

State Oil and Gas Board



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STATE OF MISSISSIPPI

500 Greymont Avenue, Suite E
Jackson, MS 39202
Telephone (601) 576-4900

JESSE S. NEW
State Oil & Gas Supervisor

FRANK SPENCER
Board Attorney

August 26, 2019

TO WELL PLUGGERS

Dear Sirs,

Enclosed is a copy of the public notice that will be published in the Clarion-Ledger newspaper on August 27, 2019 and again on Tuesday, September 3, 2019 calling for a bid proposal to plug and abandon five (5) wells in Simpson County, Mississippi (**Bid Package 2020-2**). Also enclosed is the bidding package for your use in preparing same. If you have any questions, please contact me at the above address, by telephone number at 601/576-4925 or by email at mwelch@ogb.state.ms.us.

IMPORTANT

Bid specifications require an Absolute Turnkey Bid, with no change orders allowed. The bid must be for the total package. The Package bid must show an individual bid for each well plus a total bid amount for the package. A written plugging procedure is also required for each well.

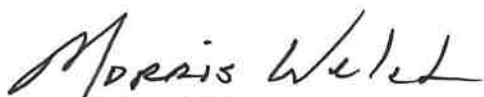
Please note: Bid Specifications now contain the requirement that the Contractor remove and dispose of all liquids contained in the production vessels and equipment associated with each well that is being plugged. Pumping these fluids back into the well prior to plugging is an acceptable option. Furthermore, the contractor shall restore the location by filling and leveling the hole dug to cut casings, removing all equipment from well site that was associated with the well operation and leveling/smoothing of all containment berms and firewalls. All equipment and all fluids shall become the property of the contractor and considered in preparing the bid.

On all wells being plugged when tubing is to be pulled from the well, all proper and necessary precautions shall be taken for keeping the well under control including the use of blowout preventers (BOPs) and auxiliary equipment. Testing of BOPs will be done according to Testing Requirements of MSOGB Rule 13 (Blowout Preventers and Well Control). It is the responsibility of the plugger to maintain control of the well at all times.

Plugging specifications for a production well now requires a 100' cement plug at the base of the USDW, inside the casing only, and verification of the plug by tagging. A 200' plug may be set in lieu of tagging.

REMINDER: Statewide Rule 28 was amended to include the removal of concrete bases.

Sincerely,

A handwritten signature in cursive script that reads "Morris Welch".

Morris Welch
Field Director

NOTICE OF INVITATION FOR BID

The Mississippi State Oil and Gas Board hereby gives notice that sealed proposals are sought and requested for furnishing all materials and doing all work necessary for the performance, according to specifications, of a contract to be let by the Mississippi State Oil and Gas Board for the purpose of plugging declared orphan wells located in Simpson County, Mississippi (**Bid Package 2020-2**).

I.

Sealed proposals will be accepted by the office of the Board's Supervisor at 500 Greymont Avenue, Suite E, Jackson, Mississippi 39202, or electronically through the MAGIC system until 11:00 a.m. on Thursday, October 10, 2019, and will be opened and considered publicly immediately thereafter. Specifications and any other applicable forms may be obtained by contacting Morris Welch at 500 Greymont Avenue, Suite E, Jackson, Mississippi 39202. Mr. Welch can also be reached by telephone at (601) 576-4925, by fax at (601) 354-6873 or by e-mail at mwelch@ogb.state.ms.us. **ADVISORY: THE MISSISSIPPI STATE OIL & GAS BOARD SHALL NOT BE RESPONSIBLE FOR ISSUES RELATED TO SEALED PROPOSALS SUBMITTED ELECTRONICALLY THROUGH THE MAGIC SYSTEM. SHOULD ANY COMPUTER, INTERNET OR OTHER ISSUES ARISE WHICH RENDER ELECTRONICALLY SUBMITTED PROPOSALS UNABLE TO BE OPENED, THE MISSISSIPPI STATE OIL & GAS BOARD WILL PROCEED AS SCHEDULED IN OPENING ALL OTHER SEALED PROPOSALS RECEIVED BY THE OFFICE AS OF THE DATE AND TIME STATED ABOVE. ELECTRONICALLY SUBMITTED PROPOSALS WILL STILL BE REVIEWED AND CONSIDERED AS SOON AS THEY ARE ABLE TO BE OPENED.**

II.

Proposals must be made in accordance with the form of proposal which may be obtained from Morris Welch. The form of proposal and all questions related to the proposal or bid package should be directed to Morris Welch at the address, telephone number and/or email address provided above.

III.

Proposals shall be made and received upon the following conditions:

- a. Each proposal must be accompanied by a bidders bond executed by a surety company authorized to do business in the State of Mississippi, a letter of credit in a form suitable to the Supervisor, or other financial guarantee in a form suitable to the Supervisor (a company check is acceptable) in the principal amount of not less than \$500.00, conditioned that if the proposal is accepted, the successful bidder will enter into a contract for the work and provide Certificate of Insurance proving coverage of general liability insurance of not less than \$1,000,000.00 and will execute within ten (10) days of the date of acceptance of the proposal a suitable surety bond in the sum of not less than \$30,000.00, conditioned upon the faithful and prompt performance and completion of the work specified in the contract or a letter of credit of such amount in a form suitable to the Supervisor.

- b. All submittals of bonds, letters of credit or other financial guarantees, except that of a successful bidder, will be returned or refunded.
- c. Upon acceptance of a bid, if the successful bidder fails to enter into a contract pursuant to the requirements of the Mississippi State Oil and Gas Board, or fails to give the further security prescribed in this notice within the time limit therefore, the monies standing to the credit of the same shall be forfeited to the Mississippi State Oil and Gas Board as liquidated damages, or the payment of the bond shall be enforced for the benefit of the Mississippi State Oil and Gas Board.

Dated: 08/21/2019



Jesse S. New,
Oil & Gas Supervisor
State Oil and Gas Board