed bid envelope.

*Failure to fill out all applicable blanks and manually sign this bid submission will disqualify bid. **BIDDER'S SIGNATURE ON THIS FORM BINDS BIDDER TO ALL TERMS AND CONDITIONS IN THE INVITATION FOR BIDS.***

This bid form must include:
(1) this BID FORM, (2) the SUPPLEMENTAL BID RATE SHEET and (3) the LIST OF SUBCONTRACTORS AND EQUIPMENT.

BIDDER MUST COMPLETE AND SIGN

Tierra Environmental Company, Inc.
Bidder Name

420 County Road 3100
Street Address

Aztec New Mexico
City State

505-334-8894
Telephone

[Signature] 12-1-98
Authorized Signature Date

The bidder identified herein submits this bid in response to the referenced Invitation for Bids and agrees to abide by all the terms and conditions contained therein. Bidder further certifies that it is fully qualified to perform the work in accordance with those terms. The offer represented by this bid shall remain open for a period of ninety (90) days.

TOTAL TURNKEY BID
\$ 99,210.46

Bid Form (Page 1A)

BID PER WELL/WELL SITE (if more than one well/site)	BID	WELL/WELL SITE
	\$24,780.04	Sante Fe Energy #1
	\$10,558.12	Sante Fe Energy #2
	\$17,720.69	State Well #1
	\$11,761.30	State Well #2
	\$10,595.46	State Well #3
	\$15,499.65	State Well 1,2,& 3 Tank Battery
	\$8,295.40	Landfarm Construction
	<u>\$99,210.66</u>	<u>TOTAL</u>

BID FORM (Page 2)

NEW MEXICO OIL CONSERVATION DIVISION SUPPLEMENTAL BID RATE SHEET

(To be filled out by bidder and returned with bid)

SUPPLEMENTAL BID RATES Bid Identification Number: 90-521-02-03315

Bidder: Tierra Environmental Company, Inc.

Supplemental Bid Rates are to be applicable if charges are made in addition to or in lieu of turnkey bid. Switching to hourly rate or other implementation of Supplementary Bid Rates must be approved by the EMNRD-OCD Representative on-site or by the District Supervisor of the appropriate District Office. The turnkey bid will not be accepted unless all Supplemental Bid Data is furnished. The Supplemental Bid Rates listed below will be considered firm bids.

DESCRIPTION OF SERVICE	RATE PER	UNIT
Rig equipped to perform all work set out in Plugging/Remediation/Restoration Procedures.	\$ 165 ⁰⁰	Hour
Cement pumping.	\$	Hour
Cement to include any blending and any transportation costs.	\$ 9 ⁰⁰	Hour Sack
Perforating to include ten holes per run and setup charges.	\$ 950 ⁰⁰	Hour run
Move in-out charges.	\$ 1,276 ⁰⁰	Hour well
Water truck- Capacity ⁸⁰ / ₁₂₀ barrels.	\$ ^{45⁰⁰} / _{55⁰⁰}	Hour
Welder- Minimum hours if applicable.	\$ 85 ⁰⁰	Hour
Backhoe- Minimum hours if applicable.	\$ 55 ⁰⁰	Hour
Dozer- Minimum hours if applicable.	\$ 85 ⁰⁰	Hour
Furnished tubular goods- Description.	\$ N/A	Hour
Track Hoe Minimum hours if applicable.	\$ 90 ⁰⁰	Hour
Trucking Minimum hours if applicable. ^{10 yard} / _{20 yard}	\$ ^{50⁰⁰} / _{60⁰⁰}	Hour
Front End Loader Minimum hours if applicable.	\$ 85 ⁰⁰	Hour
Environmental Technician.	\$ 35 ⁰⁰	Hour
Lab Analysis TPH	\$ 65 ⁰⁰	Per Analysis
Lab Analysis BTEX	\$ 85 ⁰⁰	Per Analysis
Contaminated Soil Disposal. ^{Sludge} / _{Soil}	\$ ^{14⁰⁰ per bbl} / _{12⁰⁰ per yard}	Per Cubic Yard
Soil Landfarming Onsite.	\$ 25 ⁰⁰	Per Cubic yard per year

BID FORM (Page 3)

LIST OF SUBCONTRACTORS AND EQUIPMENT To be filled out by the bidder and returned with bid.

Bid Number: 90-521-02-03315

Bidder: Tierra Environmental Co., Inc.

Subcontractors List

Any person submitting a bid shall in the bid set forth the name and location of the place of business of each subcontractor under subcontract to the contractor who will perform work or labor or render services to the contractor in or about construction of the public works construction project in excess of the listing threshold of five thousand (\$5,000.00) dollars; and the nature of the work which will be done by each subcontractor under the New Mexico Subcontractors Fair Practices Act, Section 13-4-34, NMSA 1978. The contractor shall list only one subcontractor for each category as defined by the contractor in this bid. If no subcontractors, indicate such. Do not include suppliers.

