



North Carolina Department of Environment and Natural Resources

Pat McCrory  
Governor

Donald R. van der Vaart  
Secretary

May 18, 2015

Mr. O. F. Patterson III  
Patterson Exploration Services, Inc.  
1907 Boone Trail Road  
Sanford, NC 27331

Dear Mr. Patterson:

Enclosed is a fully executed copy of Contract No. 6549 (**BAFO NO. 6372 & RFP NO. 16-6372-MB**) between the Department of Environment and Natural Resources and **Patterson Exploration Services, Inc.** for **Drilling Services for the Cumberland-Marlboro Basin.**

Any inquiries regarding contract should be directed to the Contract Administrator, Dr. Jeffery C. Reid as indicated on page nine (9) of the RFP document.

**Please include Contract No. 6549 on each invoice submitted for payment.**

Should you have any questions regarding the contract, you may contact me at (919) 707-8539.

Sincerely,

Marjorie Barber  
Purchasing Agent  
Division of Financial Services  
Purchase and Contract Section

Enclosure

cc: Dr. Jeffery C. Reid, DENR Division of Energy, Mineral and Land Resources  
Dr. Kenneth Taylor, DENR Division of Energy, Mineral and Land Resources  
Jackie J. Moore, DENR Office of the Controller

<b>STATE OF NORTH CAROLINA</b> <b>NC Department of Environment &amp; Natural Resources</b> <b>Financial Services Division</b>		<b><u>BEST AND FINAL OFFER (BAFO) NO. 6372</u></b> <b><u>AND</u></b> <b><u>REQUEST FOR PROPOSALS NO.: RFP 16-6372-MB</u></b>	
<b>Using Agency</b>	<b>Division of Energy, Mineral and Land Resources</b>		
<b>Contract Administrator</b>	<b>Dr. Jeffery C. Reid</b>		

**FOR NC DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES, PURCHASE AND SERVICES USE ONLY:**

**ACCEPTANCE OF OFFER BY NC DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES**

The N.C. Division of Energy, Mineral and Land Resources hereby agrees to pay **PATTERSON EXPLORATION SERVICES, INC.** per the Contractor's response dated **May 5, 2015** to **BAFO NO. 6372**, for a sum of money not to exceed **ONE HUNDRED FORTY FIVE THOUSAND DOLLARS (\$145,000.00)**, for **DRILLING SERVICES** for the **CUMBERLAND-MARLBORO BASIN** for the following three (3) sites at the rates specified in the **BAFO (PAGE 3)** said sum to be full and complete compensation for services to be rendered under this agreement:

Laurinburg Highway Patrol Site – Scotland County - \$55,000.00  
 NC DOT Maintenance Yard, Raeford – Hoke County - \$45,000.00  
 NC Wildlife Commission's Fayetteville Fish Hatchery - \$45,000.00

This amount consists of:

Type of Funds	Source of Funds	CFDA No.
Appropriations	NC General Assembly	N/A

Accounting Code Information:


Dollars	GL Company	GL Account	GL Center
\$145,000.00	1601	53199029	17357393

The services of **PATTERSON EXPLORATION SERVICES** are to commence on **May 18, 2015** and shall be undertaken and completed in such sequence as to assure their expeditious completion in the light of the purposes of this agreement, but in any event, all of the services required hereunder shall be completed on **June 30, 2015**.

**NORTH CAROLINA DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES**

**Donald R. Van der Vaart, Secretary**

Section Chief/Purchase and Services Section

 **Rex A. W. Salem** **5/15/2015**  
 Department Head's Signature or Authorized Agent

By the Department's acceptance of your response to this Best and Final Offer (BAFO #: 6372) and Request for Proposals (RFP-16-6372-MB), the provisions of the Scope of Work, the North Carolina General Terms and Conditions, any Addenda, and all other attachments noted within the BAFO and RFP, shall now constitute the written contract.



# North Carolina Department of Administration

Pat McCrory, Governor  
Bill Daughtridge, Jr., Secretary

Division of Purchase and Contract  
Patti Bowers, State Purchasing Officer

## Memorandum

**DATE:** May 15, 2015

**TO:** Marjorie Barber  
NC Department of Environment and Natural Resources

**FROM:** Margaret Serapin  
Strategic Sourcing Specialist, P&C

**RE:** **Award Request/Services – Our File # 201500739**  
**RFP #16-6372-MB (Reference P&C 201500549)**  
**Drilling for Three (3) Sites – Cumberland-Marlboro Basin**

The Division of Purchase and Contract hereby grants approval for your agency to contract with Patterson Exploration Services, Inc., for the above referenced services. The contract shall be effective upon award through June 30, 2015 and includes:

- Laurinburg Highway Patrol Site – Scotland County \$55,000.00
- NC DOT Maintenance Yard-Raeford/Hoke County \$45,000.00
- NC Wildlife Commission's Fayetteville Fish Hatchery – Cumberland County \$45,000.00

The total contract value shall not exceed \$145,000.00. Any further changes shall require the prior approval of State P&C. Upon award, please forward a copy of the executed contract to my attention for our files.

Thank you.

Mailing Address:  
1305 Mail Service Center  
Raleigh, NC 27699-1305

State Courier 51-01-06  
Internet Home Page: [www.pandc.nc.gov](http://www.pandc.nc.gov)  
Phone: 919-807-4500  
An Equal Opportunity / Affirmative Action Employer

Location Address:  
116 West Jones Street  
Raleigh, NC 27603-8002



5/15/2015



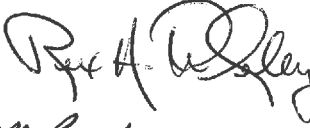
North Carolina Department of Environment and Natural Resources


Pat McCrory  
Governor

Donald R. van der Vaart  
Secretary

**MEMORANDUM**

TO: Nicholas Edwards  
Professional Associate

THROUGH: Allison Phipps  
Purchasing Manager 

FROM: Marjorie Barber  
Purchasing Agent 

DATE: May 12, 2015

SUBJECT: Request for Contractual Services for  
Drilling Services for the Cumberland-Marlboro Basin  
Patterson Exploration Services, Inc.

The DENR Division of Energy, Mineral, and Land Resources (DEMLR) is requesting to enter into a contract with Patterson Exploration Services, Inc. in response to Best and Final Offer # (BAFO #: 6372).

The BAFO request lists four (4) individual drill hole sites in priority order, located in Scotland, Hoke and Cumberland County. The Division of Energy, Mineral and Land Resources is requesting approval to award contract to Patterson Exploration Services, Inc. in the amount of \$ 145,000.00 from date of award to June 30, 2015 for the following three (3) sites; Laurinburg Highway Patrol Site – Scotland County, NC DOT Maintenance Yard, Raeford – Hoke County and NC Wildlife Commission's Fayetteville Fish Hatchery – Cumberland Co.

Attached is a Blank BAFO, Signed BAFO from Patterson Exploration Services, Inc. and Award Recommendation from the Division of Energy, Mineral and Land Resources.

Thank you for your review and consideration of this request. Should you have questions or need additional information, please contact me at (919) 707-8539.



North Carolina Department of Environment and Natural Resources

Pat McCrory  
Governor

Donald R. van der Vaart  
Secretary

May 11, 2015

Ms. Marjorie L. Barber  
NCDENR  
Division of Financial Services  
Purchase & Services Section

Dear Ms. Barber,

This letter is the response from the N.C. Geological Survey Section, Division of Energy, Mineral, and Land Resources to the Best And Final Offer (BAFO DENR #6372r.pdf) send to Dr. Jeffrey C. Reid and carbon copied to Dr. Kenneth B. Taylor on Friday, May 8, 2015 at 3:13 p.m. A copy of that e-mail is attached to this letter.

The Offeror's BAFO Cost Proposal for the four drilling sites -- in priority order was \$200,000.00. As one can see in the e-mail, the Laurinburg Highway Patrol Site – Scotland County -- **\$55,000.00**; N.C. DOT Maintenance Yard, Raeford – Hoke County -- **\$45,000.00**; N.C. Wildlife Commission's Fayetteville Fish Hatchery – Cumberland County - **\$45,000.00**; and the N.C. DOT Maintenance Yard, Wagram – Scotland County -- **\$55,000.00** has a grand total amount of **\$200,000.00**.

The second drilling project for a core hole in the Dan River basin has already obligated **\$91,502.00**. A total funding amount of \$250,000.00 was allocated by the General Assembly for FY 2014-2015.

The Geological Survey Section requests that the first three sites be selected and a contract be secured in the amount of **\$145,000.00** for the drilling in the Cumberland-Marlboro basin.

Sincerely,

Dr. Kenneth B. Taylor, PG  
State Geologist of North Carolina  
N. C. Geological Survey

<b>STATE OF NORTH CAROLINA</b>  <b>DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES</b>	<b>REQUEST FOR BEST AND FINAL OFFER (BAFO) DENR #: 6372</b>
	Offers will be received until: May 8, 2015 @ 3.00 P.M.
	Contract Type: Open Market
Refer <u>ALL</u> Inquiries to: Marjorie Barber  Telephone No. (919) 707-8539	Issue Date: May 5, 2015  Commodity: 962 – Miscellaneous Services
E-Mail: marjorie.barber@ncdenr.gov	Using Agency Name: Division of Energy, Mineral and Land Resources
(See page 2 for mailing instructions.)	Agency Requisition No. RQ18678232
<a href="http://www.pandc.nc.gov/Default.aspx">http://www.pandc.nc.gov/Default.aspx</a>	


**NOTICE TO VENDOR** Offers, subject to the conditions made a part hereof, will be received at this office, 217 West Jones Street, 5th Floor, Raleigh, NC 27603, until 3:00 p.m. Eastern Standard Time on the day of opening and then opened, for furnishing and delivering the goods and services as described herein. Refer to page 2 for proper mailing instructions.

Bids submitted via facsimile (fax) machine in response to this Best and Final Offer (BAFO) will not be accepted. Bids are subject to rejection unless submitted on this form.

**EXECUTION**

In compliance with this Request for Best and Final Offers (BAFO), and subject to all the conditions herein, the undersigned offers and agrees to furnish and deliver any or all goods and services which are offered, at the prices agreed upon and within the time specified herein. Under penalty of perjury, the undersigned Vendor certifies that this offer has not been arrived at collusively or otherwise in violation of Federal or North Carolina law and this offer is made without prior understanding, agreement, or connection with any firm, corporation, or person submitting an offer for the same commodity, and is in all respects fair and without collusion or fraud.

**Failure to execute/sign offer prior to submittal shall render quote invalid. Late offers are not acceptable.**

VENDOR: Patterson Exploration Services, Inc.		E-MAIL: russ@pattersonexploration.com	
STREET ADDRESS: 1907 Boone Trail Road		P.O. BOX: 3008	ZIP: 27331-3008
CITY & STATE & ZIP: Sanford, NC 27331-		TELEPHONE NUMBER: 919-774-3770	TOLL FREE TEL. NO.:
TYPE OR PRINT NAME & TITLE OF PERSON SIGNING: O.F. Patterson, III		FAX NUMBER: (No Fax)	
AUTHORIZED SIGNATURE: 		DATE: 8 MAY 2015	

Offer valid for forty-five (45) days from date of opening unless otherwise stated here: 10 days or May 18, 2015.

**ACCEPTANCE OF BEST AND FINAL OFFER**

If the State accepts any or all parts of this offer, an authorized representative of the Division of Purchase and Contract shall affix her/his signature to the Vendor's response to this Request for BAFO. The acceptance shall include the response to this BAFO, any provisions and requirements of the original RFP which have not been superseded by this BAFO and the NC General Terms and Conditions for Contractual and Consultant Services. These documents shall then constitute the written agreement between the parties. A copy of this acceptance will be forwarded to the successful Vendor(s).

**FOR DIVISION OF PURCHASE AND CONTRACT USE ONLY**

Offer accepted and contract awarded this \_\_\_\_ day of \_\_\_\_\_, 2015, as indicated on attached certification,

by \_\_\_\_\_ (Authorized representative of Division of Purchase and Contract).

**MAILING INSTRUCTIONS:** Mail **one fully executed original and one copy** of the response. Address package and insert BAFO control number as shown below. It is the responsibility of the vendor to have the BAFO in this office by the specified time and date of opening.

<b>DELIVERY</b>
<b>BAFO NO. 6372</b>
Agency: Department of Environment and Natural Resources
Attn: Marjorie Barber, Purchasing Agent
217 West Jones Street, Raleigh, NC 27603

**SOLICITATION REQUEST FOR BEST AND FINAL OFFER (BAFO):**

This request is to acquire a best and final offer from vendor for Drilling Services for the Cumberland-Marlboro Basin. Your offer should integrate the previous response to the RFP and any changes listed below. Any individual vendor can receive a different number of requests for BAFOs than other bidders.

