



INVITATION TO BID

2026-06a

DRILLING SERVICES TO DRILL THERMAL ARTESIAN WELL
in Jemez Springs, Sandoval County New Mexico

Issue Date: 7/16/2026

Pre-Bid Meeting and Walkthrough: 7/23/2026 11:00am MST

Questions Deadline: 7/23/2026 2:00pm MST

Response Deadline: 7/24/2026 2:00pm MST

Bid Opening (at Village Office): 7/27/2026 3:00pm MST

CONTACT INFORMATION

Heather Gutierrez
Village Procurement Officer
80 Jemez Springs Plaza
Mailing: PO Box 269
Jemez Springs, NM 87025
(575) 829-3540
voffice@jemezsprings-nm.gov

ACKNOWLEDGEMENT OF RECEIPT FORM

BID NO.: 2026-06a

TITLE: DRILLING SERVICES TO DRILL THERMAL ARTESIAN WELL

29 PAGES (INCLUDING ACKNOWLEDGEMENT FORM)

NOTE: ONLY POTENTIAL OFFERORS WHO COMPLETE AND RETURN THIS FORM WILL RECEIVE COPIES OF ADDENDUMS, IF ISSUED.

BIDDER INFORMATION:

In acknowledgement of receipt of the above-mentioned Bid Packet, the undersigned agrees that he/she has received a complete copy.

BIDDER NAME

SIGNATURE OF AUTHORIZED REPRESENTATIVE

PRINTED NAME OF AUTHORIZED REPRESENTATIVE

ADDRESS: _____

CITY: _____ STATE: _____ ZIP CODE: _____

PHONE NO.: _____

E-MAIL: _____

RETURN TO:

Heather Gutierrez
Village Procurement Officer
Village of Jemez Springs
(575) 829-3540
voffice@jemezsprings-nm.gov

Emailed copies of the Acknowledgement of Receipt form will be accepted. Emailed Proposal responses will not be accepted.

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REQUEST FOR BID

The Village of Jemez Springs, referred to herein as the "Owner", requests bids to drill a thermal artesian well at Jemez Springs, New Mexico within the San Diego Canyon and adjacent the Jemez River, approximately 18 miles via highway 4 north of US 44 from Bernalillo at the intersection in San Ysidro.

This Request for Proposal bids consists of two parts. Part 1 contains the Specifications and Statement of Work, the Bid Form #1 titled Bid Rates for Services for Test Well, and Bid Form #2 titled Bid Rates for Services for Monitoring Well. Part 2 is a draft Drilling Services Agreement or Contract for bid review purposes.

1. A pre-bid conference and site visit will occur **11:00 AM MDT, July 23, 2026**. Requests for interpretation must be submitted in writing by **June 24, 2026 by 2:00 PM MDT**.
2. Bids must be received by **3:00 PM MDT, July 27, 2026** at which time the bids shall be opened and evaluated by the Village of Jemez Springs.
3. Bids must be enclosed in a sealed opaque envelope with "Drilling Bid" clearly written in large bold lettering on the outside of the sealed envelope.
4. Bids must be addressed to the Village of Jemez Springs Clerk, P.O. Box 269, 080 Jemez Springs Plaza, Jemez Springs, NM 87025.
5. Bids must be submitted upon the Bid Form #1 titled "Bid Rates for Services for Test Well."
6. Work may begin as soon as a contract is executed by Owner and the successful bidder.
7. All work must be completed by **30 September, 2026**, conditions permitting.
Preference shall be given to those bidders who include a statement in their bid that all work shall be completed by 15 August, 2026 or sooner.
8. Drilling permits and easements are the responsibility of the Owner, Village Jemez Springs.
9. The successful bidder must comply with New Mexico Wage Rate Law.
10. *A bidder who has a valid New Mexico Resident Business Preference Certification Number shall receive a 5 percent preference of a competing bidder in determining low bid.*
11. *The bidder must be a licensed water well driller with the New Mexico Office of the State Engineer.*
12. The successful bidder is responsible for payment of the New Mexico Gross Receipts Tax (NMGRT). The tax shall be billed as a separate line item on the billing statement submitted to Owner, and bidder shall be responsible for remitting the same to the State of New Mexico.

PART 1

SPECIFICATIONS AND STATEMENT OF WORK (BECOMES EXHIBIT “A” IN FINAL CONTRACT)

1.0. DEFINITIONS AND ACRONYMS

- 1.1.** Many terms and acronyms used in this Statement of Work are specific to geotechnical and drilling operations. The definition for some terms and acronyms:

BT&C – buttress threaded couplings

gpm - gallons per minute

IADC - International Association of Drilling Contractors.

MSDS - Material safety data sheets.

NPSH_r – net positive suction head required.

OSHA – Occupation Health and Safety Administration.

NMOSE - New Mexico State Engineer’s Office.

Owner – Village of Jemez Springs

psi - pounds per square inch (pressure)

SP - self potential geophysical log

TD - total depth of borehole.

WOC - stand by time to “wait on cement” to set.

Trash - disposal items that are not hazardous materials.

2.0. PROJECT SCOPE

- 2.1. General Project Information.** This Statement of Work details a drilling project for the Owner in Jemez Springs, Sandoval County, New Mexico. Services performed under this Statement of Work shall be conducted in accordance with all Federal, State, and local laws, ordinances, or regulations that are applicable to the area and drilling operations. Owner will have a representative or geologist on site at all times during drilling to perform geoscience work and perform oversight duties. Owner personnel will not supervise drill helpers. Sampling and measurement logistics and assistance will be coordinated through the drilling foreman and or driller. The drilling contractor and driller must be willing to work with Owner’s geologist at all times.

- 2.2. Purpose.** The drilling project covered under this Statement of Work includes drilling, completion, sampling, and testing of a thermal artesian well.