WORK	COMPANY	ADDRESS	PHONE
Tank and Heater treater Cleaning	SCAT Hot Wash	P.O. Box 312 Farmington, NM 87499	(505) 325-8292
Dirt Work & Labor	Doug Foutz Construction	606 S. Miller Farmington, NM 87499	(505) 325-4922
P/A Wells	Triple P Well Service Inc.	1200 Mission Ave Farmington, NM 87499	(505) 327-3778
Equipment/water Hauling	Triple S Trucking	P.O. Box 100 Aztec, NM 87410	(505) 334-6193

EQUIPMENT LIST

Please list all major equipment to be used in performing this contract.

TYPE	MANUFACTURER	MODEL	CAPACITY	COND
Rig	1982 Corsair Rig	VIN 23511	215,000	good
Pump	Mud Pump w/ V6 Detroit			good
BOP	3,000 psi			good

GSD/PD 002-A5 (Rev. 4/97) 97

**STATE OF NEW MEXICO
GENERAL SERVICES DEPARTMENT
PURCHASING DIVISION**

Page 2

CONTRACT

ARTICLE I - STATEMENT OF WORK

Contract to provide requirements as indicated in specifications

ARTICLE II - TERM

The term of this Contract will be as indicated in specifications

ARTICLE III - TERMINATION

This Contract may be terminated by either signing party upon written notice by either party to the other at least thirty (30) days in advance of the date of termination. Termination of this contract, however, shall not affect any outstanding orders. This provision is not exclusive and shall not waive other rights and remedies afforded either party in the event of breach of contract or default. In such instances the contract may be cancelled effective immediately.

ARTICLE IV - AMENDMENT

This Contract may be amended by mutual agreement of the NM State Purchasing Agent and the contractor upon written notice by either party to the other. An amendment to this Contract **SHALL NOT AFFECT ANY OUTSTANDING ORDERS** issued prior to the effective date of the amendment as mutually agreed upon, and as published by the NM State Purchasing Agent. Amendments affecting price adjustments and/or extension of contract expiration are not allowed unless specifically provided for in bid and contract documents.

ARTICLE V - PRICE SCHEDULE

Price(s) as listed are firm.

ARTICLE VI - INDEMNITY CLAUSE

Contractor shall indemnify and hold harmless the State, its officers and employees, against liability, claims, damages, losses or expenses arising out of bodily injury to persons or damage to property caused by, or resulting from, contractor's and/or its employees, own negligent act(s) or omissions(s) while contractor, and/or its employees, perform(s) or fails to perform its obligations and duties under the terms and conditions of this agreement. This save harmless and indemnification clause is subject to the immunities, provisions, and limitations of the tort claims act (41-4-1, et seq., N.M.S.A. 1978 comp.) and section 57-7-1 N.M.S.A. 1978 comp. and any amendments thereto.

It is specifically agreed between the parties executing this agreement that it is not intended by any of the provisions of any part of the agreement to create the public or any member thereof a third party beneficiary or to authorize anyone not a party to the agreement to maintain a suit(s) for wrongful death(s) bodily and/or personal injury(ies) to person(s), damage(s) to property(ies) and/or any other claims(s) whatsoever pursuant to the provisions of this agreement.

Vendor shall provide all insurance necessary to employees on the work site, including but not limited to worker's compensation.

ARTICLE VII - CONTRACTOR AGREEMENT

Contractor agrees to:

- A. Furnish all equipment, material, labor and tools, required to perform the work specified.
- B. Provide competent supervision and skilled personnel to perform all work in progress.
- C. Comply with all local, state, and federal laws governing safety, health and sanitation. The contractor shall provide all safeguards, safety devices and protective equipment, and take any other needed actions necessary to protect the life and health of employees on the job and the safety of the public, and to protect the property of the state of New Mexico in connection with the performance of the work covered by this contract.
- D. Provide the workers adequate insurance, including but not limited to worker's compensation.
- E. Make necessary arrangements for storage of his/her tools and/or equipment. The state agency will not be responsible for any lost or stolen property.
- F. Be responsible for all cleanup work on the project site and at the equipment storage area (s) prior to final inspection and acceptance.
- G. Comply with all applicable codes for this type of work.
- H. Be held liable for any damages which occur because of his/her negligence or that of his/her employees.