The State encourages the vendor to supply more competitive prices. Vendor should submit its most competitive prices on page 3 of this request for BAFO.

**Please Note:** This bid is still in the evaluation period. During this period and prior to award, possession of the BAFO, original bid response and accompanying information is limited to personnel of Department of Environment and Natural Resource, Purchase and Services Section, and to agencies responsible for participating in the evaluation. Bidders who attempt to gain this privileged information, or to influence the evaluation process (i.e. assist in evaluation) will be in violation of purchasing rules and their offer will not be further evaluated or considered.

# BAFO COST PROPOSAL

**BAFO #: 6372**

**PROJECT: DRILLING CONTRACT FOR CUMBERLAND-MARLBORO BASIN**

**(OFFEROR MUST PROVIDE INDIVIDUAL COST PER SITE LOCATION - ATTACHMENT A)**

SITE LOCATION	AMOUNT U.S. \$ (USD)
LAURINBURG HIGHWAY PATROL SITE – SCOTLAND CO.	\$ <u>55,000.00</u> SITE COST
NC DOT MAINTENANCE YARD, RAEFORD – HOKE CO.	\$ <u>45,000.00</u> SITE COST
NC WILDLIFE COMMISSION'S FAYETTEVILLE FISH HATCHERY – CUMBERLAND CO.	\$ <u>45,000.00</u> SITE COST
NC DOT MAINTENANCE YARD, WAGRAM – SCOTLAND CO.	\$ <u>55,000.00</u> SITE COST
GRAND TOTAL AMOUNT	\$ <u>200,000.00</u> TOTAL COST



## Barber, Marjorie L

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**From:** Edwards, Nicholas C  
**Sent:** Thursday, April 30, 2015 8:13 AM  
**To:** Barber, Marjorie L  
**Subject:** Approval to Reject and Negotiate 16-6372-MB Drilling Services (Cumberland-Marlboro Basin)

Marjorie,

Your request to reject and negotiate with Patterson Exploration Services is approved. Once you have completed the negotiation process send your final documentation and recommendation to P&C for approval.

Sincerely,



**Nick Edwards** | Professional Associate

Division of Purchase and Contract

Ph. 919-807-4538 | Fax. 919-807-4510 | Web. [www.pandc.nc.gov](http://www.pandc.nc.gov)

Twitter: [@ncdoa](https://twitter.com/ncdoa) | Facebook: [facebook.com/ncdoa](https://facebook.com/ncdoa) | YouTube: [ncdoavideos](https://youtube.com/ncdoavideos)

*E-mail correspondence to and from this address may be subject to the North Carolina Public Records Law N.C.G.S. § 132 and may be disclosed to third parties by an authorized state official.*



North Carolina Department of Environment and Natural Resources

Pat McCrory  
Governor

Donald R. van der Vaart  
Secretary

**MEMORANDUM**

TO: Sherri Garte  
Deputy State Purchasing Officer

THROUGH: Allison Phipps *Allison Phipps*  
Purchasing Manager

FROM: Marjorie Barber *MB.*  
Purchasing Agent

DATE: April 14, 2015

SUBJECT: Request to Cancel and Negotiate DENR RFP #16-6372-MB for  
Drilling Services for the Cumberland-Marlboro Basin

The North Carolina Department of Environment and Natural Resources (DENR) issued a Request for Proposals (RFP) for the above referenced services on March 18, 2015. The RFP included a mandatory site visit on March 26, 2015 at 10:00 a.m. Two offerors attended the site visit, Patterson Exploration Services and Charles R. Underwood, Inc. The bid opening date/time was April 9, 2015 at 3:00 p.m. Eastern Time. One response was received from Patterson Exploration Services with Charles R. Underwood, Inc. listed as part of the Project Organization.

The Cumberland-Marlboro Basin RFP requested the vendor to drill an estimated eight (8) vertical drill holes for the project. The RFP requested a total project cost, not individual drill holes. The bid response from Patterson Exploration Services included a total project cost of \$288,000.00. The budget for State Fiscal Year 2014-2015 is \$250,000.00. The Division of Energy, Mineral and Land Resources (DEMLR) has already spent or encumbered \$50,176.68 for other drilling services. From the remaining budget of \$199,823.32, DEMLR had planned two other drilling services projects and two RFP's were posted on IPS. This project, Drilling Services for the Cumberland-Marlboro Basin, with an anticipated not to exceed cost of \$161,000.00 and Drilling Services for Dan River Basin, RFP 16-006423, scheduled to open April 17, 2015 at 3:00 p.m. with an anticipated not to exceed cost of \$75,000.00.

Attached you will find the bid tabulation, offeror's response, mandatory site visit sign-in-sheet, DENR RFP and Addendum. DENR is requesting approval to cancel and negotiate with Patterson Exploration Services for individual drill holes. If approved, the Department will forward a BAFO seeking the individual site costs.

Thank you for your review and consideration of this request. Should you have questions or need additional information, please contact me at (919) 707-8539.

Solicitation (RFP) No. 16-6372-MB

Bidder/Offeror: PATERSON EXPLORATION SERVICES

**THIS PAGE IS TO BE FILLED OUT AND RETURNED WITH YOUR BID. FAILURE TO DO SO MAY SUBJECT YOUR BID TO REJECTION.**

ATTENTION

Federal Employer Identification Number or alternate identification number (e.g., Social Security Number) is used for internal processing, including bid tabulation.

Enter ID number here: \_\_\_\_\_

Pursuant to N.C.G.S. 132-1.10(b) this identification number shall not be released to the public.

This page will be removed and shredded, or otherwise kept confidential, before the procurement file is made available for public inspection.

**STATE OF NORTH CAROLINA  
REQUEST FOR PROPOSALS**

**RFP #16-6372-MB**

**TITLE:** DRILLING SERVICES FOR THE CUMBERLAND-MARLBORO BASIN

**USING DEPARTMENT:** DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES  
DIVISION OF ENERGY MINERAL AND LAND RESOURCES

**ISSUE DATE:** MARCH 18, 2015

**ISSUING AGENCY:** DIVISION OF FINANCIAL SERVICES

**OPENING DATE/TIME:** APRIL 9, 2015 – 3:00 P.M. EASTERN TIME

Sealed Proposals subject to the conditions made a part hereof will be received until the specified opening date/time noted above for furnishing services described herein. **It is the offeror’s responsibility to ensure that offeror’s proposal is in the office of the Issuing Agency by the opening date/time noted above.**

**SEND ALL PROPOSALS DIRECTLY TO THE ISSUING AGENCY ADDRESS AS SHOWN BELOW:**

ADDRESS FOR U.S. POSTAL SERVICE DELIVERY	ADDRESS AS BELOW IF DELIVERED BY UPS Or FEDEX)
<p>SEALED BID RFP 16-6372-MB NCDENR FINANCIAL SERVICES DIVISION PURCHASE AND SERVICES SECTION ATTN: MARJORIE BARBER 1605 MAIL SERVICE CENTER RALEIGH NC 27699-1605</p> <p>(NOTE: 1605 Mail Service Center is <u>not located</u> at 217 West Jones Street. Mail at least 5 business days prior to Bid Opening Date if sent to 1605 Mail Service Center)</p>	<p>SEALED BID RFP 16-6372-MB NCDENR FINANCIAL SERVICES DIVISION PURCHASE AND SERVICES SECTION ATTN: MARJORIE BARBER 217 WEST JONES STREET, 5<sup>TH</sup> FLOOR RALEIGH NC 27603</p> <p>(*<u>DO NOT USE</u> U.S. Postal Service Priority or Express Mail for 217 West Jones St. Delivery)</p> <p>(Suggestion: Request Signature Receipt)</p>
<p><b>*NOTE: THE U.S. POSTAL SERVICE DOES NOT DELIVER MAIL TO 217 WEST JONES STREET, RALEIGH NC. USING THE U.S. POSTAL SERVICE <u>PRIORITY MAIL</u> OR <u>U.S. EXPRESS MAIL</u> DOES NOT GUARANTEE THAT YOUR RESPONSE TO THIS RFP WILL BE DELIVERED BY THE OPENING DATE/TIME SPECIFIED FOR THIS RFP.</b></p>	

**IMPORTANT NOTE:** Indicate firm name, and RFP number on the front of each sealed proposal envelope or package, along with the date for receipt of proposals specified above.

Bids submitted via telegraph, facsimile (FAX) machine, telephone, and electronic means, including but not limited to e-mail, in response to this Request for Proposals **will not be accepted.**

**PROHIBITED COMMUNICATIONS:** From the issuance date of this RFP through the date the contract is awarded, each offeror (including its subcontractors and/or suppliers) is prohibited from having any communications with any person inside or outside the Using Agency, Issuing Agency, other government agency office or body (including the Purchaser named above, Department Secretary, Agency Head, members of the General Assembly and/or Governor's Office), or private entity, and the communication discusses the content of offeror's proposal or qualifications, the contents of another offeror's proposal, another offeror's qualifications or ability to perform the contract, and/or the transmittal of any other communication of information that has the effect of directly or indirectly influencing the evaluation of proposals and/or the award of the contract. Offerors not in compliance with this provision shall be disqualified from contract award, unless it is determined that the best interest of the state would not be served by the disqualification. An offeror's proposal may be disqualified if its subcontractor and supplier engage in any of the foregoing communications during the time that the procurement is active (i.e., the issuance date of the procurement to the date of contract award). Only the discussions, communications or transmittals of information authorized by the Issuing Agency in this RFP or general inquiries to the Purchaser regarding the status of the contract award are exempt from this provision.

## **THIS IS A 1-STEP RFP SOLICITATION**

**Mandatory Pre-Bid Conference/Site Visit** – Vendor and/or his representative must attend the scheduled **Mandatory Pre-Bid Conference/Site Visit**. **Attendance at this Pre-Bid Conference/Site Visit is a prerequisite for consideration of a bidder's offer.** Vendor and/or his representative must (1) arrive prior to the scheduled start time of the Pre-Bid Conference/Site; (2) sign-in on the attendance sheet; and (3) sign-out upon completion of the Pre-Bid Conference/Site Visit. Failure to comply with this requirement will cause bid to be rejected. The purpose of the pre-bid conference/site visit is for all prospective bidders to acquaint themselves with the conditions and requirements of the tasks to be performed. Submission of a bid shall constitute sufficient evidence of this compliance and no allowance will be made for unreported conditions that a prudent bidder would recognize as affecting the performance of the work called for in this solicitation. Bidder is cautioned that any information released to bidder other than during the pre-bid conference/site visit which conflicts with, supersedes, or adds to requirements in this solicitation, must be confirmed by written addendum before it can be considered to be a part of this solicitation document. Vendor bidding otherwise does so at his own risk.

Only one (1) pre-determined, pre-proposal conference/site visit will be held. Individual pre-proposal conferences/site visits are not allowed.

**MANDATORY PRE-BID CONFERENCE/SITE VISIT LOCATION / DATE / TIME:**

Location: NCDENR Financial Services Division  
217 West Jones Street, 5<sup>th</sup> Floor  
Raleigh, NC 27603  
Date: March 26, 2015  
Time: 11:00 A.M.

Direct all inquiries concerning this RFP to: Marjorie Barber  
E-mail: [marjorie.barber@ncdenr.gov](mailto:marjorie.barber@ncdenr.gov)

**NOTE:** Questions concerning the specifications in this Request for Proposals will be received until **MARCH 27, 2015 AT 11:00 A.M.** Prospective offerors are to e-mail written questions to [marjorie.barber@ncdenr.gov](mailto:marjorie.barber@ncdenr.gov). **NO QUESTIONS WILL BE ACCEPTED AFTER MARCH 27, 2015 AT 11:00 A.M.**

A summary of all questions and answers will be posted on the internet as an addendum, located under the RFP # being modified. **It is the offeror's responsibility to assure that all addenda have been reviewed and, if required, signed and returned.**

<http://www.pandc.nc.gov/>

Within two days after notification of award of a contract, the vendor must register in NC E-Procurement @ Your Service (<http://vendor.ncgov.com>).

**GENERAL INFORMATION**

This is not a NC E-Procurement @ Your Service solicitation that contains a transaction fee. HOWEVER, vendors must register in NC E-Procurement @ Your Service in order to be awarded a contract for the services in this RFP.

<http://vendor.ncgov.com>

## THE PROCUREMENT PROCESS

The following is a general description of the process by which a firm will be selected to provide services.