- 2.3. Location.** The proposed drill site is located adjacent to a paved Highway 4 in Jemez Springs and about 18 miles north from the US Highway 44 at San Ysidro. The location of the proposed drill site is in the SE quarter of Section 23. Township 18 North, Range 2 East (section not surveyed) on the Jemez Springs 7.5-minute USGS topographic map. (See ATTACHMENT 1, Location Map)
- 2.4. Start Date.** Drilling may commence as soon as the contract is executed by Owner and the successful bidder.
- 2.5. Completion Date.** Before September 30, 2026
- 2.6. Type of Bore Holes.** Drilling will be performed with mud rotary tools and equipment to TD.
- 2.7. Maximum Depth.** Maximum drilling depth will be between 100 and 150 feet.
- 2.9. Permits.** Owner will obtain the necessary drilling permits and environmental and site clearances to drill. The drilling contractor will submit the WD-9 Artesian Well Plan and Operations. Owner's geologist will assist the drilling contractor with submission of WD-9 Artesian Well Plan and Operations and the Well Record to the NMOSE.
- 2.10. Project Confidentiality.** The successful bidder, including the drilling contractor, including any contractor employees and sub-contractors, shall not release any information, written or oral, pertaining to this project without the prior approval of Owner. All requests for information shall be directed to the Mayor of the Village of Jemez Springs.

3.0. GEOLOGY

- 3.1.** The well will be spudded into alluvium that may contain boulders. It is unknown if "running sand" will be encountered. The static water level is believed to be at an elevation slightly above Jemez Creek. At approximately 80 ft the subsurface transitions from alluvium into bedrock and hot artesian water up to 175 °F with up to 4 ft of head above the ground surface could be encountered. Bedrock at this location consists of fractured and vuggy limestone and solid limestone. Figure 2 is geologic log of the Jemez Springs 1 well that is to be replaced.
- 3.2.** The well will be drilled according to the artesian well rules of the NMOSE which will require the driller to submit WD-9, Artesian Well Plan of Operations. The owner's geologist shall assist with WD-9 design requirements.
- 3.3** It is recommended that a rotating head with inflatable bag shut-in be installed on the surface casing flange after the cementing head is removed prior to drilling ahead. A valved side port or diverter for the surface casing would also allow hot fluid handling when removing the rotating head and installing a well head. Discharge of any fluids to the Jemez River will not be allowed.

4.0. VILLAGE OF JEMEZ SPRINGS (OWNER) SERVICES AND SUPPORT

4.1 Owner shall provide onsite geologist.

5.0. SITE AND OPERATIONAL REQUIREMENTS

5.1. General Requirements.

5.1.1 The Contractor shall be responsible for preparing the drilling site and layout of equipment. The drill site occupies an area of approximately 120 by 120 feet.

5.1.2. The drilling contractor shall provide all personnel (with the exception of the necessary personnel described by paragraph 4.1 above), equipment, labor, material, and supplies to drill and complete an artesian thermal well to a maximum depth of 200 feet.

5.1.3. The drilling contractor is responsible for water haulage and storage, and such actions must comply with all applicable laws, rules, and regulations, and liability for failure to comply shall be driller's sole liability.

5.1.4. Fuel delivery and storage is the drilling contractor's responsibility. Several fuel subcontractors are available in the Bernalillo, Jemez Springs region.

5.1.5. The drilling contractor must be licensed with the New Mexico Office of the State Engineer (NMOSE) to drill water wells in New Mexico.

5.1.6. The drilling contractor is responsible for approved and environmentally acceptable disposal of mud or other drilling products. Drill cuttings and other indigenous rock waste may be disposed on the property and or near the drill pad at the designated location. All disposal must comply with all applicable laws, rules, and regulations at all times, and liability for failure to comply shall be driller's sole liability.

5.1.7. The drilling contractor will provide the generators for electricity, and any other necessary equipment, to run rig lights and other required drill site equipment.

5.2. Drill Site Operational Requirements.

5.2.1. The contractor is required to provide portable tanks at the drill site for mixing drilling fluids and cement and for water storage. A shallow, lined dug earthen pit for temporary storage of drilling fluids after transiting the shale shaker may be used. The contractor is responsible for removal and disposal of drilling mud and cuttings from the drill site.

5.2.2. The drilling contractor shall provide appropriate size water storage on the drill site during drilling that is commensurate with operations and safety.

- 5.2.3. Damage to natural vegetation and other features will be kept to a minimum.
- 5.2.4. The drilling contractor will diligently perform "good housekeeping" practices at all times. Trash shall be contained. Environmentally sensitive material and wastes shall be placed in approved containers and be properly labeled.
- 5.2.5. The drilling contractor shall follow fire safety and procedures and make every reasonable effort to prevent any fires.
- 5.2.6. All necessary preventive measures shall be implemented to avoid any contamination of soils due to spills or leaks of all hazardous materials and liquids. Any spills or leaks shall be immediately cleaned and properly disposed. A suitable container will be placed under all known engine or equipment leaks. The drilling contractor will be responsible for reporting, clean-up, and clean-up cost of any spills or leaks of hazardous materials and liquids, fuels, and oils, which shall at all times be done in a manner that is consistent with all applicable laws, rules, and regulations, and liability for failure to comply shall be driller's sole liability.
- 5.2.7. The drilling contractor shall have at least one person on site at all times, including during WOC standby (**see 9.3**).

5.3. Drilling Equipment.

- 5.3.1. The drilling equipment on site shall be capable of drilling a rotary mud hole to 200 feet depth. The drill rig will be equipped with the following working accessory equipment.
 - a. Portable mud tanks with shaker screen.
 - b. Portable lights and generator for night time operations.
- 5.3.2. Pumps and air compressors must be capable of providing proper circulation for all planned drilling fluids and any unrelated third-party cement operations.
- 5.3.3. The drilling contractor will receive no compensation for rig time if drilling is stopped for major repairs to drilling rig and support equipment components. Normal maintenance activities are to be included in the drilling footage rate bid and not charged to rig standby.
- 5.3.4. The drilling contractor shall have sufficient spare parts on the drill site for maintenance, nominal replacement and repairs of the drill string, mud pumps, and drilling rig components.
- 5.3.5. Rig standby will not be charged for waiting on contractor equipment, rentals, and drilling supplies.