CONTRACTOR LICENSE NUMBER (IF APPLICABLE) _____ CLASSIFICATION: _____

FarWest Bond Services, Inc.
165 South Union Blvd., Suite 120
Lakewood, CO 80228-2210
(303) 716-1594 (303) 716-1598 FAX

December 16, 1998

To: All Far West Subagents and Brokers

Re: Bid Bond Caps and Bid Bond Approvals

To whom it may concern:

It is Far West Bond Services, Inc.'s policy to cap all bid bonds at a maximum level in order to limit the size of the contract that your contractor is bidding. Further, it is Far West Bond Service, Inc.'s position that any time a contractor exceeds that cap, Far West Bond Services, Inc. may exercise it's right not to write the performance and payment bonds. and deny all liability under it's bid bond.

The following applies to the attached bid bond(s):

☒ Non-SBA Bid Bond(s) are approved. *30/2-0*

☐ SBA Bid Bond(s). Please do not use this bid bond until you have been notified of the Small Business Administration (SBA) approval. In the event you are not notified of SBA approval prior to the bid opening, DO NOT BID THE PROJECT. Bidding a project without SBA approval could result in immediate termination of further bond credit by both Surety and the SBA. Further, failure to comply could result in an indemnity action against your company and yourselves individually. As soon as we have SBA approval, you will be notified.

Please advise your contractors of the above items and caution them that there are no exceptions. If you have any comments or questions, please feel free to call.

Best regards,

Terrence E. Dreiling
Attorney-In-Fact

BID BOND RESULTS

PRINCIPAL:

TIERRA ENVIRONMENTAL CO., INC.

P O. DRAWER 15250

FARMINGTON, NM 87401-5250

BOND NO. 823726

AMOUNT: \$100,000.00

BID DATE: 12/18/98

OBLIGEE:

STATE OF NEW MEXICO - GENERAL SERVICES DEPARTMENT

JOB DESCRIPTION:

PLUGGING/REMEDIAING/RESTORING WELL/WELL SITE

PLEASE FILL IN THE FIRM NAME AND THREE LOWEST BID PRICES -ALSO, CHECK OFF THE WINNING BID.

_____ LOWEST BIDDER	FIRM: _____	\$ _____
_____ 2ND LOWEST BIDDER	FIRM: _____	\$ _____
_____ 3RD LOWEST BIDDER	FIRM: _____	\$ _____
IF YOUR BID IS NOT LISTED ABOVE - WHAT WAS YOUR BID?		\$ _____

COMMENTS:

SIGNED: _____ 19 _____ BY: _____

TITLE: _____

PLEASE RETURN IMMEDIATELY TO:

FarWest Bond Services, Inc.

165 South Union Blvd., Suite 120

Lakewood, CO 80228-2210

PHONE NO. (303) 716-1594

FAX NO. (303) 716-1598

THANK YOU!

THE AMERICAN INSTITUTE OF ARCHITECTS



AIA DOCUMENT A310

BID BOND

Bond No. 823726

KNOW ALL MEN BY THESE PRESENTS, that we

TIERRA ENVIRONMENTAL CO., INC.

P.O. DRAWER 15250, FARMINGTON, NM 87401-5250

as Principal, hereinafter called the Principal, and

FAR WEST INSURANCE COMPANY

P.O. BOX 4500, WOODLAND HILLS, CA 91365-4500

a corporation duly organized under the laws of the state of NE

as Surety, hereinafter called the Surety, are held and firmly bound unto
STATE OF NEW MEXICO - GENERAL SERVICES DEPARTMENT

P.O. BOX 26110, SANTA FE, NM 87502-0110

as Oblige, hereinafter called the Oblige, in the sum of 5 % OF THE AMOUNT BID NOT TO EXCEED

FIVE THOUSAND AND 00/100

Dollars (\$ 5,000.00)

for the payment of which sum well and truly to be made, the said Principal and the said Surety, bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has submitted a bid for

PLUGGING/REMEDIAING/RESTORING WELL/WELL SITE

Project Number:

NOW THEREFORE, if the Oblige shall accept the bid of the Principal and the Principal shall enter into a Contract with the Oblige in accordance with the terms of such bid, and give such bond or bonds as may be specified in the bidding or Contract Documents with good and sufficient surety for the faithful performance of such Contract and for the prompt payment of labor and material furnished in the prosecution thereof, or in the event of the failure of the Principal to enter such Contract and give such bond or bonds, if the Principal shall pay to the Oblige the difference not to exceed the penalty hereof between the amount specified in said bid and such larger amount for which the Oblige may in good faith contract with another party to perform the Work covered by said bid, then this obligation shall be null and void, otherwise to remain in full force and effect.

Signed and sealed this 18

day of December

A.D.1998

TIERRA ENVIRONMENTAL CO., INC.

