

EXPRESSION OF INTEREST

Supply of Drilling and Completions Fluids for ExxonMobil and HMDC Canada East Platforms

Reference: WS2685078

BIDS Categories: 0209, 0933, 0936

Issue Date: July 2, 2014

Closing Date: July 16, 2014

Overview:

- Hibernia Management and Development Company Ltd. (HMDC) and ExxonMobil Canada Properties, a partnership (ExxonMobil) are in the process of pre-qualifying companies who can supply Drilling and Completions Fluids for their onshore and/or offshore Newfoundland and Labrador requirements.
- Contractor shall provide all management, personnel, processes, materials, tools, equipment, applicable certifications and facilities as may be required to ensure all equipment covered by this pending Contract shall be fabricated and supplied to meet all statutory requirements, codes of practice and applicable specifications.
- The intention is to have this scope of work cover the requirements of the Hibernia Project*, and the Hebron Project. For clarity, the scope of work includes not only the foregoing, but may include at ExxonMobil's and/or HMDC's discretion, future work related to the scope of work described herein, in which ExxonMobil and/or HMDC may engage onshore or offshore Nova Scotia and Newfoundland and Labrador, for oil and gas facilities.
- While not planned, it should be noted that the resulting contract may require inclusion of and/or extension to other operators in the area, project co-venturers, contractors and/or affiliated companies.
- For work related to the Hibernia Project*, HMDC supports providing opportunities to Canadian, and, in particular, Newfoundland and Labrador companies and individuals, on a commercially competitive basis. Contractors expressing interest in providing services or materials, if they are selected to bid, will be required to complete a Canada-Newfoundland and Labrador Benefits Questionnaire at the bid stage.
- For work related to the Hebron Project, ExxonMobil supports providing opportunities to Canadian, and, in particular, Newfoundland and Labrador companies and individuals, on a commercially competitive basis. Contractors expressing interest in providing services or materials, if they are selected to bid, will be required to complete a Canada-Newfoundland and Labrador Benefits Questionnaire at the bid stage.
- Hibernia Management and Development Company Ltd. (HMDC) and ExxonMobil Canada Properties, a partnership (ExxonMobil) encourage(s) the participation of members of designated groups (women; Aboriginal peoples; persons with disabilities; and members of visible minorities) and corporations or cooperatives owned by them, in the supply of goods and services.

Supplier Diversity

Diverse Ownership (Completion of this section is voluntary)

A Diverse supplier is a business that is at least 51 % owned and controlled by a member(s) of one or more of the four designated groups identified in Canadian employment equity legislation:

- Women
- Aboriginal peoples
- Visible Minorities
- Persons with disabilities

Please indicate above which designated group(s) are applicable to your business.

Certification for Diverse Businesses

There are currently national certifying organizations that cover certification for businesses owned by:

- Aboriginal Peoples
- Visible Minorities
- Women

If you indicated that your business is owned by a member of a designated group, are you currently certified as a diverse-owned business? Yes No

Through which certifying organization is your business certified? _____

If you are a NL registered business and are not currently certified, would you be interested in learning more about certification? Yes No

The Hebron Project has a vendor database that is used to identify possible suppliers and contractors to participate in the project. Suppliers and contractors are encouraged to register.

ExxonMobil Canada Properties, operator of the Hebron Project, will use the database beyond development/construction, into the operations phase of the project. We also see value in expanding use of the database to the Hibernia and Hibernia Southern Extension projects, as well as project co-venturers and co-owners should they request information. The increased visibility to three major projects and other noted industry participants may be of value to your organization as it has the potential to increase future procurement opportunities.

DISCLAIMER: By registering your company in the vendor database, you are consenting to making your information available to the parties noted above in addition to the Hebron Project.

NOTE: Registration in the database does not imply that a supplier or contractor is approved as a qualified supplier, nor does it indicate that a supplier or contractor is included on any tender or bid list for the supply of goods or services for which it has registered.

Scope of Work Overview:

The Scope of Work shall comprise the supply of drilling fluids and materials for the purposes of satisfying the requirements of ExxonMobil and HMDC's drilling programs located in Eastern Canada. Currently in Eastern Canada, ExxonMobil conducts drilling operations from the Hibernia Gravity Based Platform, Mobile Offshore Drilling Units (MODUs), and planned future operations from the Hebron Gravity Based Platform.

The scope of work/supply includes, but is not limited to:

Provision of Drilling and Completions fluids for the purposes of executing drilling and completions operations for offshore wellbores drilled from the above noted facilities in the Eastern Canadian Grand Banks environment offshore Newfoundland and Labrador. The Work shall include all ancillary equipment (fluids lab equipment and consumables), materials (dry bulks, liquids, additives, and miscellaneous consumables), and personnel necessary for the completion of fluids operations as prescribed by Company. The Work shall also include all necessary onshore support, infrastructure, and personnel necessary to support offshore operations including engineering services. The scope of work is limited to the supply of drilling and completions fluids and materials only. Solids control and drill cuttings management are not included in this scope of work.