5.4. Safety.

- 5.4.1.** All vehicles shall be operated at posted and reasonable and safe speeds. Further, all vehicles and equipment shall be operated in their intended manner only, and at all times shall be kept in reasonable repair. Reasonableness shall be determined according to applicable law.
- 5.4.2.** All accidents or incidents, resulting in personal injuries or damage to property, will be immediately reported to the Village of Jemez Springs. Copies of all accident reports will be provided the Village of Springs.
- 5.4.3.** The contractor shall inform all of its employees and sub-contractors that the possession, use or sale of non-prescription drugs or narcotics considered dangerous or illegal by the U.S. Department of Justice, or the possession, consumption, or use of intoxicants, such as alcoholic beverages, or being under the influence of dangerous drugs, narcotics, or intoxicants, is strictly and absolutely prohibited on the drill site.
- 5.4.4.** Drilling personnel will operate all equipment in a safe manner and they will be attired in proper safety equipment. Drilling operations shall cease at any time that the contractor's drilling foreman or the contractor's driller determines that it is unsafe to drill further.
- 5.4.5.** The drilling contractor will be responsible for keeping a fully stocked first aid kit on-site during all operations.
- 5.4.6.** The contractor will also be responsible for requiring all drilling personnel to use personal protective equipment sufficient for the work performed, including, but not necessarily limited to hard hats and steel toed boots. Village of Jemez Springs non-drilling contractor personnel will use personal protective equipment when on the drill site.
- 5.4.7.** The drilling contractor will have a minimum of two, fully charged, 20-pound A-B-C fire extinguishers on site during all phases of the project.
- 5.4.8.** The drilling rig shall be equipped with adequate lighting for safe nighttime operations.
- 5.4.9.** Drilling contractor must supply the Village of Jemez Springs with a copy of their drilling operations safety plan. The contractor must also supply a copy of their OSHA Form 300. All work must be done in accordance with OSHA requirements.
- 5.4.10.** Material Safety Data Sheets (MSDS) for all drilling fluids, lubricants, and additives will also be provided to Village of Jemez Springs. Copies of the MSDS will be kept on the drilling site for reference. Drilling fluids and additives will be biodegradable, environmentally acceptable and contain no hazardous substances.

- 5.4.11** Telephone numbers of emergency services will be posted at all times on the drill rig or in doghouse and in the drilling foreman trailer.
- 5.4.12** Owner's representatives (at least one per tower) will be on site performing geotechnical or engineering activities during drilling.
- 5.4.13** Orange cloth safety fencing will be placed around any dug discharge pits.
- 5.5.14** The drilling contractor may deploy H₂S monitors, safety alarms and safety equipment.

5.5. Drilling Operations.

- 5.5.1.** The drilling contractor will follow all applicable laws, including but not limited to the rules of the New Mexico State Engineer (OSE), Occupational Health and Safety Administration (OSHA) and all stipulations and special conditions of any drilling permits.
- 5.5.2.** The drilling program will be carried out in close coordination with Owner's representatives. The driller and drill foreman will be expected to maintain close communication with Owner's personnel. Notice and explanation is required for any changes in drilling conditions related to geologic formation or drilling equipment to include any problems with equipment, control of lost circulation, changes in mud program, and bit changes. Also, all changes and problems will be detailed in the Daily Drilling Report Form.
- 5.5.3** Owner's representatives or personnel will not direct or attempt to supervise the driller's rig helper employees or subcontractors. Sampling and measurement logistics, tactics, and assistance will be coordinated through the driller in the absence of the drilling foreman.
- 5.5.4.** Major modifications to the drilling program and agreed costs, if a change order is required, will be done in consultation and mutually agreed to in writing and signed by authorized representatives of the contractor and the Owner prior to moving forward with such change order.
- 5.5.5.** The drill helper will obtain geologic samples in a consistent and systematic manner at the direction of the driller and Owner's geologist. The geologist is responsible for measuring, washing, and describing the samples. The drilling contractor will supply sample containers or bags.
- 5.5.6.** The following will be monitored and recorded by the drilling crew during operations:
 - a. changes in mud return flow rates.
 - b. condition of the drilling fluids.

- 5.5.7.** Drilling ahead will cease and the hole will be carefully circulated and monitored, if any of the problems listed below occur during drilling.
- a. any sudden increase in drilling rate.
 - b. any sudden increase in return temperature.
 - c. any sudden increase in the volume of returns.
- 5.5.8.** Drilling shall be performed in a manner that results in a plumb or straight borehole.
- 5.5.9.** Geophysical logs (see **6.2** and **6.7**) may be performed prior to completion at TD. The drilling contractor will schedule a third party to conduct the geophysical logging. The drilling contractor will assist the geophysical logger in preparations to run logging tools down the hole and rig standby time (**9.3.**) will apply. Village of Jemez Springs geologist will witness and assist with logging parameters and tool selection. The contractor will invoice geophysical logging to Owner at cost to include logger mobilization costs.
- 5.5.10.** The drilling contractor will be required to keep reports on the following:
- a. bit log (with footages and type bit).
 - b. daily drilling report (with times, tasks, footages, site activities, number of joints of drill pipe on location, any information deemed relevant or of interest by Owner's representative, any information deemed relevant or of interest by driller, etc).
 - c. drilling fluids log (with footages, quantities).
 - d. daily cost log (for materials, footage and time charges).
- 5.5.11.** A drill pipe and casing Tally Book's will be kept up-to-date at all times by the driller, and complete records will be kept Daily Drilling Report Form. Both the tally book and the Daily Drilling Report Form will be kept on the drill site and available for inspection and copying at any time by the Owner's representative and drilling crew. In addition, Owner's representative must sign off on the Daily Drilling Report Form on a daily basis, and the same shall constitute the basis for payment for the work performed and materials required for this project.
- 5.5.12.** Approved standard equipment to measure drilling mud properties must be provided by the drilling contractor or the mud supplier. At a minimum, a Marsh funnel and mud balance will be on site at all times. The drilling crew will measure the mud properties periodically or at the request of the Owner's representative. Measurements will be recorded in the Daily Drilling Report Form.
- 5.5.13.** If conditions are favorable, water samples may be collected prior to well completion or well testing. The drilling contractor is requested to supply a bailer for sampling. While fluid sampling may require use of the wire line equipment on the contractor's drilling rig, the contractor will not be liable for loss of Owner's sampling equipment, if any.