1. Request for Proposals (RFP) is issued to prospective contractors.
2. A preproposal conference and/or deadline for written questions is set. (See cover sheet of this RFP for details.)
3. Proposals in one (1) original and two (2) copies will be received from each offeror in a sealed envelope or package. Each original shall be signed and dated by an official authorized to bind the firm. Unsigned proposals will not be considered.
4. All proposals must be received by the issuing agency not later than the date and time specified on the cover sheet of this RFP.
5. At that date and time the package containing the proposals from each responding firm will be opened publicly and the name of the offeror will be announced. Interested parties are cautioned that these costs and their components are subject to further evaluation for completeness and correctness and therefore may not be an exact indicator of an offeror's pricing position.
6. At their option, the evaluators may request oral presentations or discussion with any or all offerors for the purpose of clarification or to amplify the materials presented in any part of the proposal. However, offerors are cautioned that the evaluators are not required to request clarification; therefore, all proposals should be complete and reflect the most favorable terms available from the offeror.
7. Proposals will be evaluated according to completeness, content, experience with similar projects, ability of the offeror and its staff, and cost. The evaluators will randomly select at least three of offeror's references, but the evaluators' reserve the right to contact all the references listed, if information from the three references contacted warrant further inquiry. The failure of the offeror to list all similar contracts in the specified period may result in the rejection of the offeror's proposal. The evaluators may check all public sources to determine whether offeror has listed all contracts for similar work within the designated period. If the evaluators determine that references for other public contracts for similar contracts were not listed, the evaluators may contact the public entities to make inquiry into offeror's performance of those contracts and the information obtained may be considered in evaluating offeror's proposal. Award of a contract to one offeror does not mean that the other proposals lacked merit, but that, all factors considered, the selected proposal was deemed most advantageous to the State.

In addition to any other evaluation criteria identified in the State agency's solicitation document, the agency shall, for purposes of evaluating proposed or actual contract performance outside of the United States, consider the following factors to ensure that any award will be in the best interest of the State:

- Total cost to the State
- Level of quality provided by the vendor
- Process capability across multiple jurisdictions
- Protection of the State's information and intellectual property
- Availability of pertinent skills
- Ability to understand the State's business requirements and internal operational culture
- Risk factors such as the security of the State's information technology
- Relations with citizens and employees
- Contract enforcement jurisdictional issues

8. Offerors are cautioned that this is a request for offers, not a request to contract, and the State reserves the unqualified right to reject any and all offers when such rejection is deemed to be in the best interest of the State.
9. The State reserves the right to contact with more than one Contractor to provide the services described herein, or to award portions of the contract to one or more Contractors without awarding the full contract.

### 10. ATTACHMENTS TO BE PROVIDED UPON REQUEST BY DEPARTMENT:

- A. (non-profit only) Conflict of Interest Statement Certified/Approved by Board
- B. (non-profit only) IRS federal tax exempt letter or 501 (c) verification form

## PROPOSAL REQUIREMENTS

The response to this RFP shall consist of the following sections:

Corporate Background and Experience  
Project Staffing and Organization  
Technical Approach  
Cost Proposal

### 1. Corporate Background and Experience

This section shall include background information on the organization and should give details of experience with similar projects. A list of references (including contact persons and telephone numbers) for whom similar work has been performed shall be included and the list shall include all similar contracts performed by the offeror in the past two, three, four, five (pick a reasonable period) years. The evaluators will randomly select at least three of these references, but the evaluators reserve the right to contact all the references listed, if information from the three references contacted warrant further inquiry. The failure to list all similar contracts in the specified period may result in the rejection of the offeror's proposal. The evaluators may check all public sources to determine whether offeror has listed all contracts for similar work within the designated period. If the evaluators determine that references for other public contracts for similar contracts were not listed, the evaluators may contact the public entities to make inquiry into offeror's performance of those contracts and the information obtained may be considered in evaluating offeror's proposal.

### 2. Project Organization

This section must include the proposed staffing, deployment and organization of personnel to be assigned to this project.

The offeror shall provide information as to the qualifications and experience of all executive, managerial, legal, and professional personnel to be assigned to this project, including resumes citing experience with similar projects and the responsibilities to be assigned to each person.

### 4. Technical Approach

This section shall include, in narrative, outline, and/or graph form the offeror's approach to accomplishing the tasks outlined in the Scope of Work section of this RFP. A description of each task and deliverable and the schedule for accomplishing each shall be included.

### 5. Outsourcing

The Vendor must detail the manner in which it intends to utilize resources or workers located outside of the United States, and the State of North Carolina will evaluate the additional risks, costs and other factors associated with such utilization to make the award for this proposal as deemed by the awarding authority to be in the best interest of the State.

For any proposed or actual utilization or contract performance outside of the United States, the offeror's proposal must include:

a) The location of work performed under a state contract by the vendor, any subcontractors, employees, or other persons performing the contract.

b) The corporate structure and location of corporate employees and activities of the vendors, its affiliates or any subcontractors.

The State may initiate proceedings to debar a vendor from participation in the bid process and from contract award as authorized by North Carolina law, if it is determined that the vendor has refused to disclose or has falsified any information provided herein.

### 6. Cost Proposal

The Cost Proposal shall be submitted (in a separate, sealed package, if applicable) and contain:

Personnel costs (including hourly rates and total hours)

Travel and Subsistence Expenses

Subcontractor Costs (if any)

Other Costs (e.g., office expenses)

TOTAL COST      A total not to exceed cost representing the maximum amount for all work to be performed must be clearly indicated under this heading.



REFERENCES/CLIENT NAMES

THE FAILURE OF THE OFFEROR TO LIST ALL SIMILAR CONTRACTS IN THE SPECIFIED PERIOD MAY RESULT IN THE REJECTION OF THE OFFEROR'S PROPOSAL. THE EVALUATORS MAY CHECK ALL PUBLIC SOURCES TO DETERMINE WHETHER OFFEROR HAS LISTED ALL CONTRACTS FOR SIMILAR WORK WITHIN THE DESIGNATED PERIOD. IF THE EVALUATORS DETERMINE THAT REFERENCES FOR OTHER PUBLIC CONTRACTS FOR SIMILAR CONTRACTS WERE NOT LISTED, THE EVALUATORS MAY CONTACT THE PUBLIC ENTITIES TO MAKE INQUIRY INTO OFFEROR'S PERFORMANCE OF THOSE CONTRACTS AND THE INFORMATION OBTAINED MAY BE CONSIDERED IN EVALUATING OFFEROR'S PROPOSAL.

**PROSPECTIVE CONTRACTOR SHALL SUPPLY REFERENCES (AT LEAST TWO) OF GOVERNMENT AGENCIES AND/OR PRIVATE FIRMS FOR WHICH IT HAS DONE SIMILAR OR RELATED WORK DURING THE PAST THREE YEARS.**

1	Agency or Firm Name	Natural Resource Partners L.P.
	Business Address	601 Jefferson Street, Suite 3600 Houston, TX 77002
	Contact Person	Dennis Coker, VP-Aggregates
	Phone Number	713-751-7566 office 469-585-1894 cell

2	Agency or Firm Name	B.A. Branch Properties, LLC
	Business Address	402 Forestwood Park Road Sanford, NC 27330
	Contact Person	Bobby Branch
	Phone Number	919-708-8465

3	Agency or Firm Name	Vanderbilt Minerals-Standard Div.
	Business Address	P.O. Box 279 Robbins, NC 27325
	Contact Person	Jim Faile or Jim Harkins
	Phone Number	910-948-2266

## OVERVIEW AND OBJECTIVES:

The North Carolina Division of Energy Mineral and Land Resources (NC DEMLR) is seeking the services of a qualified Contractor to recover diamond drill core of basement rocks beneath the coastal plain veneer to determine the rock type and ascertain the cause of the aeromagnetic low. The Cumberland-Marlboro basin is defined by a large buried aeromagnetic low that underlies a thin coastal plain cover in portions of Marlboro County, SC, and Robeson, Hoke, Cumberland, Sampson, and Wayne counties, NC. The aeromagnetic anomaly is strike parallel and seaward of the Deep River basin. The hypothesis to be tested is if there is a sedimentary basin filled with Triassic strata, and if not, what rocks cause the large aeromagnetic low. The overall footprint of the geophysical anomaly and preliminary drill site locations is in Figure 1.

## LOCATION (COUNTIES):

Project drilling will be limited to the North Carolina counties listed in the Overview and objectives.

## LIKELY PROPERTY OWNERSHIP:

Drill sites are limited to property owned by the State of North Carolina directly or indirectly through one of its agencies, including DOT property and right-of-way.

The North Carolina Geological Survey (NCGS) will identify specific state-owned land parcels and/or DOT right-of-way for individual drill sites and obtain approval of the parcel's manager to drill. It will be the responsibility of the drilling contractor to ensure there is no interference from buried utilities.

## SCOPE OF WORK:

The services that will be required are outlined as follows:

DEMLR anticipates drilling as many as eight vertical drill holes in this project. Tentatively there will be about two drill holes per North Carolina county with the final number of drill holes depending on submitted bid amount. The NCGS will provide the property parcel locations and suggested drill point in each property but it will be the drilling contractor's responsibility to ensure the area is clear of potential conflicting buried utilities. The drilling contractor will obtain the approval of the NCGS to move the suggested drill hole location more than 50 feet from the NCGS staked location. A prioritized list of drilling sites with geographic coordinates is shown in Table 1. Figure 1 shows the approximate location of the proposed drill sites.

DEMLR envisions that each drill hole will be advanced from the surface to the basement rock contact using a mud rotary rig to advance the hole from the surface to bedrock, and to then drill and collect 30 feet of core with a core barrel fitted to the same drill. During this process, cuttings will be collected every twenty (20) feet including a last sample at the base of the coastal plain overlap. Contractors proposals should provide for catching and bagging cuttings (contractor provided bags): (1) one set of washed, and (2) one set of unwashed cuttings beginning at a drill hole depth of 20 feet, and continuing to the bottom of the hole at 20 foot increments. Due to budget constraints, we do not plan to geophysically log the drill holes.

The thickness of the coastal plain is variable and is expected to range from about 200 feet to 450 feet. Details of possible depth ranges of the thickness of the coastal plain cover are found in Laurence and Hoffman (1993) and in the NCDENR Groundwater Database [http://www.ncwater.org/data\\_and\\_modeling/Ground\\_Water\\_Databases/](http://www.ncwater.org/data_and_modeling/Ground_Water_Databases/).

From the basement contact, each drill hole would be advanced thirty (30) feet using a core barrel fitted to the rotary drilling rig to recover and bring to the surface, diamond drill core. **THE QUALITY OF CORE RECOVERY IS AN ESSENTIAL AND CRITICAL COMPONENT OF THIS DRILLING PROJECT.**

The contractor will supply corrugated white plastic 2-foot long core boxes (marked with bar codes); the number of rows in each box will be commensurate with the final core diameter. Typically 5 rows per box for a total of 10 feet of core per box (flexibility is allowed for large diameter cores that may be obtained that may not fit these boxes - the contractor should check with the NCGS geologist for allowable changes including the need for longer core boxes if needed). Core will not be mixed from other holes to fill the core box - start a new box with the next hole. Longer core pieces are especially desired if the recovered rock is sufficiently competent. The contractor will follow specific N.C. Geological Survey staff requirements for placing core in the core boxes - this is to ensure the core is oriented in the required direction. The contractor shall, by spacers and other guides, indicate where core is lost or missing, and provide drill depth marks. Each core box will be marked internally with the start of the core and its end; the core box covers will also bear the drill hole number, depth interval, and project name. Identical information will also occur on the inside box and its cover in which the core resides. Permanent marker pens and markers are required for these crucial depth indicators.

These drill holes are to be temporary holes that are open only for the purpose of obtaining the technical project data (e.g., cores). Thus the holes are to be closed in accordance with state law and regulations upon achieving drilling objectives. The drilling contractor is responsible for meeting all state laws and regulations regarding hole closure.

The drilling contractor should anticipate a 'dry' site and is expected to provide all water used in a 'buffalo', truck, or similar means. It is the driller's responsibility to clean-up the drill site and to restore it as required by state laws and regulations.

#### **DELIVERABLES:**

The deliverables consist of the boxed drill cores, and washed and unwashed cuttings. These will be delivered (or accepted) at either the drill site by NCGS staff geologists, or at the NCGS' field office located at 4100A Reedy Creek Drive, Raleigh, NC 27699-1620. The preferred delivery and acceptance point is at each drill site.

The deliverable shall include a driller's log for each drill hole that is signed and dated by a registered driller in North Carolina.