(Principal)

(Seal)

(Witness)

(Title)

FAR WEST INSURANCE COMPANY

(Surety)

(Seal)

(Title)

TERRENCE E. DREILING

Attorney-in-Fact

LIMITED POWER OF ATTORNEY

Far West Insurance Company

EXPIRATION DATE 1-28-00

POWER NUMBER 0000823726

READ CAREFULLY

This document is printed on white paper containing the artificial watermarked logo () of Amwest Surety Insurance Company, the parent co. of Far West Insurance Company (the "Company"), on the front and brown security paper on the back. Only unaltered originals of the POA are valid. This POA may not be used in conjunction with any other POA. No representations or warranties regarding this POA may be made by any person. This POA is governed by the laws of the State of California and is only valid until the expiration date. The Company shall not be liable on any limited POA which is fraudulently produced, forged or otherwise distributed without the permission of the Company. Any party concerned about the validity of this POA or an accompanying Company bond should call your local branch office at (361) 924-7818.

KNOW ALL BY THESE PRESENT, that Far West Insurance Company, a Nebraska corporation (the "Company"), does hereby make, constitute and appoint:

PATSY L. WOODS
KIMBERLY D. JOHNSON
REBECCA L. BRAUN
KATHLEEN K. KITASHIMA
TERRENCE E. DREILING
WENDY OLANDEN

THOMAS J. SAUER
DONNA W. COEN
CHRIS RAMIREZ
DEAN E. VIGIL

AS EMPLOYEES OF FAR WEST BOND SERVICES

its true and lawful Attorney-in-fact, with limited power and authority for and on behalf of the Company as fully to execute, fill or seal and affix the seal of the company thereto if a seal is required on bonds, undertakings, recognizances, reinsurance agreement for a Miller Act or other performance bond or other written obligations in the nature thereof as follow:

ALL BONDS \$**\$1,000,000.00

Small Business Administration Guaranteed Bonds up to \$**\$1,250,000.00

Federal Contract (Performance & Payment) \$****\$57,000.00

and to bind the company thereby. This appointment is made under and by authority of the By-Laws of the Company, which are now in full force and effect.

I, the undersigned secretary of Far West Insurance Company, a Nebraska corporation, DO HEREBY CERTIFY that this Power of Attorney remains in full force and effect and has not been revoked and furthermore, that the resolutions of the Board of Directors set forth in this Power of Attorney, and that the relevant provisions of the By-Laws of the Company, are now in full force and effect.

Bond No. 823726

Signed & sealed this 18th day of DECEMBER 1998

Karen G. Cohen
Karen G. Cohen, Secretary

***** RESOLUTIONS OF THE BOARD OF DIRECTORS *****
Article II, Section 7 of the By-Laws of Far West Insurance Company. This POA is signed and sealed by facsimile under and by the authority of the following resolutions adopted by the Board of Directors of Far West Insurance Company at a meeting duly held on July 28, 1983:

RESOLVED, that the President or any Vice President, in conjunction with the Secretary or any Assistant Secretary, may appoint attorneys-in-fact or agents with authority as defined or limited in the instrument evidencing the appointment in each case, for and on behalf of the Company, to execute and deliver and affix the seal of the Company to bonds, undertakings, recognizances, and suretyship obligations of all kinds; and said officers may remove any such attorney-in-fact or agent and revoke any POA previously granted to such person.

RESOLVED FURTHER, that any bond, undertaking, recognizance, or suretyship obligation shall be valid and bind upon the Company:

- (i) when signed by the President or any Vice President and attested and sealed (if a seal be required) by any Secretary or Assistant Secretary; or
- (ii) when signed by the President or any Vice President as Secretary or Assistant Secretary, and countersigned and sealed (if a seal be required) by a duly authorized attorney-in-fact or agent; or
- (iii) when duly executed and sealed (if a seal be required) by one or more attorneys-in-fact or agents pursuant to and within the limits of the authority evidenced by the power of attorney issued by the Company to such person or persons.

RESOLVED FURTHER, that the signature of any authorized officer and the seal of the Company may be affixed by facsimile to any POA or certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligations of the Company, and such signature and seal when so used shall have the same force and effect as though manually affixed.

IN WITNESS WHEREOF, Far West Insurance Company has caused these presents to be signed by its proper officers, and its corporate seal to be hereunto affixed this 14th day of December, 1998.

John E. Savage
John E. Savage, President

Karen G. Cohen
Karen G. Cohen, Secretary

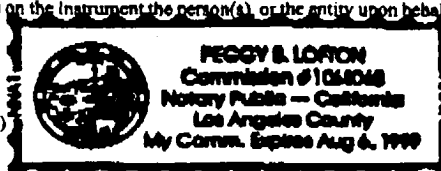
State of California
County of Los Angeles

On December 14, 1998 before me, Peggy B. Lofton Notary Public, personally appeared John E. Savage and Karen G. Cohen, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me all that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature *Peggy B. Lofton*
Peggy B. Lofton, Notary Public

(Seal)



Far West
Insurance Company

Post Office Box 4500 Woodland Hills, CA 91365-4500 TEL 818-871-2000