6.0 DRILLING SCOPE OF WORK

- 6.1.** The drilling contractor shall drill or auger a nominal 20-inch diameter or equivalent conductor hole to a maximum depth of 20 feet below ground level. The exact depth will depend upon subsurface geology as determined by the driller and geologist. A 13 3/8-inch conductor casing (J-55 or K-55, 54 lb/ft) will then be run into the hole and cemented in place with tremie pipe. A 48-hour WOC (wait on cement) is required prior to drilling the surface or artesian casing hole.
- 6.2.** The drilling contractor shall drill a surface casing hole with rotary mud tools at 12.5-inch diameter to a depth of approximately 80 feet. The exact depth will depend upon actual subsurface geology as determined by driller and the Owner's geologist. Prior to running and cementing the "artesian" surface casing, the borehole will be suitably cleaned of cuttings and thick mud and geophysical logs, natural gamma, caliper, and temperature may be run.
- 6.3** A 7-inch BT&C casing (J-55 or K-55, 23 lb/ft) will then be run into the hole with centralizers and a cementing float collar or float shoe, welded at couplings with two passes. A wellhead casing flange will be installed on the 7-inch casing. Cementing will be done through the casing string with a cementing drop head installed on the casing flange. The volume of cement will equal 20 percent the calculated volume of the annulus between the casing and the hole. If the annulus is not filled with cement to the surface after 24 hours, cement will be added with a tremie pipe. A 42-hour WOC will be required prior to any wellhead flange and diverter nipple-up with an additional 6 hours of WOC prior to pressure testing and drilling ahead.
- 6.4.** The wellhead and casing will be pressure tested prior to drilling out the shoe. Pressure testing of the surface casing and wellhead will be done at a minimum of 500 psi within a pressure drop after 1-hr as prescribed by the NMOSE. Pressure testing will be witnessed and approved by the NMOSE representative, Owner representative, and drilling contractor foreman or tool pusher.
- 6.5.** Welding of all casing joints will be witnessed and approved by the Owner representative prior to running casing in the hole. Certified welders will perform the welding.
- 6.6.** After the surface casing is pressure tested, the contractor will drill a 6 1/2- inch hole with mud rotary to a maximum approximate depth of 120 feet. The Owner's geologist will determine the exact depth. Samples will be taken at 5-foot intervals and a split of specific intervals will be sieved to determine gravel pack and production liner screen size if the production zone is in alluvium.
- 6.7.** Geophysical logs may be run in the prior to installing the production liner. The logging schedule may include electric logs (SP, long-32 and short-16 resistivity, and resistance), natural gamma, caliper, and temperature logs.

- 6.9.** The 6.5-inch hole will be completed with a 4.5-inch BT&C (J-55, 10.5 lb) production liner. A silica sand gravel pack may be installed. The production liner will be hung inside the 7-inch surface casing. Screened casing may consist of screened stainless steel with uniform size slots in conformance with size requirements determined from the drilling samples sieve analyses or the casing may be punched with 3/8 holes at 4 holes per circumference and 3 circumferences per ft of casing across the open 6.5-inch hole and no gravel pack of the production zone is in fractured bedrock.
- 6.10.** The production hole will be thoroughly developed with a combination of jetting and surging. The contractor will provide an Imhoff cone to measure and monitor development progress.
- 6.11.** Any Owner requested change orders regarding methods and costs deviating from the agreed cost sheet shall be coordinated with the Contractor with sufficient time to acquire any additional material and equipment.

7.0. WELL TESTING SCOPE OF WORK

- 7.1** The well will be allowed to flow artesian and a discharge 'v' or square weir will be used measure the flow rate. The well will then be shut-in with a pressure gauge installed to measure the timed pressure recovery. The procedure may be repeated up to three times.

8.0 DELIVERABLES AND PERFORMANCE

- 8.1.** The drilling contractor will provide Owner with a completed Daily Drilling Report Form which shall be signed by the drillers and drilling foreman and approved by the onsite authorized Owner representative. These reports will detail times, tasks, footage's, site activities, materials, cement, and mud that were used, along with any other relevant and supplemental information. Copies of delivery tickets and third-party invoices will also be provided. Billing and invoicing will be based on these reports. In addition, the drilling contractor will keep a bit log that will detail footages, and type of bit. Copies of mud reports that detail mud properties, footages and amount of drilling fluids used shall also be provided to the Owner. Prior to spudding the hole, a Cost Table of mud and drilling products will be provided so that the Owner representative can keep an estimated tally of daily drilling costs.
- 8.2.** The drilling contractor is required to drill a hole meeting the specifications in **(5.0 and 6.0)**.
- 8.3.** If drilling tools or equipment are lost in the hole due to the driller's negligence or faulty drilling equipment, Owner will not be charged for equipment or time required for recovery. The drilling contractor will make every reasonable effort to recover lost tools and preserve the integrity of the drill hole.

- 8.4. The drilling contractor will perform all clean-up of the drill site. Drill site clean-up will include removal of all equipment, trash, and spilled mud and cements. Also, flagging and other site markers will be removed. All mud pits and sumps will be emptied and filled with soil. All disturbed ground around the site shall be raked and smoothed. The drilling contractor will also be responsible for the clean-up and disposal of all hazardous materials and spills.

9.0. SUPPLEMENTAL QUOTATION INFORMATION

- 9.1. **Mobilization.** Mobilization cost estimates are to include all equipment, labor, materials, permits, and services required for mobilization to the drill site. Costs should include initial rig up and mud mixing with the rig ready to drill. Mobilization costs should also include a pre-mobilization visit by the drilling contractor to assure the drill site is properly prepared.
- 9.2. **Demobilization.** Cost estimates are to include all equipment, labor materials, permits, and services required for demobilization and clean up from the drill site.
- 9.3. **Rig Standby Time.** Stand-by time is allowed only after rig up of the well and the Owner representative has determined that the site is ready for drilling. Stand-by time includes geophysical logging, hole orientation surveys, required hole conditioning of more than two hours, cementing, WOC, running casing, nipple up and nipple down of well head, and pressure testing. Well development is not included and is bid as a job (6.10.). No standby time will apply after the rig is released by the Owner.
- 9.4. **Drilling.** The drilling footage rates include labor, nominal maintenance, fuel, tripping the drill string, bit changes, nominal hole conditioning less than two-hour length, bit costs and time required to make up drill string. Drilling footage rates do not include drilling mud costs and additives, cement, or other reimbursable drilling materials (see 9.7).
- 9.5. **Centralizers for Surface Casing.** Welded centralizers may be used. Centralizers will be placed 5 feet above the float shoe and the 10 feet below the surface and at 30 to 40 feet above the bottom float shoe centralizer.
- 9.6. **Cement Casing.** If a third-party service company is used to cement the surface casing, this cost should include subcontractor mobilization costs, material costs (including cement), and all pumping and mixing costs. The drilling contractor is responsible for assuring the cement service company is on site when the surface casing is set. WOC charges will be billed under **Standby Time 9.3**. In case rig personnel assistance is needed by a third-party service company the drilling contractor may bill for **Standby Time 9.3**.
- 9.7. **Drilling Fluids, Cement, and Additives.** Costs for drilling fluids, additives, and other expendable supplies and materials that are required to perform this