#### **SUGGESTED REFERENCES FOR ADDITIONAL INFORMATION:**

Suggested references for additional information:

Lawrence, David P., and Hoffman, Charles W., Geology of basement rocks beneath the North Carolina Coastal Plain: North Carolina Geological Survey, Bulletin 95, 60p. available from the North Carolina Geological Survey at URL <http://www.geology.enr.state.nc.us/ordermaps.html>. A digital copy of this publication may be downloaded without charge at URL <http://portal.ncdenr.org/web/lr/bulletins1>.

NCDENR Groundwater database access URL - [http://www.ncwater.org/data\\_and\\_modeling/Ground\\_Water\\_Databases/](http://www.ncwater.org/data_and_modeling/Ground_Water_Databases/) (viewed 9 January 2014). This database can be used to access gamma-ray logs and related subsurface data by county or other parameters in order to estimate coastal plain cover.

#### **CONTRACT PERIOD**

The contract period will be from date of award until June 24, 2015.

#### **DIVISION CONTRACT ADMINISTRATOR**

[Dr. Jeffery C. Reid](#) is designated as the Division Contract Administrator (project coordinator) for the Department for the purposes of this RFP. Dr. Reid's contact information is: North Carolina Geological Survey, 1612 Mail Service Center, Raleigh, NC 27699-1612. Voice: 919.707.9205. Email – [jeff.reid@ncdenr.gov](mailto:jeff.reid@ncdenr.gov).

An alternate contact is: Dr. Kenneth B. Taylor, State Geologist, North Carolina Geological Survey, 1612 Mail Service Center, Raleigh, NC 27699-1612. Voice: 919.707.9211. Email – [Kenneth.b.taylor@ncdenr.gov](mailto:Kenneth.b.taylor@ncdenr.gov).

#### **CONTACT INFORMATION:**

Dr. Jeffery C. Reid, Sr. Geologist of North Carolina, North Carolina Geological Survey, 1612 Mail Service Center, Raleigh, NC 27699-1612. Dr. Reid's contact information is: North Carolina Geological Survey, 1612 Mail Service Center, Raleigh, NC 27699-1612. Voice: 919.707.9205. Email – [jeff.reid@ncdenr.gov](mailto:jeff.reid@ncdenr.gov).

An alternate contact is: Dr. Kenneth B. Taylor, State Geologist, North Carolina Geological Survey, 1612 Mail Service Center, Raleigh, NC 27699-1612. Voice: 919.707.9211. Email – [Kenneth.b.taylor@ncdenr.gov](mailto:Kenneth.b.taylor@ncdenr.gov).

# COST PROPOSAL

16-6372-MB

PROJECT: DRILLING CONTRACT FOR THE CUMBERLAND-MARLBORO BASIN

(OFFEROR MUST PROVIDE A MAXIMUM COST FOR PROJECT)

\$ <del>288,000</del>
TOTAL PROJECT COST

[Two hundred eighty-eight thousand Dollars]

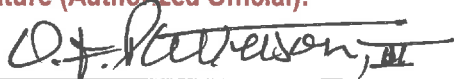
PATTERSON EXPLORATION SERVICES  
Offeror's Company/Organization Name

9 APRIL 2015  
Date

O. Patterson, III  
Signature

**EXECUTION OF PROPOSAL BY OFFEROR:**

In compliance with this Request for Proposals, and subject to all conditions herein, the undersigned offers and agrees if this proposal is accepted within 90 days from the date of the opening to furnish the subject services per the attached Cost Proposal Sheet.

Offeror: <b>PATTERSON EXPLORATION SERVICES</b>		Check Appropriate Status— Business Owned/Controlled	
Street or PO Box: <b>P.O. Box 3008</b>		African American	{ }
		Handicapped	{ }
		Woman Owned	{ }
		Other Minority Specify:	{ }
City: <b>SANFORD</b>		State: <b>NC</b>	Zip Code: <b>27331-3008</b>
Telephone Number:	<b>919-774-3770</b>	Fax Number:	<b>NA</b>
Principal Place of Business if different from above (See General Information on Submitting Proposals, Item 18):		City:	State: Zip Code:
Will any of the work under this contract be performed outside the United States? If yes, describe in an attachment with your offer.			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<p><b>N.C.G.S. § 133-32 and Executive Order 24</b> prohibit the offer to, or acceptance by, any State Employee of any gift from anyone with a contract with the State, or from any person seeking to do business with the State. By execution of any response in this procurement, you attest, for your entire organization and its employees or agents, that you are not aware that any such gift has been offered, accepted, or promised by any employees of your organization.</p>			
Signature (Authorized Official): 		Title: <b>President</b>	
Typed or Printed Name: <b>D.F. PATTERSON, III</b>		Date: <b>9 APRIL 2015</b>	
E-Mail address:	<b>MUSS@pattersonexploration.com</b>		
Key Personnel/Individual Assigned To This RFP By The Offeror:		<b>O.F. PATTERSON, III</b>	
Title:	<b>President</b>		
E-Mail address:	<b>MUSS@pattersonexploration.com</b>		

**THIS PAGE MUST BE SIGNED AND INCLUDED IN YOUR PROPOSAL OFFER.**

**FAILURE TO SIGN AND RETURN THIS PAGE WITH YOUR OFFER WILL CAUSE YOUR OFFER TO BE REJECTED.**

## EXECUTION OF PROPOSAL BY OFFEROR

By submitting this proposal, the potential contractor certifies the following:

- This proposal is signed by an authorized representative of the firm.
- It can obtain insurance certificates as required within 10 calendar days after notice of award.
- The cost and availability of all equipment, materials, and supplies associated with performing the services described herein have been determined and included in the proposed cost.
- All labor costs, direct and indirect, have been determined and included in the proposed cost.
- The offeror has attended the mandatory conference/site visit and is aware of prevailing conditions associated with performing these services.
- The offeror can and will provide the specified performance bond or alternate performance guarantee (if applicable).
- The offeror acknowledges that on July 1, 2004 the State of North Carolina became a "tax exempt" entity (Tax Exempt #400027).
- The potential contractor has read and understands the conditions set forth in this RFP and agrees to them with no exceptions.
- The offeror certifies the following regarding:
  - **Debarment And Suspension** - To the best of its knowledge and belief that it and its principals:
    - (a) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal, State, or local government agency;
    - (b) have not within a 3-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
    - (c) are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (b) of this certification; and
    - (d) have not within a 3-year period preceding this application/proposal had one or more public transactions (Federal, State, or local) terminated for cause or default.
  - **Lobbying** - To the best of his or her knowledge and belief, that:
    - (a) No Federal, State or local government appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any Federal, State or local government agency; a member of Congress, North Carolina's General Assembly or local government body; an officer or employee of Congress, North Carolina's General Assembly or local government body, or an employee of a member of Congress, North Carolina's General Assembly or local government body, in connection with the awarding of any Federal, State or local government contract, the making of any Federal, State or local government grant, the making of any Federal, State or local government loan, the entering into of any Federal, State or local government cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal, State or local government contract, grant, loan, or cooperative agreement.

## EXECUTION OF PROPOSAL BY OFFEROR

- (b) If any funds other than Federal, State or local government appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency; a member of Congress, North Carolina's General Assembly or local government body; an officer or employee of Congress, North Carolina's General Assembly or local government body; or an employee of a member of Congress, North Carolina's General Assembly or local government body in connection with the Federal, State or local government contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying" in accordance with its instructions.

- **Drug-Free Work Place Requirements** - It will comply by:

- (a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
- (b) Establishing a drug-free awareness program to inform employees about -
  - (1) The dangers of drug abuse in the workplace;
  - (2) The grantee's policy of maintaining a drug-free workplace;
  - (3) Any available drug counseling, rehabilitation, and employee assistance programs; and
  - (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
- (c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a) above;
- (d) Notifying the employee in the statement required by paragraph (a), above, that, as a condition of employment under the grant, the employee will -
  - (1) Abide by the terms of the statement; and
  - (2) Notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five days after such conviction;
- (e) Notifying the agency within ten days after receiving notice under subparagraph (d)(2), above, from an employee or otherwise receiving actual notice of such conviction;
- (f) Taking one of the following actions, within 30 days of receiving notice under subparagraph (d)(2), above with respect to any employee who is so convicted -
  - (1) Taking appropriate personnel action against such an employee, up to and including termination; or
  - (2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
- (g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e), and (f), above.

- The offeror will comply with the provisions of the Equal Employment Practices Act set out in Article 49A of Chapter 143 of the North Carolina General Statutes.

- The offeror will comply, as applicable, with the provisions of the Wage and Hour Act, Occupational Safety and Health Act of North Carolina, Controlled Substance Examination Regulation, Retaliatory Employment Discrimination, Safety and Health Programs and Committees, Workplace Violence Prevention, and other applicable provisions of Chapter 95 of the North Carolina General Statutes regarding labor standards.
- The offeror will comply with all applicable requirements of all other federal, state and local government laws, executive orders, regulations and policies governing this program.
- As required by G.S. §143-48.5 (Session Law 2013-418), the Bidder certifies that it, and each of its subcontractors for any contract awarded as a result of this solicitation, complies with the requirements of Article 2 of Chapter 64 of the NC General Statutes, including the requirement for each employer with more than 25 employees in North Carolina to verify the work authorization of its employees through the federal E-Verify system.
- The offeror is registered in NC E-Procurement @ Your Service or agrees to register within two days after notification of contract award. Registration web site: <http://vendor.ncgov.com>.

**WHERE SERVICE CONTRACTS WILL BE PERFORMED**  
 In accordance with NC General Statute 143-59.4 (Session Law 2005-169),  
 this form is to be completed and submitted with the offeror's proposal / bid.

Issuing Agency: Department of Environment and Natural Resources, Financial Services Division

Solicitation #: 16-6372-MB

Agency Contract Person: Marjorie Barber

E-Mail address: marjorie.barber@ncdenr.gov

Solicitation Title / Type of Service: Drilling Services for the Cumberland-Marlboro Basin

**TO BE COMPLETED BY THE OFFEROR**

OFFEROR: PATTERSON Exploration Services

CITY & STATE: SANFORD, N.C.

Location(s) from which services will be performed by the Contractor:

SERVICE	CITY / PROVIDENCE / STATE	COUNTRY
<u>Drilling &amp; Corework</u>	<u>SANFORD, N.C.</u>	<u>USA</u>

Location(s) from which services are anticipated to be performed **OUTSIDE THE U. S.** by the Contractor:

SERVICE	CITY / PROVIDENCE / STATE	COUNTRY
<u>NA</u>		

Location(s) from which services will be performed by subcontractor(s):

SERVICE	SUBCONTRACTOR	CITY / PROVIDENCE / STATE	COUNTRY
<u>Drilling &amp; Support</u>	<u>Charles R. Lunderwood Co.</u>	<u>SANFORD, N.C.</u>	<u>USA</u>
<u>Drilling, Corework, Support</u>	<u>Renew Drilling Co</u>	<u>WYTHEVILLE, VA.</u>	<u>USA</u>

Location(s) from which services are anticipated to be performed **OUTSIDE THE U. S.** by the subcontractor(s):

SERVICE	SUBCONTRACTOR	CITY / PROVIDENCE / STATE	COUNTRY
	<u>NA</u>		

(Attach additional pages if necessary)



## GENERAL INFORMATION ON SUBMITTING PROPOSALS

1. **EXCEPTIONS:** All proposals are subject to the terms and conditions outlined herein. All responses shall be controlled by such terms and conditions and the submission of other terms and conditions, price lists, catalogs, and/or other documents as part of an offeror's response will be waived and have no effect either on this Request for Proposals or on any contract that may be awarded resulting from this solicitation.

Offeror specifically agrees to the conditions set forth in the above paragraph by signature to the proposal.

2. **CERTIFICATION:** By executing the proposal, the signer certifies that this proposal is submitted competitively and without collusion (G.S. 143-54), that none of our officers, directors, or owners of an unincorporated business entity has been convicted of any violation of Chapter 78A of the General Statutes, the Securities Act of 1933, or the Securities Exchange Act of 1934 (G.S. 143-59.2), and that we are not an ineligible vendor as set forth in G.S. 143-59.1. False certification is a Class I felony.
3. **ORAL EXPLANATIONS:** The State shall not be bound by oral explanations or instructions given at any time during the competitive process or after award.
4. **REFERENCE TO OTHER DATA:** Only information which is received in response to this RFP will be evaluated; reference to information previously submitted shall not be evaluated.
5. **ADDITIONAL INFORMATION:** Each offeror is cautioned that the State is not obligated to ask for or accept, after the opening date for the receipt of proposals, data which is essential for a complete and thorough evaluation of the proposals. The State of North Carolina may award a contract based on initial offers received without discussion of such offers. Accordingly, each initial offer should be submitted on the most favorable and complete price and technical terms which the offeror can submit to the State.
6. **ELABORATE PROPOSALS:** Elaborate proposals in the form of brochures or other presentations beyond that necessary to present a complete and effective proposal are not desired.