The successful vendor responsibilities shall include, but not be limited to, the following:

- a) Evaluation of relevant drilling and geological data from offset wells and the preparation of a drilling fluids program in conjunction with Buyer Drill Team;
- b) Preparation of wellbore stability analysis for use in defining required mud properties;
- c) Supply of all required drilling and completion fluid materials, including the maintenance of appropriate stock levels on the applicable Drilling Unit, on supply vessels and onshore;
- d) Reporting end of well inventories;
- e) Filling of containers for the Drilling Unit containerized mud additives system;
- f) Supply, operation and maintenance of the required bulk barite and bentonite storage and handling equipment at Buyer's shorebase facilities;
- g) Supply, operation and maintenance (including supply of filtering medium) of a completion fluid filtration unit suitable for the needs of the well completion and workover program;
- h) Supply and maintenance of the Drilling Unit mud testing equipment and supplies as required for the successful execution of the drilling fluids program;
- i) Supply and maintenance of the onshore laboratory facilities required to successfully develop a drilling fluids program and respond to the technical support requirements for execution of the program;
- j) Provision of qualified offshore mud engineers responsible for the overall offshore execution of the drilling fluids program;
- k) Preparation of end of well drilling fluids reports as prescribed by the Buyer Drill Team.

Additionally, the selected contractor will be required to meet all technical and Safety, Health, Environmental, and Security (SHE&S) specifications and safe work practices of ExxonMobil and HMDC and their affiliates as appropriate.

Minimum Technical Requirements

Minimum Technical Requirements, and Contractor's ability to fulfill such requirements, shall be established at a later date.

Submission Requirements

Vendor submissions in response to this Expression of Interest **must** include the afore-mentioned reference number, as well as the following information:

1. Information demonstrating qualification for the Scope of Work detailed above.
2. Describe your experience operating under and familiarity with, the benefits provisions of the Canada-Newfoundland and Labrador Atlantic Accord Implementation Acts and your experience with any similar regimes in other parts of Canada or internationally. At the RFP/ITT stage, bidders will be required to indicate how they comply with the above.

3. Please acknowledge that responsible management personnel have read, understand and will support requirements to comply with the following where applicable
 - i) Section 45 of the Canada-Newfoundland and Labrador Atlantic Accord Implementation Act
 - ii) The Hebron Benefits Agreement and Hebron Benefits Plan work requirements
 - iii) The HSE Benefits Agreement and HSE Benefits Plan work requirements

The data submitted will be used to do a preliminary evaluation of your company's ability to perform these services. Additional evaluation in the form of a prequalification should be anticipated in advance of ExxonMobil and HMDC finalizing a bidders list.

The data submitted in response to the aforementioned questionnaires will be used to evaluate your company's ability (and those of your preferred sub-contractors / vendors where applicable) to perform these services or provide these materials.

It will focus primarily on:

- past safety performance
- applicable experiences
- project execution skills
- project management skills & integration skills
- current capability
- system lifecycle support capabilities and proven lifecycle programs
- personnel qualifications
- financial capacity

We will evaluate this data and develop a final group of vendors who will be asked to submit formal competitive bids. We reserve the right to make the final determination of which contractors will receive the Request for Proposals (RFP) or Invitation to Tender (ITT) and which contractor will be awarded the final contract.

This Expression of Interest (including pre-qualification) is not a pre-qualification of contractors for other ExxonMobil /HMDC work, but is limited to the scope aforementioned. In addition, participation in this Expression of Interest , including any statements whether oral or written between ExxonMobil / HMDC and your company, shall not create or be deemed to create any binding legal relationship or contract, or be construed to do so between ExxonMobil / HMDC and your company. All costs associated with the preparation of your response to this expression of interest shall be at your expense.

This Expression of Interest (including pre-qualification) may or may not result in the issuance of an RFP/ITT and may or may not result in the award of a contract. If you respond to this Expression of Interest (including pre-qualification) and your company is selected to be on the bidders list, your company name and contact information may be posted on public websites. Similarly, if you are selected for award, the same information may also be posted, indicating that the work has been awarded to your company.

* It should be assumed that the Hibernia Project includes, but is not limited to, current and planned Hibernia and Hibernia Southern Extension operations as well as future development on behalf of Hibernia (operated by Hibernia Management and Development Company Ltd.) and/or Hibernia Southern Extension participants (operated by ExxonMobil Canada Properties).

Responses must be submitted electronically by the closing date to all of the ExxonMobil or HMDC e-mail addresses noted below:

ExxonMobil Canada Properties &
Hibernia Management & Development Company Ltd.
Attention: Kim Hutchings, Senior Procurement Associate,
kim.f.hutchings@exxonmobil.com
Phone: (709) 778-7287

Finally, potential vendors, if they have not already done so, should register with BIDS using following contact information:

Phone: 1-800-270-4611
E-mail: isabelle@bids.ca
www.bids.ca