statement of work and that are authorized in writing by Owner will be reimbursed according to the original invoiced cost to the drilling contractor, plus shipping and freight costs from subcontract suppliers. Prior to commencement of drilling operations, the drilling contractor will provide Owner with unit costs for contractor in-house list of materials and unit costs for materials from subcontracted drilling mud suppliers. Overhead or handling costs for contractor in-house materials as a percent is requested.

10.0. DRILLING CONTRACTOR EXPERIENCE AND PERSONNEL

- 10.1.** The drilling contractor will provide two experienced drillers with at least two years of experience as drillers. Proof of experience, such as a resume for the personnel who will be on the drilling crew for this project, must be included with bid documents. A minimum of two driller's helpers is also required per tower. A twenty-four hour per day, seven days per week operation with two towers is required.
- 10.2.** The drilling contractor will provide an experienced non-drilling foreman (tool pusher) with drilling and drilling supervisory experience. The drilling foreman will coordinate and supervise all drilling contractor operations.
- 10.3.** Welders for this project shall be certified and proof of certification must be included with bid documents.

11.0 INSURANCE REQUIREMENTS

- 11.1** Bidder shall maintain insurance as required by Section 9 of Part 2 - Drilling Services Agreement.

12.0 SUBMISSION ITEMS REQUIRED WITH BID

The following must be submitted with the bid:

- 1) NM State Engineer Drillers license.
- 2) If applicable, the NM Resident Business Certification Preference number.
- 3) OSHA Form 300.
- 4) Certifications of Insurance.
- 5) Welder qualifications and certifications.
- 6) Technical Information on drilling rig, pumps, and other equipment to be used in this project.
- 7) Resumes for the drilling foreman or tool pusher and for the drillers assigned to this drilling project.

13.0 SUBMISSION ITEMS REQUIRED AT THE TIME OF MOBILIZATION OR BEFORE.

The following must at the time of mobilization and site setup:

- 1) A list of the names and contacts for subcontractor services and supplies that will be used.
- 2) MSDS sheets of all materials to be used on drill site.
- 3) Materials and unit cost list for all in house and third-party supplies, such as mud and cement, to be used in this project.
- 3) An example of the contractor Daily Drilling Report Form. The IADC Daily Drilling Report Form may be used.
- 4) Telephone and e-mail contact information for all personnel, suppliers, and emergency notifications.

14.0 BID SELECTION CRITERIA AND SCORING

The following bid selection and bid scoring will apply.

- 1) Project bids that provide a certified statement that drilling will begin in July or August and complete drilling by 15 August 2026 will receive priority.
- 2) Priority date bids will be ranked according to lowest bid cost.
- 3) A 5 percent cost advantage will accrue to New Mexico Resident Business Preference Certification.

BID FORM 1

BID RATES FOR SERVICES FOR WELL (BECOMES EXHIBIT "B" IN FINAL CONTRACT)

Each line item must be completed and line items left blank will be considered "NO BID."
The bidder agrees to perform unit price work and invoicing as follows.

	ITEM	AMOUNT	UNIT	UNIT COST	TOTAL
A.	MOBILIZATION				
1	MOBILIZATION-DEMOB (include site prep)	1	job		
B.	RIG TIME AND DRILLING				
1	DRILL/AUGER CONDUCTOR HOLE (20-in)	20	feet		
2	DRILL SURFACE CASING HOLE (12 1/2-in) rotary mud	60	feet		
3	DRILL PRODUCTION HOLE (6 1/2-in) rotary mud/rev-circ	30	feet		
4	SURFACE CASING PRESSURE TEST & PREP	4	hr		
5	MUD COST (actual use itemized and invoiced)	estimated	varies		
C.	(CASING AND ACCESSORIES)				
1	CONDUCTOR CASING (13 3/8-in) steel	22	feet		
2	SURFACE CASING (7-in) steel	82	feet		
3	SURFACE CASING CENTRALIZERS	4	items		
4	SURFACE CASING CEMENT FLOAT SHOE	1	item		
5	PRODUCTION CASING CENTRALIZERS	4	items		
6	PRODUCTION BLANK CASING (4.5-in) steel	82	feet		
7	PRODUCTION punch or screen (4.5-in) steel	32	feet		
8	RIG TIME RUN CASING	0	hr		
D.	(WELL HEAD EQUIPMENT)				
1	SURFACE CASING FLANGE (7-in)	1	items		
2	SURFACE CASING CEMENT HEAD (7-inch)	1	rental		
3	ROTATING HEAD or ANNULAR BOPE rental	3	day		
4	H2S MONITORS AND ALARMS	5	day		
E.	(CEMENT CASING)				
1	CEMENT CONDUCTOR CASING (20 ft)	0	hr		
2	CEMENT SURFACE CASING (80 ft)	0	hr		
3	CEMENT (actual use itemized and invoiced)	estimated	94 lb sack		
4	WOC	48	hr		
F.	(DEVELOP AND TEST WELL)				
1	WELL DEVELOPMENT	12	hr		
G.	(DRILL BID COST)			TOTAL SUM	

Bidder Address:

Respectfully Submitted:

By: _____

Title: _____

Phone: _____

Date: _____

Email: _____

New Mexico Office of the State Engineers Drilling License Number: _____

New Mexico Resident Business Preference Certification Number: _____

PART 2
DRILLING SERVICES AGREEMENT

THIS AGREEMENT made the ___ day of _____ by and between:

Drilling Contractor _____
Street Address _____
City, State, Zip code _____
("Contractor")

And:

Village of Jemez Springs, NM
P.O. Box 269
080 Jemez Springs Plaza
Jemez Springs, NM 87025
("Owner")

RECITALS

- A. Owner is engaged in an exploratory well drilling project whereby owner will be collecting data regarding various issues related to the geology and water availability at the area referenced in Paragraph B below.
- B. Owner wishes to have certain drilling and other related services conducted on Owner's easement property described as follows ("Area"):

RG-32028, located in SE $\frac{1}{4}$ of the NE $\frac{1}{4}$ of the SE $\frac{1}{4}$ of Section 23 Township 18 North, Range 2 East, NMPM, Sandoval County, New Mexico or -106.6907 degrees west longitude and 35.7722 degrees north latitude near Jemez Creek on the Jemez Springs 7.5 minute USGS topographic map.