In an effort to support the sustainability efforts of the State of North Carolina we solicit your cooperation in this effort.

### It is desirable that all responses meet the following requirements:

- All copies are printed **double sided**.
  - All submittals and copies are printed on **recycled paper with a minimum post-consumer content of 30%** and indicate this information accordingly on the response.
  - Unless absolutely necessary, all proposals and copies should **minimize or eliminate use of non-recyclable or non re-usable materials** such as plastic report covers, plastic dividers, vinyl sleeves, and GBC binding. Three-ringed binders, glued materials, paper clips, and staples are acceptable.
  - Materials should be submitted in a format which allows for **easy removal and recycling** of paper materials.
7. **PRICING:** If either a unit price or an extended price is obviously in error and the other is obviously correct, the incorrect price will be disregarded. The right is reserved to accept other than the lowest priced proposal as may be determined to serve the best interest of the State.
  8. **SPECIFICATIONS:** Any deviation from specifications indicated herein must be clearly pointed out; otherwise, it will be considered that the proposal offered is in strict compliance with these specifications, and the successful offeror will be held responsible therefor. Deviations must be explained in detail on an attached sheet(s).
  9. **LIABILITY:** The successful offeror shall assume liability for damage or loss resulting from the wrongful act(s) and/or negligence of its employees while engaged in the performance of the contract. The contractor or its insurer shall reimburse the Contracting Agency for any such damage or loss within 30 days after a claim is submitted.
  10. **COST FOR PROPOSAL PREPARATION:** Any costs incurred by offerors in preparing or submitting offers are the offerors' sole responsibility; the State of North Carolina will not reimburse any offeror for any costs incurred prior to award.
  11. **TIME FOR ACCEPTANCE:** Each proposal shall state that it is a firm offer which may be accepted within a period of 90 days. Although the contract is expected to be awarded prior to that time, the 90 day period is requested to allow for unforeseen delays.
  12. **TITLES:** Titles and headings in this RFP and any subsequent contract are for convenience only and shall have no binding force or effect.
  13. **CONFIDENTIALITY OF PROPOSALS:** In submitting its proposal the offeror agrees not to discuss or otherwise reveal the contents of the proposal to any source outside of the using or issuing agency, government or private, until after the award of the contract. Only those communications with the using agency or issuing agency authorized by this RFP are permitted. All offerors are advised that they are not to have any communications with the using or issuing agency during the evaluation of the proposals (i.e., after the public opening of the proposals and before the award of the contract), unless the State's purchaser contacts the offeror(s) for purposes of seeking clarification. An offeror shall not: transmit to the issuing and/or using agency any information commenting on the ability or qualifications of other offerors to perform the advertised contract and/or the other offerors' proposals and/or prices at any time during the procurement process; or engage in any other communication or conduct attempting to influence the evaluation and/or award of the contract that is the subject of this RFP. Offerors not in compliance with this provision may be disqualified, at the option of the State, from contract award. Only discussions authorized by the issuing agency are exempt from this provision.
  14. **RIGHT TO SUBMITTED MATERIAL:** All responses, inquiries, or correspondence relating to or in reference to the RFP, and all other reports, charts, displays, schedules, exhibits, and other documentation submitted by the offerors shall become the property of the State when received.

15. **OFFEROR'S REPRESENTATIVE:** Each offeror shall submit with its proposal the name, address, and telephone number of the person(s) with authority to bind the firm and answer questions or provide clarification concerning the firm's proposal.
16. **SUBCONTRACTING:** Offerors may propose to subcontract portions of the work provided that their proposals clearly indicate what work they plan to subcontract and to whom and that all information required about the prime contractor is also included for each proposed subcontractor.
17. **PROPRIETARY INFORMATION:** Trade secrets or similar proprietary data which the offeror does not wish disclosed to other than personnel involved in the evaluation or contract administration will be kept confidential to the extent permitted by NCAC T01:05B.1501 and G.S. 132-1.3 if identified as follows: Each page shall be identified in boldface at the top and bottom as "CONFIDENTIAL". Any section of the proposal which is to remain confidential shall also be so marked in boldface on the title page of that section. Cost information may not be deemed confidential. In spite of what is labeled as confidential, the determination as to whether or not it shall be determined by North Carolina law.
18. **HISTORICALLY UNDERUTILIZED BUSINESSES:** Pursuant to General Statute 143-48 and Executive Order #150, the State invites and encourages participation in this procurement process by businesses owned by minorities, women, disabled, disabled business enterprises and non-profit work centers for the blind and severely disabled.
19. **PROTEST PROCEDURES:** When an offeror wants to protest a contract awarded pursuant to this solicitation, the following procedures should be followed:

- 1) If the award is over \$25,000, they must submit a written request to: State Purchasing Officer, Division of Purchase and Contract, Department of Administration, 1305 Mail Service Center, Raleigh NC 27699-1305.
- a) This request must be received in the Division of Purchase and Contract within thirty (30) consecutive calendar days from the date of the contract award.
- b) Protest letters must contain specific reasons and any supporting documentation for the protest.

NOTE: Contract award notices are sent only to those actually awarded contracts and not to every person or firm responding to this solicitation. Contract status and award notices are posted on the Internet at <http://www.pandc.nc.gov/>.

All protests will be handled pursuant to the North Carolina Administrative Code, Title 1, Department of Administration, Chapter 5, Purchase and Contract, Section 5B.1519.

(See Protest Information at <http://www.pandc.nc.gov/protests.pdf> for more information.)

If the award is under \$25,000, they must submit a written request to: DENR Financial Services Division, Purchasing and Contracts Section, 1605 Mail Service Center, Raleigh NC 27699-1605. Follow instruction for Items a) through f) above, with the exception that information must be submitted to DENR Financial Services Division, Purchasing and Contracts Section.

20. **TABULATIONS:** An Interactive Purchasing System (IPS) has been implemented that allows the public to retrieve bid tabulations electronically from the Internet web site: <http://www.pandc.nc.gov/>. Click on the IPS BIDS icon, click on Search for Bid, enter the RFP number, and then search. Tabulations will normally be available at this web site not later than one working day after opening. Lengthy tabulations may not be available on the Internet and requests for these verbally or in writing cannot be honored.
21. **VENDOR REGISTRATION AND SOLICITATION NOTIFICATION SYSTEM:** Vendor Link NC allows vendors to electronically register free with the State to receive electronic notification of current procurement opportunities for goods and services available on the Interactive Purchasing System. Online registration and other purchasing information are available on our Internet web site: < <http://www.pandc.nc.gov/>.
22. **RECIPROCAL PREFERENCE:** G.S. 143-59 establishes a reciprocal preference law to discourage other states from applying in-state preferences against North Carolina's resident offerors. The "Principal Place of Business" is defined as the principal place from which the trade or business of the offeror is directed or managed.

4/29/2010

**NORTH CAROLINA GENERAL CONTRACT TERMS AND CONDITIONS**  
**(Contractual and Consultant Services)**

1. **GOVERNING LAW:** This contract is made under and shall be governed and construed in accordance with the laws of the State of North Carolina.
2. **SITUS:** The place of this contract, its situs and forum, shall be North Carolina, where all matters, whether sounding in contract or tort, relating to its validity, construction, interpretation and enforcement shall be determined
3. **INDEPENDENT CONTRACTOR:** The Contractor shall be considered to be an independent contractor and as such shall be wholly responsible for the work to be performed and for the supervision of its employees. The Contractor represents that it has, or will secure at its own expense, all personnel required in performing the services under this agreement. Such employees shall not be employees of, or have any individual contractual relationship with the Department.
4. **KEY PERSONNEL:** The Contractor shall not substitute key personnel assigned to the performance of this contract without prior written approval by the Department's Contract Administrator. The individuals designated as key personnel for purposes of this contract are those specified in the Contractor's proposal.
5. **SUBCONTRACTING:** Work proposed to be performed under this contract by the Contractor or its employees shall not be subcontracted without prior written approval of the Department's Contract Administrator. Acceptance of an offeror's proposal shall include any subcontractor(s) specified therein.
6. **PERFORMANCE AND DEFAULT:** If, through any cause, the Contractor shall fail to fulfill in timely and proper manner the obligations under this agreement, the Department shall thereupon have the right to terminate this contract by giving written notice to the Contractor and specifying the effective date thereof. In that event, all finished or unfinished deliverable items under this contract prepared by the Contractor shall, at the option of the Department, become its property, and the Contractor shall be entitled to receive just and equitable compensation for any satisfactory work completed on such materials. Notwithstanding, the Contractor shall not be relieved of liability to the Department for damages sustained by the Department by virtue of any breach of this agreement, and the Department may withhold any payment due the Contractor for the purpose of setoff until such time as the exact amount of damages due the Department from such breach can be determined.

In case of default by the Contractor, the State may procure the services from other sources and hold the Contractor responsible for any excess cost occasioned thereby. The State reserves the right to require a performance bond or other acceptable alternative performance guarantees from successful offeror without expense to the State.

In addition, in the event of default by the Contractor under this contract, the State may immediately cease doing business with the Contractor, immediately terminate for cause all existing contracts the State has with the Contractor, and de-bar the Contractor from doing future business with the State

Upon the Contractor filing a petition for bankruptcy or the entering of a judgment of bankruptcy by or against the Contractor, the State may immediately terminate, for cause, this contract and all other existing contracts the Contractor has with the State, and de-bar the Contractor from doing future business

Neither party shall be deemed to be in default of its obligations hereunder if and so long as it is prevented from performing such obligations by any act of war, hostile foreign action, nuclear explosion, riot, strikes, civil insurrection, earthquake, hurricane, tornado, or other catastrophic natural event or act of God.

7. **TERMINATION:** The Department may terminate this agreement at any time by *30 days* notice in writing from the Department to the Contractor. In that event, all finished or unfinished deliverable items prepared by the Contractor under this contract shall, at the option of the Department, become its property. If the contract is terminated by the Department as provided herein, the Contractor shall be paid for services satisfactorily completed, less payment or compensation previously made.
8. **PAYMENT TERMS:** Payment terms are Net not later than 30 days after receipt of correct invoice(s) or acceptance of services, whichever is later, or in accordance with any special payment schedule identified in this RFP. The using agency is responsible for all payments to the contractor under the contract. Payment by some agencies may be made by procurement card and it shall be accepted by the contractor for payment if the contractor accepts that card (Visa, Mastercard, etc.) from other customers. If payment is made by procurement card, then payment may be processed immediately by the contractor.
9. **AVAILABILITY OF FUNDS:** Any and all payments to the Contractor are dependent upon and subject to the availability of funds to the Department for the purpose set forth in this agreement.
10. **CONFIDENTIALITY:** Any information, data, instruments, documents, studies or reports given to or prepared or assembled by the Contractor under this agreement shall be kept as confidential and not divulged or made available to any individual or organization without the prior written approval of the Department.
11. **CARE OF PROPERTY:** The Contractor agrees that it shall be responsible for the proper custody and care of any property furnished it for use in connection with the performance of this contract or purchased by it for this contract and will reimburse the State for loss of damage of such property.
12. **COPYRIGHT:** No deliverable items produced in whole or in part under this agreement shall be the subject of an application for copyright by or on behalf of the Contractor.

13. **ACCESS TO PERSONS AND RECORDS:** The State Auditor and the using agency's internal auditors shall have access to persons and records as a result of all contracts or grants entered into by State agencies or political subdivisions in accordance with General Statute 147-64.7 and Session Law 2010-194, Section 21 (i.e., the State Auditors and internal auditors may audit the records of the contractor during the term of the contract to verify accounts and data affecting fees or performance).
14. **ASSIGNMENT:** No assignment of the Contractor's obligations nor the Contractor's right to receive payment hereunder shall be permitted. However, upon written request approved by the issuing purchasing authority, the State may:
- a. Forward the contractor's payment check(s) directly to any person or entity designated by the Contractor, or
  - b. Include any person or entity designated by Contractor as a joint payee on the Contractor's payment check(s).

In no event shall such approval and action obligate the State to anyone other than the Contractor and the Contractor shall remain responsible for fulfillment of all contract obligations.