- C. Contractor is engaged in the business of conducting drilling and related services and has the equipment, personnel and expertise necessary for the proper performance and completion of services to be provided hereunder as described in Exhibit A ("The Specifications and Statement of Work shown in Part 1 of the Request for Bids").
- D. Understanding the exploratory nature of the project, Contractor desires to undertake, and Owner desires to retain Contractor to perform the work described in Exhibit A, pursuant to the terms and conditions contained herein.

NOW, THEREFORE, in consideration of the premises and the covenants and agreements contained herein, the parties covenant and agree as follows:

1. THE WORK

1.1 Contractor shall perform and complete the work as described in Exhibit A prudently, diligently, in good faith and in a workmanlike manner in accordance with generally acceptable industry practice and the provisions of this Agreement.

1.2 Owner shall, prior to commencement of the Work, advise Contractor of the person or persons who will be Owner's Representative for the Work. Contractor shall be entitled to rely upon and shall follow the instructions of the Owner's Representative during in-the-field activities, which instructions shall be set forth in the daily rig activity report for the drill site, and Owner shall pay for all materials and services provided in connection with such instructions. If the Owner's Representative gives Contractor instructions that Contractor believes would, if followed by Contractor, create an unreasonable risk of death or injury to any person, damage to any property, or interference with the timely performance by Contractor of its obligations under this Agreement, Contractor shall promptly advise the Owner's Representative of such issue in writing. Owner shall be entitled to change its Representative at any time and from time to time.

1.3 Owner's Representative shall designate the location, angle, azimuth and depth of the hole.

1.4 Contractor shall be responsible for keeping an accurate record of the depth during drilling.

2. PAYMENTS

2.1 Owner shall pay Contractor for all services performed and materials provided hereunder which are in compliance with this agreement within 30 days of receipt of Contractor's invoice. All charges shall be at the rates set forth in Exhibit B.

2.2 Overdue undisputed invoice amounts shall bear, and Owner shall pay to Contractor, interest at a rate of one and one-half percent per month from the date due until paid.

2.3 Disputed amounts or items contained in any invoice shall not be cause for Owner to delay payment of remaining undisputed amounts or items, nor shall payment of undisputed items during the pendency of a dispute over separate disputed items be cause for a claim of waiver of said dispute by Owner. The nature of any disputed invoice shall be communicated to Contractor in writing prior to or shall accompany the payment of the undisputed balance.

2.4 The contractor shall pay the New Mexico Gross Receipts Tax (NMGRT). The contractor shall show the NMGRT as a separate amount for each billing

or request for payment under this agreement. The Owner shall pay the NMGR due the Contractor as shown on submitted bills or request for payment.

3. REPORTS AND INVOICES

3.1 Contractor shall:

- A. Invoice Owner on a monthly basis for cost of items not included on bid sheets together with invoices referenced in Item D below. Such items shall be itemized and specifically stated as separate from those included in the bid sheets.
- A. Make and deliver to the Owner's Representative a daily rig activity report as to the progress of the drilling of the holes included within the Work.
- B. Document changes in operations as directed by the Owner's Representative as provided in Section 1.2 above.
- C. Invoice Owner on a monthly basis for all materials provided and services performed pursuant to this Agreement and the instructions of the Owner's Representative as described in Section 1.2 above.

3.2 Daily rig activity reports, cost sheets, consumable charges, third party charges, and other information pertaining to invoice amounts shall be subject to revision by Contractor to correct errors and omissions and to ensure invoicing is prepared in accordance with this Agreement (Exhibit A, section 5.3.3, 5.3.4, and 5.3.5).

4. RESPONSIBLE FOR DELAYS

Owner shall bear all expenses in connection with the hole drilled pursuant to this Agreement except for those expenses that result from delays caused by Contractor's failure to perform its obligations as provided in this Agreement for which the Contractor will be liable; however, Contractor shall not be liable for delays which are the result of an event of Force Majeure.

5. CONTRACTOR'S PERSONNEL, EQUIPMENT AND MATERIALS

Contractor agrees to provide or assign the personnel, services, equipment, materials or otherwise necessary to properly perform and complete the Work as set forth in Exhibit A.

6. OWNER'S PERSONNEL, EQUIPMENT AND MATERIALS

Owner agrees to assign to the Work personnel, services, equipment and materials set forth in Exhibit A.

7. RESPONSIBILITY FOR LOSS OR DAMAGE, INDEMNITY, RELEASE OF LIABILITY AND ALLOCATION OF RISK

7.1 Contractor's Surface Equipment: Contractor shall assume liability at all times for damage to or destruction of Contractor's surface equipment, (except as otherwise provided in Section 7.3), regardless of when or how such damage or destruction occurs, and Contractor shall release Owner from any liability for any such loss.

7.2 Contractor's In-Hole Equipment: Contractor shall assume liability at all times for damage or destruction of Contractor's in-hole equipment, including, but not limited to, drill pipe, drill collars, and tool joints.

7.3 Contractor's Equipment: Environmental Loss or Damage: Notwithstanding the provisions of Section 7.1 above, Owner shall assume liability at all times for damage to or destruction of Contractor's equipment caused by exposure to highly corrosive or otherwise destructive elements, including those introduced into the drilling fluid.

7.4 Owner's Equipment: Owner shall assume liability at all times for damage to or destruction of Owner's equipment, including, not limited to, casing, tubing, well head equipment, and platform, if applicable, regardless of when or how such damage or destruction occurs, and Owner shall release Contractor from any liability for any such loss or damage.