15. **COMPLIANCE WITH LAWS:** The Contractor shall comply with all laws, ordinances, codes, rules, regulations, and licensing requirements that are applicable to the conduct of its business, including those of federal, state, and local agencies having jurisdiction and/or authority.
16. **AFFIRMATIVE ACTION:** The Contractor shall take affirmative action in complying with all Federal and State requirements concerning fair employment and employment of people with disabilities, and concerning the treatment of all employees without regard to discrimination by reason of race, color, religion, sex, national origin, or disability.
17. **INSURANCE:** During the term of the contract, the contractor at its sole cost and expense shall provide commercial insurance of such type and with such terms and limits as may be reasonably associated with the contract. As a minimum, the contractor shall provide and maintain the following coverage and limits:
- a. Worker's Compensation - The contractor shall provide and maintain Worker's Compensation Insurance, as required by the laws of North Carolina, as well as employer's liability coverage with minimum limits of \$500,000.00, covering all of Contractor's employees who are engaged in any work under the contract. If any work is subcontracted, the contractor shall require the subcontractor to provide the same coverage for any of its employees engaged in any work under the contract.
  - b. Commercial General Liability - General Liability Coverage on a Comprehensive Broad Form on an occurrence basis in the minimum amount of \$1,000,000.00 Combined Single Limit. (Defense cost shall be in excess of the limit of liability).
  - c. Automobile - Automobile Liability Insurance, to include liability coverage, covering all owned, hired and non-owned vehicles, used in connection with the contract. The minimum combined single limit shall be \$500,000.00 bodily injury and property damage; \$500,000.00 uninsured/under insured motorist; and \$25,000.00 medical payment.

Providing and maintaining adequate insurance coverage is a material obligation of the contractor and is of the essence of this contract. All such insurance shall meet all laws of the State of North Carolina. Such insurance coverage shall be obtained from companies that are authorized to provide such coverage and that are authorized by the Commissioner of Insurance to do business in North Carolina. The contractor shall at all times comply with the terms of such insurance policies, and all requirements of the insurer under any such insurance policies, except as they may conflict with existing North Carolina laws or this contract. The limits of coverage under each insurance policy maintained by the contractor shall not be interpreted as limiting the contractor's liability and obligations under the contract.

18. **ADVERTISING:** The offeror shall not use the award of a contract as part of any news release or commercial advertising.
19. **ENTIRE AGREEMENT:** This contract and any documents incorporated specifically by reference represent the entire agreement between the parties and supersede all prior oral or written statements or agreements. This Request for Proposals, any addenda thereto, and the offeror's proposal are incorporated herein by reference as though set forth verbatim.
- All promises, requirements, terms, conditions, provisions, representations, guarantees, and warranties contained herein shall survive the contract expiration or termination date unless specifically provided otherwise herein, or unless superseded by applicable Federal or State statutes of limitation.
20. **AMENDMENTS:** This contract may be amended only by written amendments duly executed by the Department and the Contractor. The NC Division of Purchase and Contract shall give prior approval to any amendment to a contract awarded through that office.

21. **TAXES:** G.S. 143-59.1 bars the Secretary of Administration from entering into contracts with vendors if the vendor or its affiliates meet one of the conditions of G. S. 105-164.8(b) and refuse to collect use tax on sales of tangible personal property to purchasers in North Carolina. Conditions under G. S. 105-164.8(b) include: (1) Maintenance of a retail establishment or office, (2) Presence of representatives in the State that solicit sales or transact business on behalf of the vendor and (3) Systematic exploitation of the market by media-assisted, media-facilitated, or media-solicited means. By execution of the proposal document the vendor certifies that it and all of its affiliates, (if it has affiliates), collect(s) the appropriate taxes.
22. **YEAR 2000 COMPLIANCE/WARRANTY:** Vendor shall ensure the product(s) and service(s) furnished pursuant to this agreement ("product" shall include, without limitation, any piece of equipment, hardware, firmware, middleware, custom or commercial software, or internal components, subroutines, and interfaces therein) which perform any date and/or time data recognition function, calculation, or sequencing, will support a four digit year format, and will provide accurate date/time data and leap year calculations on and after December 31, 1999, at the same level of functionality for which originally acquired without additional cost to the user. This warranty shall survive termination or expiration of the agreement.
23. **GENERAL INDEMNITY:** The contractor shall hold and save the State, its officers, agents, and employees, harmless from liability of any kind, including all claims and losses accruing or resulting to any other person, firm, or corporation furnishing or supplying work, services, materials, or supplies in connection with the performance of this contract, and from any and all claims and losses accruing or resulting to any person, firm, or corporation that may be injured or damaged by the contractor in the performance of this contract and that are attributable to the negligence or intentionally tortious acts of the contractor provided that the contractor is notified in writing within 30 days that the State has knowledge of such claims. The contractor represents and warrants that it shall make no claim of any kind or nature against the State's agents who are involved in the delivery or processing of contractor goods to the State. The representation and warranty in the preceding sentence shall survive the termination or expiration of this contract.
24. **OUTSOURCING:** Any vendor or subcontractor providing call or contact center services to the State of North Carolina shall disclose to inbound callers the location from which the call or contact center services are being provided.

If, after award of a contract, the contractor wishes to outsource any portion of the work to a location outside the United States, prior written approval must be obtained from the State Department responsible for the contract.

Vendor must give notice to the using agency of any relocation of the vendor, employees of the vendor, subcontractors of the vendor, or other persons performing services under a state contract outside of the United States.

25. **By EXECUTIVE ORDER 24**, issued by Governor Perdue, and N.C. G.S. § 133-32, it is unlawful for any vendor or contractor ( i.e. architect, bidder, contractor, construction manager, design professional, engineer, landlord, offeror, seller, subcontractor, supplier, or vendor), to make gifts or to give favors to any State employee of the Governor's Cabinet Agencies (i.e., Administration, Commerce, Correction, Crime Control and Public Safety, Cultural Resources, Environment and Natural Resources, Health and Human Services, Juvenile Justice and Delinquency Prevention, Revenue, Transportation, and the Office of the Governor). This prohibition covers those vendors and contractors who:
  - (1) have a contract with a governmental agency; or
  - (2) have performed under such a contract within the past year; or
  - (3) anticipate bidding on such a contract in the future.

For additional information regarding the specific requirements and exemptions, vendors and contractors are encouraged to review Executive Order 24 and G.S. Sec. 133-32.

Executive Order 24 also encouraged and invited other State Agencies to implement the requirements and prohibitions of the Executive Order to their agencies. Vendors and contractors should contact other State Agencies to determine if those agencies have adopted Executive Order 24."

Revised 10/25/2010

FIGURE 1

DRILLING SITES OF THE CUMBERLAND MARLBORO BASIN

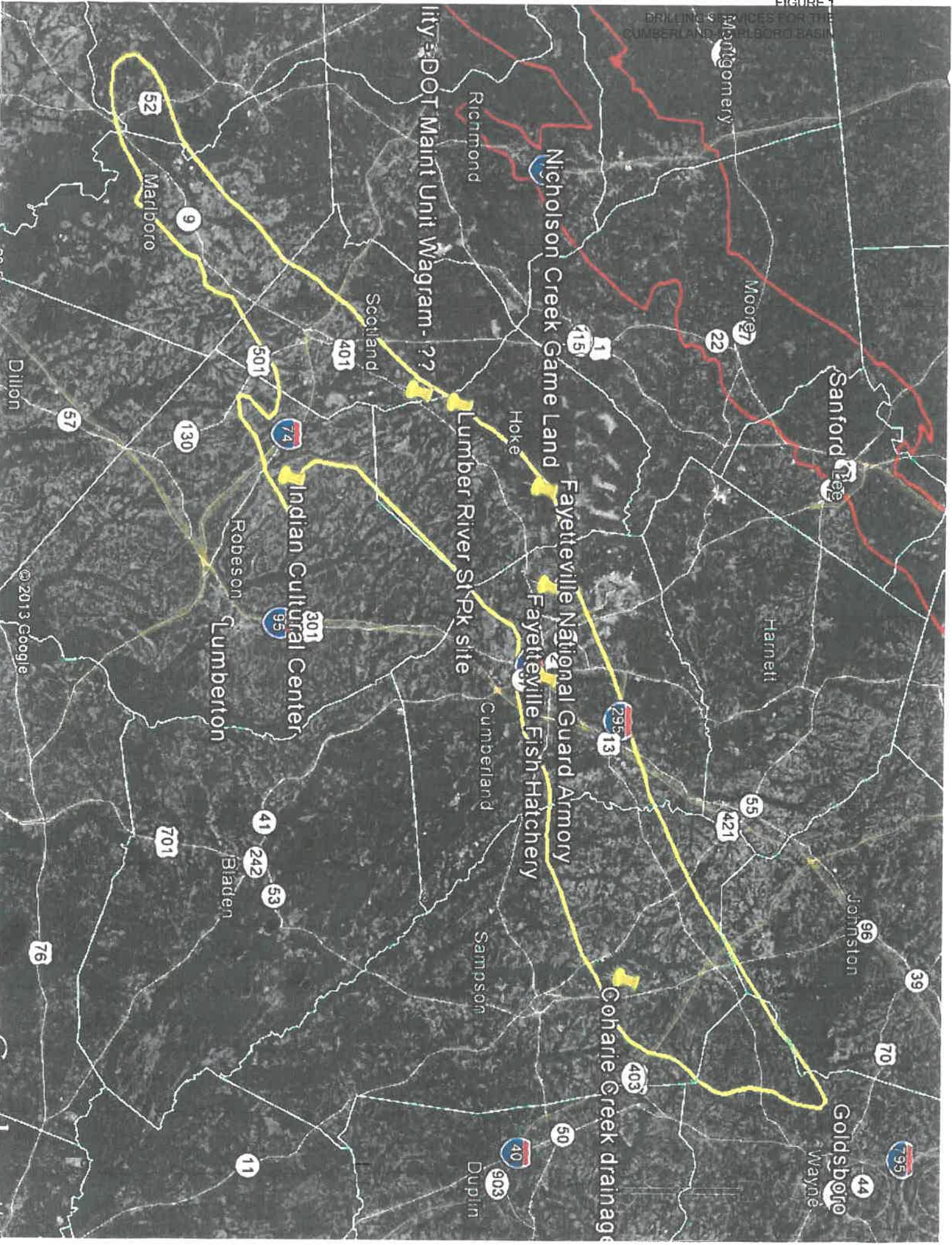


Table 1. Prioritized drill hole locations and rationale for the 'Cumberland-Marlboro' basin with latitude and longitude coordinates.

Priority #	Site Number	Site Name	County	State Land (Yes/No/Possibly)	Latitude	Longitude	Reason for Drilling	Reason for Not Drilling
1	NA	NW Laurinburg (4 mi. NW of SC-T-1-88)	Scotland	N	34.783266	-79.532449	no basement rock reported in SC-T-1-88; in very quiet magnetic area; nearest loc. to SC wells	possibly near igneous dike;
2	NA	DOT Maintenance yard - Raeford	Hoke	Y	34.986944	-79.244444	near HO-T-03-71 - Town of Raeford well	target zone is very narrow and georegistering of aeromag map may be off, causing basin fill to be missed
3	8	Old Scotland Co Corr Facility - DOT Maint Unit Wagram- ??	Scotland	Y	34.872597	-79.380996	loc. within coolest aeromag signature area	possibly not state land-?
4	2	Fayetteville Fish Hatchery	Cumberland	P	35.031045	-79.038152	near center of "basin"	if "basin" is present & thick, basement might be very deep
5	4	ADM Indian Cultural Tourist Center	Robeson	Y	34.691165	-79.254705	it on the SE side of the "basin"	very little well control as to what to expect
6	5	Fayetteville National Guard Armory	Cumberland	Y	35.013923	-78.887511	state land	better places to drill
7	6	Sampson Co. conservation easement site (Coharie Creek)	Sampson	Y	35.088871	-78.365957	SA-T-1-XX (nearby well) found rocks that "were only slightly metamorphosed"	possible sensitive environmental area; near SE edge of "basin"
8	7	Nicholson Creek game land	Hoke	Y	35.033455	-79.203418	a lot of state land to choose from	basically same as DOT Maintenance yard - Raeford without well control
9	3	Sampson Co. game land	Sampson	Y	35.222853	-78.483565	state land	very near apparent NW margin - might miss "basin" based on aeromag signature
10	1	Lumber River State Park	Scotland	Y	34.926253	-79.355019	state land	very near apparent NW margin - might miss "basin" based on aeromag signature
11	NA	New Scotland County correctional facility	Scotland	Y			near center of "basin"	no nearby well control; nearby linear aeromag signature that might be igneous intrusion
12	NA	Fayetteville State University	Cumberland	Y			near center of "basin"	possibly no site acceptable for drilling; no nearby well control; Site #2 is better location to drill "basin" center



# **PATTERSON EXPLORATION SERVICES**

P.O. BOX 3008 - SANFORD, N.C. 27331-3008 - (919) 774-3770  
FAX: (919) 774-3510

**RFP # 16-6372-MB  
DRILLING SERVICES FOR THE CUMBERLAND-MARLBORO BASIN**

## **PATTERSON EXPLORATION SERVICES PROPOSAL**

### ***Company Background and Experience***

Patterson Exploration Services has provided professional geological exploration and drilling services to industry and governmental agencies for over 40 years. During this time, we have drilled or contracted over 1.5 million feet. These services have included drilling exploration holes up to 1500 feet in depth across wide-ranging geologic conditions throughout North America and the Caribbean. Our main focus and expertise is geared towards aggregates and industrial minerals although we have drilled many properties in West Virginia, Virginia, and Tennessee for coal; we have held and completed several contracts with the North Carolina Geological Survey beginning in 1979 with three stratigraphic holes to basement in the "Graingers Basin" (one of which we cored and recovered basement core, proving it was not a buried Triassic basin) along with a multitude of Coastal Plain holes to basement near the edge of the piedmont, and numerous core holes on the NC outer banks (multi-year contracts, 1995-2004). Former or current NCGS employees (James Sampair, William Hoffman, John Nickerson, and Kathleen Farrell, PhD) are familiar with the quality of our services. We have drilled many holes in the NC Triassic basins including the Dummitt-Palmer # 1 (1982) shale/coal bed methane test well. A partial list of more recent exploration projects follows:

2009 – Project "ORCA" - Sand and Gravel Exploration and Evaluation, Vancouver Island, British Columbia. Client: Natural Resource Partners L.P.

2010 – Project "Chico" – Morris Ravine Mine – Industrial Sand Exploration and Evaluation, Oroville, CA. Client: Client: Natural Resource Partners L.P.

2011 – Project "Palua" – Kaolin Clay Exploration and Evaluation, Georgia Coastal Plain. Client: Natural Resource Partners L.P.

NBR Project – "Frac Sand" Exploration and Evaluation, Tyler, TX.  
Client: Natural Resource Partners L.P.

2011-2015 - Multiple Projects – Exploration and Evaluation of Crushed Stone Aggregates, Chatham County, NC. Client: B.A. Branch Properties, LLC



***Company Background and Experience, continued***

2012-205 – Exploration and Evaluation of Reserves – Vanderbilt Minerals, LLC –  
Standard Division, Robbins, NC

***Project Organization***

**O.F. Patterson, III, P.G., C.P.G., NCWC 2182-A** – President and Chief Geologist. Driller, Project Manager and principal contact for Patterson Exploration Services. **Resume attached.**

**Joshua C. Patterson, NCWC 4173-B** – VP Operations. Driller, Field Manager –Site Preparation, Hole Abandonment and Site Restoration. Sampling of drill cuttings, coring and core recovery, and handling of recovered core. 12 years experience.

**Travis R. Frazier, NCWC 4150-A** – Senior Driller, Duties include set up, knock down, drilling hole to basement, and assisting with the coring phase of the hole.

**Charles R. Underwood Company** will provide support for the project as needed.

**Ruen Drilling Inc.** may provide drilling, coring, & support for the project.

**Mike Neal** – Eastern Operations Manager for Ruen Drilling. May provide project management as needed for drilling activities. Over 30 years core drilling experience in varied conditions. **Resume attached.**

**Ron Pearrow** – Deep Hole Core Driller, 27 years experience. **Resume attached.**

**Brad Kiser** – Deep Hole Core Driller. 17 years experience. **Resume attached.**

***Technical Approach***

The work will be conducted in accordance with the SCOPE OF WORK on pages 8 and 9 of the RFP. The work will be accomplished utilizing a 1500 Failing mud rotary drill with two 5"X6¼" mud pumps and draw works capable of 35 foot pulls. As June 30, 2015 is fast approaching, we reserve the right to utilize an Atlas Copco CT-14 core drill to drill some, if not all, the holes.

***Technical Approach, continued***

The following steps are expected for each hole:

- 1 – Clear utilities, contact 811
- 2 – Mobilization, setup, set pit casing
- 3 – Drill 6”-8” nominal hole to basement, catch cuttings samples each 20 feet as per “SCOPE OF WORK” in the attached RFP
- 4 – Stabilize and condition hole, pull tools, insert coring tools to basement
- 5 – Core and recover core of basement to prove/disprove Triassic Sedimentary rock
- 6 – Remove all tools and casing from hole
- 7 – Mobilize to next drill site
- 8 – After completion, hole will be properly abandoned and the drill site restored
- 9 – Core and cuttings, drill logs, and a copy of GW-30 for each hole will be delivered to the NCGS.

It is anticipated to take approximately three days per hole for the drilling activity. An additional day is allotted for hole abandonment and site restoration.

***Outsourcing***

As this project will be conducted in five North Carolina counties, **no part of this project will be conducted outside those counties, and therefore will not be conducted outside the United States.**

***References***

Dennis Coker, Vice President – Aggregates  
Natural Resource Partners L.P.  
601 Jefferson Street  
Suite 3600  
Houston, Texas 77002  
Office – 713-751-7566, Cell 469-585-1894

Martin Burhans, President  
Heart Land Resources  
P.O. Box 190  
Porter, Texas 77365  
214-233-0421

Page 4  
RFP # 16-6372-MB  
Patterson Exploration Services

***References, continued***

Nigel Wills, Director - Mineral Resources  
Lehigh Hanson  
300 East John Carpenter Fwy  
Suite 1645  
Irving, Texas 75062  
Office 972-657-4366

Jon Reedy  
South Region/HBP Director  
Environment, Safety & Health  
Lehigh Hanson  
300 East John Carpenter Fwy  
Suite 800  
Irving, Texas 75062  
Office 972-653-3730, Cell 214-213-9619

Bobby A. Branch, Manager  
B.A. Branch Properties, LLC  
402 Forestwood Park Road  
Sanford, NC 27330  
919-708-8465

J. Daniel Butler  
Jireh Corporation  
777 Fort Bragg Road  
Southern Pines, NC 28387  
Office 910-692-7412, Cell 910-528-6635

Jim Faile  
Jim Harkins  
Vanderbilt Minerals, LLC – Standard Division  
P.O. Box 279  
Robbins, NC 27325  
910-948-2266

Carrol Beavers  
42 N 4<sup>th</sup> Street  
Colbert, Georgia 30628  
Office 706-788-2408, Cell 706-540-1485

**ORUS FUQUAY PATTERSON, III**  
**1901 Boone Trail Road**  
**Sanford, North Carolina 27330**  
**(919) 776-6863**

**EDUCATION**

North Carolina State University, Raleigh, North Carolina - MS - Geology - 1969; Minor, Civil Engineering (Hydrology)

Campbell University, Buies Creek, North Carolina BS - Geology - 1968

University of North Carolina, Chapel Hill, North Carolina - June - August, 1967

Western Carolina University, Cullowhee, North Carolina - 1963 - 1965

Sanford Central High School, Sanford, North Carolina - Graduated 1963

**EMPLOYMENT BACKGROUND**

1974 - Present      PATTERSON EXPLORATION SERVICES  
Sanford, North Carolina  
President, Co-Owner, Chief Geologist, and Independent Consultant

1969 - 1974        EXPLO ASSOCIATES, Geophysical Division  
Sanford, North Carolina  
President and Chief Geologist

1969                CAMPBELL UNIVERSITY  
Buies Creek, North Carolina  
Associate Professor of Geology

1968 - 1969        NORTH CAROLINA STATE UNIVERSITY  
Raleigh, North Carolina  
Graduate Teaching Assistant  
Department of GeoSciences

1966                USGS, GROUND WATER DIVISION  
Raleigh, North Carolina  
Hydrologic Field Assistant

**Page 2**  
**Resume**  
**O.F. Patterson, III**

1963 - 1965            WESTERN CAROLINA UNIVERSITY  
                                 Cullowhee, North Carolina  
                                 Laboratory Instructor  
                                 Department of Geology

**LICENSES**

Licensed or Registered Professional Geologist:  
North Carolina, South Carolina, Florida

General Contractor  
North Carolina - No. 35376

Certified Well Contractor  
North Carolina - NCWC #2182-A

**PROFESSIONAL ASSOCIATIONS**

President (2003) Carolinas Section, American Institute of Professional Geologists

Executive Committee, Carolinas Section Society of Mining Engineers, AIME

Chairman (1985) Carolinas Section Society of Mining Engineers, AIME

American Institute of Professional Geologists Certified Profession Geologist #2707

Screening Board Chairman and Executive Committee, Carolinas Section, American Institute of Professional Geologists

Society of Sigma Xi

N. C. Joint Professional Liaison Committee

Commissioner, State of West Virginia

North Carolina Ground Water Association

National Ground Water Association - Certified Well Driller

Society for Mining, Metallurgy, and Exploration (SME)

**PUBLICATIONS AND PAPERS PRESENTED**

- 2011 Natural Gas Potential of the Sanford Sub-basin, Deep River Basin, North Carolina, Field Trip Guide Book - 60<sup>th</sup> Annual Meeting Southeastern Section, Geological Society of America, March 2011 (Co-authored with Jeffrey C, Reid, Kenneth B. Taylor, and Paul E. Olson).
- 2011 Natural Gas Potential of the Sanford Sub-basin, Deep River Basin, North Carolina, Field Trip Guide Book, AAPG Eastern Meeting, September 2011, "Search and Discovery " article #10366 (2011). (Co-authored with Jeffrey C, Reid, Kenneth B. Taylor, and Paul E. Olson).
- 1995 Hydrocarbon Bioremediation with Compost, BioCycle, Southeast Conference, Kissimee, Florida
- 1994 Bioremediation of Petroleum Contaminated Soils, Annual Meeting, Carolina's Section, Society of Mining Engineers of AIME, Sanford, North Carolina.
- 1984 Comments on Some Recent Conventional and Unconventional Oil and Gas Tests in North Carolina. Annual Meeting, Carolinas Section, Society of Mining Engineers of AIME, Asheville, North Carolina.
- 1984 Methane Recovery from Landfills: A New Energy Source. Spring Meeting, Carolinas Section, Society of Mining Engineers of AIME, Asheboro, North Carolina.
- 1982 Methane Recovery from the Cumnock Coal Bed, Deep River Triassic Basin, North Carolina. Winter Meeting, Carolinas Section, Society of Mining Engineers of AIME, Sanford, North Carolina.
- 1971 Mineral Localities of North Carolina. North Carolina Department of Natural and Economic Resources, Information Circular No. 16. *(Co-Author, G. R. Ganis)*.
- 1969 The Depositional Environment and Paleoecology of the Pekin Formation (Upper Triassic) of the Sanford Triassic Basin, North Carolina. North Carolina State University, Department of GeoSciences.
- 1969 Upper Triassic Flora from the Deep River Basin, North Carolina. North Carolina Department of Conservation and Development, Special Paper No. 2, *(Co-Author, Robert C. Hope)*.
- 1967 Dicynodont-Archosaur Fauna in the Pekin Formation (*Upper Triassic*) of North Carolina. Geol. Society Am. Annual Meetings, New Orleans. *(Abstract, Co-Author, Donald Baird)*.

## WORK EXPERIENCE

- **GEOTECHNICAL**

Foundation Design: deep and shallow; slope stability and slope stabilization: existing foundation settlement remediation, quarries, mines, highways, dams, rock mechanics (*surface and underground mines, road cuts, dams*); project types: elevated water tanks, silos, bridges, dams, large fills, lagoons, canals, harbors. Domestic and overseas.

- **ENVIRONMENTAL**

Groundwater studies, well head protection, monitoring, testing, remediation design and implementation; hazardous and toxic wastes; acid mine drainage; land reclamation; asbestos and radon; U.S. EPA RCRA, CERCLA, SARA projects. Landfills and landfill gas recovery, venting, and migration control. Site audits for real estate transactions.

- **BIOREMEDIATION**

Development of biological processes for the degradation of organic contaminants through the use of naturally occurring fungi and bacteria. Successfully remediated contaminants include: gasoline, diesel fuel, kerosene, fuel oil, lubricating oils, jet fuel, mineral spirits, polynuclear aromatics, volatile organics, polychlorinated biphenyls, and volatile halocarbons. Responsible for bench scale studies and process implementation on-site. Millions of tons of contaminated soil have been remediated as a result of this innovative process.