7.5 The Hole: In the event the hole should be lost or damaged, Owner shall be solely responsible for such damage to or loss of the hole, including the casing therein, except any damage(s) arising from the negligent act or omission of the Contractor or of its agents and employees.

7.6 Notwithstanding any other provision of this Agreement to the contrary, as between the parties, each party will be solely responsible for liability arising from personal injury, including death, or damage to property arising from the negligent act or omission of such party or of its agents and employees. The liability of Owner shall be subject to applicable immunities and limitations under the Constitution, statutes, case law, and other law of the State of New Mexico, including but not limited to the New Mexico Tort Claims Act, Sections 41-4-1 et seq., NMSA 1978, as heretofore and hereafter amended.

8. CONFIDENTIALITY

Information obtained by Contractor in the conduct of drilling operations on this well shall be considered confidential and shall not be divulged by

Contractor to any person other than the Owner's Representative, except as may be required for the performance of the Work.

9. INSURANCE

9.1 Contractor shall provide, maintain and pay for the following insurances:

- A. Comprehensive General Liability insurance protecting Contractor and their respective officers, employees, against damages arising from personal injury (including death) and from claims for property damage which may arise directly or indirectly out of the operations of Contractor.
- B. Automobile Insurance on Contractor's owned and non-owned vehicles protecting Contractor, Owner and their respective officers, employees, agents, servants, subcontractors, invitees and licensees under this Agreement.
- C. Employer's Liability Insurance covering claims by employees.

9.2 Contractor shall ensure that each of the policies of insurance:

- A. Is in an amount not less than \$1,000,000 for any one occurrence (as to liability policies).
- B. Includes a standard form of cross-liability clause. The Village of Jemez Springs shall be included as a loss payee and/or additional insured.
- C. Indicates that the insurer will give Owner at least 30 days prior written notice of amendment, cancellation or termination of the coverage.

10. INDEMNITY

10.1 Contractor agrees to protect, defend, indemnify, and hold harmless Owner, its officers, directors, and employees from and against all claims, demands, and causes of action of every kind and character, without limit and without regard to the cause or causes thereof or the negligence of any party or parties, arising in connection herewith in favor of Contractor's employees or Contractor's subcontractors or their employees, or Contractor's invitees, on account of bodily injury, death or damage to property.

11. LAW, RULES, AND WORKER'S COMPENSATION

11.1 Contractor shall perform its services hereunder in compliance with Federal, State, and local laws, ordinances, rules and regulations relating to

the performance of the Work, including but not limited to those in respect of Worker's Compensation.

11.2 Contractor must at all times maintain on site all the necessary equipment for First Aid, as required by the laws governing this Contract, and will promote safe working practices.

11.3 Contractor shall at all times enforce strict discipline and maintain good order among its employees and shall not retain on the project any unfit person, or one not skilled in or otherwise able to perform the work assigned to him. Any employee of Contractor who is reasonably objectionable or unsatisfactory to Owner shall be removed from the project and replaced by an employee satisfactory to Owner.

12. ENVIRONMENTAL

12.1 Any environmental responsibility relating to the construction, use or reclamation of drill sites or access roads shall be borne solely by Contractor.

12.2 Owner will be responsible for procuring and maintaining all necessary permits for the performance of the Work.

13. TERMINATION

Due to the exploratory nature of the project, the Owner may terminate performance of work under this contract in whole or, in part if the Owner determines that a termination is in the Owner's interest. Upon receipt of such notice, Contractor shall, unless the notice directs otherwise, immediately discontinue the work and placing of orders for materials, facilities and supplies in connection with the performance of this Agreement.

Upon such termination, Contractor shall be entitled to payment only as follows: (1) the actual cost of the work completed in conformity with this Agreement; plus, (2) such other costs actually incurred by Contractor as are permitted by the prime contract and approved by Owner; Contractor shall not be entitled to any claim or claim of lien against Owner for any additional compensation or damages in the event of such termination and payment.

14. FORCE MAJEURE

14.1 Notwithstanding anything in this Agreement to the contrary, a party hereto shall not be deemed to be in default with respect to the performance of any of the covenants, obligations or agreements under this Agreement, if its failure to comply is due to strike, lock-out, civil commotion, invasion, rebellion, hostilities, sabotage, governmental regulations or controls, acts of God, or circumstances otherwise beyond the reasonable control of the party.

14.2 The party seeking to rely on this Section 14 shall give immediate written notice of the event of Force Majeure to the other party and shall take all reasonable steps to eliminate the circumstances giving risk to the condition Force Majeure. If the condition of Force Majeure continues for a period of 14 days after receipt of the notice, the party receiving the notice shall be entitled to terminate this Agreement upon notice to the party claiming the event of Force Majeure.

15. NON-WAIVER

The failure of either party to exercise its rights in the whole or in part under this agreement shall not constitute a waiver of that party's ability to raise such rights, or other rights, at a later time.

16. NOTICE

All notices, demands and payments required or permitted to be given under this Agreement shall be in writing addressed to the party at the address set forth in this Agreement and may be delivered personally or by certified mailed to the addresses set forth below. Such notice shall be effective when delivered, if hand delivered personally, or when postmarked, if by certified mail.

17. MISCELLANEOUS

17.1 With the prior written consent of Owner (not to be unreasonably withheld or delayed), Contractor may employ other contractors to perform operations or services to be provided or performed by it according to Exhibit A.

17.2 This Agreement shall inure to the benefit of and be binding upon the parties hereto, their successors and permitted assigns. Neither party may assign, delegate or otherwise transfer this Agreement or any right, duty or obligation under it without the prior written consent of the other party.

17.3 The captions in this Agreement have been inserted only for reference and a matter of convenience and do not define, limit or enlarge the scope or meaning of this Agreement or any provisions thereof.

17.4 Whenever the singular or masculine is used throughout this Agreement, the same shall be construed as meaning the plural or feminine or body corporate, as the context or the parties so require.

17.5 Except with respect to instructions of Owner's Representatives described in Section 1.2 above, this Agreement may be altered only by written consent of both parties.

17.6 This Agreement shall be interpreted in accordance with the laws of the State of New Mexico. Any civil action relating to this Agreement may be filed and maintained only in New Mexico District Court in the County in which Contractor will perform the Work. Time is of the essence of this Agreement and every part hereof. No amendment, supplement, modification, waiver or termination of this Agreement or any of its provisions shall be effective for any purpose unless included in a document duly executed by Contractor and the Owner. There are no third-party beneficiaries of this Agreement.

17.7 Contractor agrees to perform the work described in this Agreement and the attached Exhibits subject to the exploratory nature of the project and specifically agrees to remain flexible with the type of materials and general drilling requirements, including the possibility of termination of the drilling effort prior to reaching the intended depth, due to the exploratory nature of the project.

IN WITNESS WHEREOF, the parties hereto have caused these present to be executed as of the day and year first above written.

Non-collusion: In signing this offer we also certify that we have not directly, entered into any action in restraint of free competitive bidding.

Anti-Kickback: (N.M.S.A. 13-1-191 & 198 and the Federal Acquisition Regulation (FAR 52.203.7) Anti-Kickback Act of 1986) In signing this offer we certify that we have not made, or have accepted any money, fee, commission, credit, gift, gratuity, thing of value, or compensation of any kind which was provided for the purpose of improperly obtaining, or as a reward for favorable treatment in connection with, any prime contract, or a subcontract relating to a prime contract.

Debarment/Suspension Status: In signing this offer the Contractor certifies that it is not suspended, debarred or ineligible from entering into contracts with the Executive Branch of the Federal Government, or in receipt of a notice or proposed debarment from any State Agency. The Contractor agrees to provide immediate notice to the Owner in the event of being suspended, debarred or declared ineligible by any State Agency or Federal Agency, or upon receipt of a notice of proposed debarment that is received after the submission of the proposal, quote or bid but prior to award of the purchase order or contract.

For: *Drilling Contractor* _____
Street Address _____
City, State, Zip code _____

By: _____ Date _____
Contractor

AND:

For: Village of Jemez Springs, NM
P.O. Box 269
080 Jemez Springs Plaza
Jemez Springs, NM 87025

By: _____
Village Clerk/Mayor

_____ Date



Figure 1. Map of Jemez Springs showing site area for new thermal artesian well.

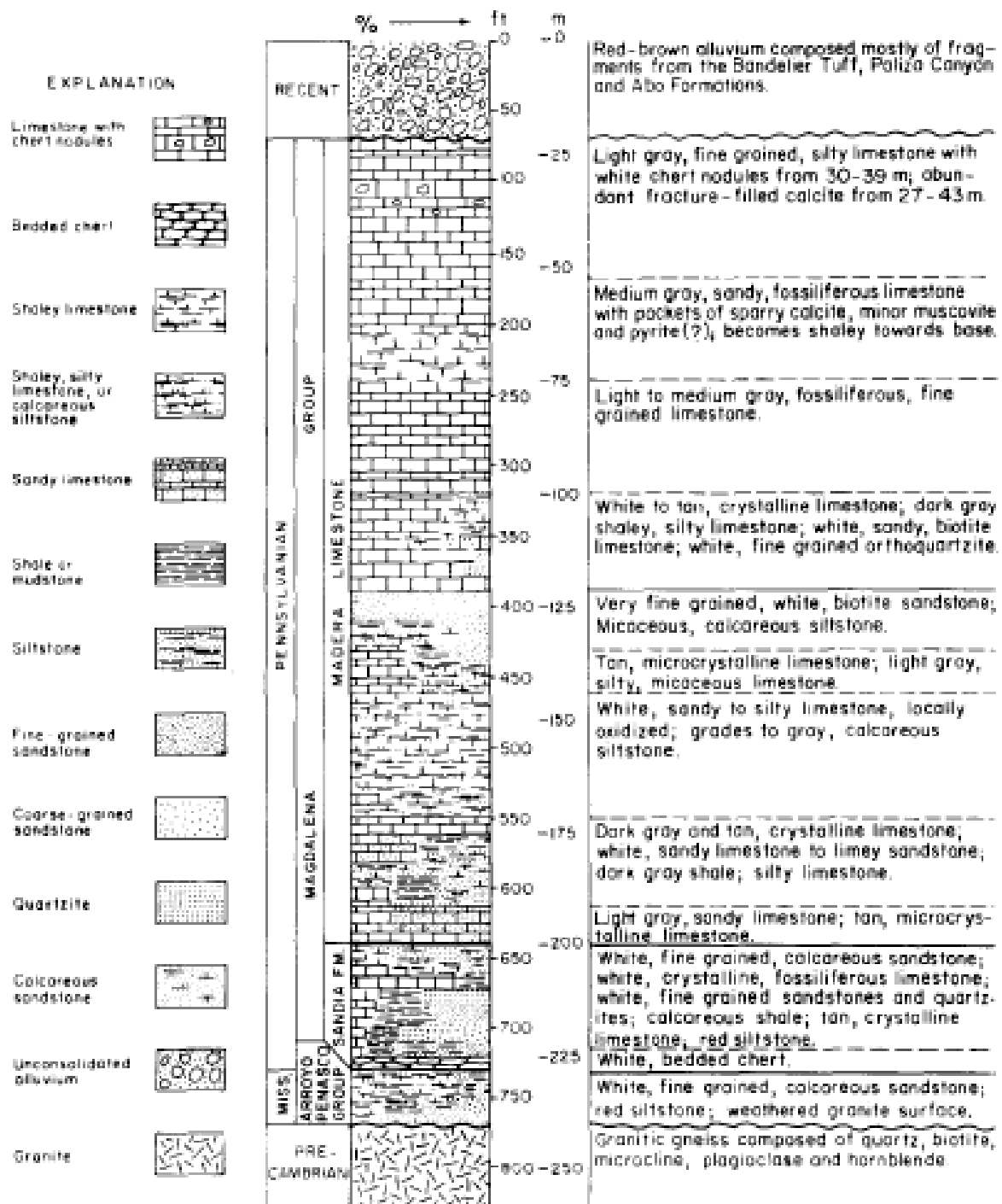


Figure 2. Geologic log of Jemez Springs #1 well (Goff and Kron, 1980)

Goff, F., and Kron, A., 1980, In-progress geologic map of Canon de San Diego, Jemez Springs, New Mexico, and lithologic log of Jemez Springs geothermal well: Los Alamos Scientific Laboratory, LA-8276-MAP.