- **GEOPHYSICAL**

Seismic surveys for oil, gas and depth to rock; magnetics and electromagnetic (EM/VLF) surveys; electric resistivity (ER), gamma, neutron, density, caliper and down hole camera. Location of ground water, oil, gas, buried structures and ore bodies, location of buried drums, lagoons, etc. Domestic and overseas.

- **MINERAL EXPLORATION**

Sand, gravel, construction aggregates, building and dimension stone, clay, industrial sand, industrial minerals, heavy minerals; precious, base, non-metallic minerals, coal, uranium, oil and gas. Exploration and evaluation of aggregate resources for acquisition due diligence. Domestic and overseas.



# NORTH CAROLINA

## Department of the Secretary of State

### CERTIFICATE OF AUTHORIZATION

I, Elaine F. Marshall, Secretary of State of the State of North Carolina, do hereby certify that

#### **RUEN DRILLING, INC.**

a corporation organized under the laws of Idaho was authorized to transact business in the State of North Carolina by issuance of a certificate of authority on the 11th day of April, 2012.

I FURTHER certify that the said corporation's certificate of authority is not suspended for failure to comply with the Revenue Act of the State of North Carolina; that the said corporation's certificate of authority is not revoked for failure to comply with the provisions of the North Carolina Business Corporation Act; that its most recent annual report required by G.S. 55-16-22 has been delivered to the Secretary of State; and that a certificate of withdrawal has not been issued in the name of the said corporation as of the date of this certificate.



Scan to verify online.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at the City of Raleigh, this 6th day of April, 2015.

*Elaine F. Marshall*

Secretary of State





## Mike Neal

### EXPERIENCE

---

#### **Eastern Operations Manager**

2012 – Present

*Ruen Drilling, Inc. – Clark Fork, ID*

- Manage operations in the eastern part of the US
- Prepare bid documents, crew schedules and coordination between crew and clients
- Supervise operations of drilling projects and drill crews.
- Manage on-site client relations.
- Organize job set-up and operation requirements.
- Provide leadership for and coordinate efficient placement of drills into work areas with contractors and drill crews.
- Ensure drilling program requirements are met by making drill supplies available in a timely and effective manner and communicating clearly and frequently with contractors and the client.
- Troubleshoot down-hole drilling problems using experience and knowledge gained from similar situations.
- Suggest changes in working conditions and use of equipment and materials to increase efficiency of work crew or improved job safety.
- Compilation of drill reports, shift reports, drilling permits, and crew time cards.

#### **Operations Manager**

1984 – 2012

*Boart Longyear – Wytheville, VA*

- Prepare bid documents, crew schedules and coordination between crew and clients
- Supervise operations of drilling projects and drill crews.
- Manage on-site client relations.
- Organize job set-up and operation requirements.
- Provide leadership for and coordinate efficient placement of drills into work areas with contractors and drill crews.
- Ensure drilling program requirements are met by making drill supplies available in a timely and effective manner and communicating clearly and frequently with contractors and the client.
- Troubleshoot down-hole drilling problems using experience and knowledge gained from similar situations.
- Suggest changes in working conditions and use of equipment and materials to increase efficiency of work crew or improved job safety.
- Compilation of drill reports, shift reports, drilling permits, and crew time cards.

## **TRAINING / LICENSES**

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- Current MSHA Metal Non-Metal and Surface Mine Training
- Current CPR and First Aid Training

## **SKILLS AND QUALIFICATIONS**

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- Drills: LY-24, LY-28, LY-34, LY-38, LY-44, LY-50, LY-244, LF-70, LF-90, LM-37, LM-45, LM-55, LM-75, LM-90, Hagby 1000/3, Atlas Copco CT-14.
- Dam Projects include:
  - Middle Fork Dam, Parachute Co.
  - John Day Dam, USACE Columbia River
  - Mississinewa Dam, USACE Peru, IN
  - Wolf Creek Dam, USACE
  - Clearwater Dame, USACE
  - Dix Dam, Kentucky Utilities
- Maintenance and mechanical up-keep, including changing transmissions, radiators, engines, bearings, seals and hydraulic repairs.
- Driving and maintenance of highway and off-road trucks, water trucks, drill trucks, dump trucks, and highway support trucks of various makes and models.
- Maintenance and operation of forklifts, cranes, and boom trucks.



## Ronald Pearrow

### **EXPERIENCE**

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#### **Diller III**

2013 – Present

*Ruen Drilling, Inc. – Clark Fork, ID*

- Operate and supervise operations of drilling projects and drill crews.
- Organize job set-up and operation requirements.
- Provide leadership for and coordinate efficient placement of drills into work areas with contractors and drill crews.
- Troubleshoot down-hole drilling problems using experience and knowledge gained from similar situations.
- Suggest changes in working conditions and use of equipment and materials to increase efficiency of work crew or improved job safety.
- Compilation of drill reports, shift reports, drilling permits, and crew time cards.

#### **Rig Supervisor**

2012 - 2013

*Boart Longyear*

- Operate and supervise crews, order inventory, made crew schedules, performed daily safety meetings, filled out incident reports, ensured working environment was safe
- Held daily meeting with clients, drill crew and safety personnel
- Trained drill operators

#### **Driller**

2010 - 2012

*Haile Gold Mine*

- Operating LF90 track drills, order inventory, made crew schedules, performed daily safety meetings, filled out incident reports, ensured working environment was safe
- Reviewed daily drill reports
- Held safety meeting and pre shift inspections
- Inspected each drill site for safety compliance
- Installed monitoring wells,

**Drill Operator**

1988 - 2010

***Boart Longyear***

- Operate truck/track diamond core drills, order inventory, made crew schedules, performed daily safety meetings, filled out incident reports, ensured working environment was safe
- Down hole survey

**TRAINING / LICENSES**

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- Current MSHA Metal Non-Metal and Surface Mine Training
- Current CPR and First Aid Training
- Forklift operator

**SKILLS AND QUALIFICATIONS**

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- Drills operated: LY-38, LY-44, LY-244, LF-70, LF-90, LM-75, LM-90, Hagby 1000/3, Atlas Copco CT-14, B-53,



## Brad Kiser

### EXPERIENCE

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#### Diller III

2012 – Present

*Ruen Drilling, Inc. – Clark Fork, ID*

- Supervise operations of drilling projects and drill crews.
- Organize job set-up and operation requirements.
- Provide leadership for and coordinate efficient placement of drills into work areas with contractors and drill crews.
- Troubleshoot down-hole drilling problems using experience and knowledge gained from similar situations.
- Suggest changes in working conditions and use of equipment and materials to increase efficiency of work crew or improved job safety.
- Compilation of drill reports, shift reports, drilling permits, and crew time cards.

#### Project Manager

2011 - 2012

*MDE Drilling – Little Falls, MN*

- Supervise crews operating LF70 and LF90 track and fly drills, order inventory, made crew schedules, performed daily safety meetings, filled out incident reports, ensured working environment was safe
- Pre-check and sign off on fly drill pads and on crew pre shift inspections
- Prepare safety evacuation plan for each drill site
- Held daily meeting with clients, drill crew and safety personnel
- Trained drill operators
- Performed down hole surveys and installed monitor wells

#### Drill Supervisor

2005 - 2011

*Boart Longyear – Wytheville, VA*

- Supervise crews operating LF70 and LF90 track and fly drills, order inventory, made crew schedules, performed daily safety meetings, filled out incident reports, ensured working environment was safe
- Reviewed daily drill reports
- Held safety meeting and pre shift inspections
- Inspected each drill site for safety compliance
- Installed monitoring wells, nitrogen filled packers for water test and die test and performed down hole surveys.

## **Drill Operator**

1998 - 2005

*Layne Christensen – Grayson, KY*

- Supervise crews operating LF70 and LF90 track and fly drills, order inventory, made crew schedules, performed daily safety meetings, filled out incident reports, ensured working environment was safe
- High pressure grouting for mine shafts
- Soil sampling split spoon, Shelby tube piston sample, vein shear
- Installed piezometer wells and luvéal wells
- Down hole survey

## **TRAINING / LICENSES**

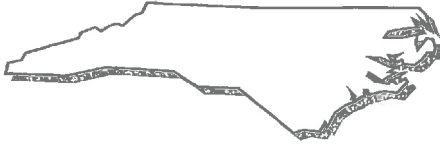
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- Current MSHA Metal Non-Metal and Surface Mine Training
- Current CPR and First Aid Training
- Forklift operator
- Certified propane filling (AmeriGas)
- Class B CDL

## **SKILLS AND QUALIFICATIONS**

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- Drills operated: Joy 12, Joy 22, LY-38, LY-44, LY-244, LF-70, LF-90, LM-75, LM-90, CS-1500, CS 3001, CS-4000, Hagby 1000/3, Atlas Copco U-6, Atlas Copco CT-14, B-53, B-80, CME-55, CME-75



DEPARTMENT OF ENVIRONMENT AND NATURAL  
RESOURCES  
FINANCIAL SERVICES DIVISION  
**IMPORTANT BID ADDENDUM**  
APRIL 1, 2015

**THIS ADDENDUM MUST BE SIGNED AND RETURNED**

**FAILURE TO RETURN THIS ADDENDUM IN ACCORDANCE WITH INSTRUCTIONS WILL CAUSE  
YOUR BID TO BE REJECTED**

RFP NO.	16-6372-MB	RFP TITLE:	DRILLING SERVICES FOR THE CUMBERLAND-MARLBORO BASIN
ADDENDUM NO.	01	USING AGENCY:	DIVISION OF ENERGY MINERAL AND LAND RESOURCES
PURCHASER	MARJORIE BARBER	OPENING DATE/TIME:	APRIL 9, 2015 @ 3:00 P.M.

**INSTRUCTIONS: (RETURN PAGES 1 – 2 ONLY)**

**SECTION 1:**

- 1. Response to Vendor Question**
- 2. Change in Contract Period**
- 3. Additional Information Provided for Clarification**

Answers to questions submitted regarding the above referenced RFP are as follows

QUESTIONS ARE IN BLACK AND ANSWERS ARE IN **RED**:

Q1): Will the state provide the contractor with "unfettered access" to the drill sites once we are on site?

**A): As stated in the RFP, it is our intent to provide access to the individual drilling sites to accomplish the scope of work. This applies to both the contractor as well as to us.**

**We understand the need for uninterrupted work as these are temporary holes. One or two sites may have public outreach activities and we will work with them to find suitable time windows to do the needed drilling.**

**CONTRACT PERIOD:**

The contract period will be from date of award until June 30, 2015.

**Please make the following change(s) in the bid referenced above:**

1. The specifications listed on page 8 (paragraph 5) is hereby deleted and replaced with the following specifications. RFP Bid number 16-6372-MB is amended accordingly. Please bid using the specifications listed below.

The contractor will supply corrugated white plastic 2-foot long core boxes (marked with bar codes); the number of rows in each box will be commensurate with the final core diameter. Typically 5 rows per box for a total of 10 feet of core per box (flexibility is allowed for large diameter cores that may be obtained that may not fit these boxes - the contractor should check with the NCGS geologist for allowable changes including the need for longer core boxes if needed). Core will not be mixed from other holes to fill the core box – start a new box with the next hole. Longer core pieces are especially desired if the recovered rock is sufficiently competent. The contractor will follow specific N.C. Geological Survey staff requirements for placing core in the core boxes – this is to ensure the core is oriented in the required direction. The contractor shall, by spacers and other guides, indicate where core is lost or missing, and provide drill depth marks. **Each core box will be labeled on the outside end. The outside of the core box lid will also be labeled. The label will contain the following: 1) drill hole number, 2) depth interval, 3) and project name. Use permanent black markers to write this information. Depth markers will be placed between core runs, and at core breaks. Depth markers (plastic or aluminum are preferred over wood) are required. Other long lasting material may be proposed for the depth markers for consideration by the North Carolina Geological Survey.**

**SECTION 2:**

**Return one properly executed copy of this addendum with your bid response.**

1. Check **ONLY ONE** of the following categories and return one properly executed copy of Addendum No. 01 **no later than 3:00 P.M. April 9, 2015.**
  - Bid has already been mailed. Changes resulting from this addendum are attached.
  - Bid has already been mailed. **NO CHANGES** resulted from this addendum
  - Bid has **NOT** been mailed and **ANY CHANGES** resulting from this addendum are included in our offer.

**SECTION 3:**

**Execute Addendum:**

OFFER NAME: Patterson Exploration Services

ADDRESS (CITY & STATE): P.O. Box 3008, Sanford, NC 27331-3008

AUTHORIZED SIGNATURE: *O.F. Patterson III*

DATE: 9-APRIL 2015

NAME & TITLE (TYPED): O.F. Patterson III, President