



Form GSOP 1-PIN (04/98)

STATE OF CALIFORNIA  
 Department of General Services - Office of Procurement  
**PURCHASE ORDER**

<i>Purchase Order No.</i>	<i>Rev.</i>	<i>Date</i>
62368		6/24/2009

<i>Supplier No.</i>	<i>Solicitation No.</i>	<i>Delivery Date</i>	<i>FOB Point</i>	<i>Invoice Terms</i>
812267	57290	As Specified	Destination	N45

OMNI MOUNTAIN LLC 1824 TRIBUTE ROAD SUUTE B SACRAMENTO, CA 95815 Attn: JEFF PRESCOTT  Phone: 916-924-9600	S h T DEPT OF CONSERVATION i O TWO SHIP TO LOCATIONS P (SEE BELOW)	C h T CONSERVATION A-51 a T TECHNLOGY SERV./IT PD UNIT r O 801 K STREET #1600 e SACRAMENTO CA 95814	
	<i>Agency Billing</i> 13072	<i>Agency Purchase Estimate</i> 4E820061	<i>Purchase Estimate</i> 67419 <i>Revision</i> 0
	<i>Agency Contact</i> JAMES HOPPERS	<i>Phone</i> 916-324-7175	<i>Date Received</i>

Item No.	Quantity	Unit	Commodity Code	Description	Unit Price	Extension
<p><u>TERMS AND CONDITIONS:</u></p> <p>THE ATTACHED STATEMENT OF WORK, CONSISTING OF SEVEN (7) PAGES IS PART OF THIS AGREEMENT.</p> <p>THE FOLLOWING DOCUMENTS ARE INCORPORATED INTO THIS AGREEMENT AND MAY BE VIEWED AT THE WEBSITE LISTED.</p> <p><u>ATTACHMENTS:</u></p> <p>IT General Provisions, GSPD-401IT Revised and Effective 4/12/2007  <a href="http://www.documents.dgs.ca.gov/pd/modellang/GPIT0407.pdf">http://www.documents.dgs.ca.gov/pd/modellang/GPIT0407.pdf</a></p> <p>IT Purchase Special Provisions, Effective 02/08/2007  <a href="http://www.documents.dgs.ca.gov/pd/modellang/Purchasespecial020807.pdf">http://www.documents.dgs.ca.gov/pd/modellang/Purchasespecial020807.pdf</a></p> <p>IT Software License Special Provisions, Effective 01/21/03  <a href="http://www.documents.dgs.ca.gov/pd/modellang/softwarepecial012103.pdf">http://www.documents.dgs.ca.gov/pd/modellang/softwarepecial012103.pdf</a> 1-03.htm</p> <p>IT Personal Services Special Provisions, Effective 02/08/07  <a href="http://www.documents.dgs.ca.gov/pd/modellang/PersonalServiceSpecial0208071-21-03.htm">http://www.documents.dgs.ca.gov/pd/modellang/PersonalServiceSpecial0208071-21-03.htm</a></p>						
1	1	EA	7050-250-0003-8	DOCUMENT CONVERSION SERVICES (AS DESCRIBED) 1ST YEAR - DISTRICT 4 - 50,000 WELL RECORDS FISCAL YEAR: 08/09	77,000.0000	77,000.00
2	1	EA	7050-250-0003-8	DOCUMENT CONVERSION SERVICES (AS DESCRIBED) 2ND YEAR - DISTRICT 4 - 50,000 WELL RECORDS FISCAL YEAR: 09/10-SUBJECT TO BUDGET APPROVAL	77,000.0000	77,000.00

Sales and/or use tax to be extra unless noted above

<i>Buyer</i>  JOHN MEDEIROS	<i>Phone</i> 916-375-4412	<i>BOC Number</i>
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STATE OF CALIFORNIA

Department of General Services - Office of Procurement

**PURCHASE ORDER CONTINUATION**

Form GSOP 2-PIN (04/98)

<i>Purchase Order No.</i>	<i>Revision</i>	<i>Date</i>	<i>Supplier No.</i>	<i>Supplier Name</i>
62368		6/24/2009	812267	OMNI MOUNTAIN LLC

<i>Item No.</i>	<i>Quantity</i>	<i>Unit</i>	<i>Commodity Code</i>	<i>Description</i>	<i>Unit Price</i>	<i>Extension</i>
3	1	EA	7050-250-0003-8	DOCUMENT CONVERSION SERVICES (AS DESCRIBED) 3RD YEAR - DISTRICT 4 - 20,000 WELL RECORDS DISTRICT 1 - 30,000 WELL RECORDS FISCAL YEAR: 10/11-SUBJECT TO BUDGET APPROVAL	77,000.0000	77,000.00
<hr/>						
Total Value:						231,000.00
 <u>FOB DESTINATION:</u>						
For the purpose of this award, only FOB Destination will be accepted.						
 <u>CHANGE ORDERS:</u>						
This Purchase Order may be amended, modified, or terminated at any time by mutual agreement of the parties in writing. Change orders amending, modifying or terminating the Purchase Order, including any modifications of the compensation payable, may be issued only by the State Procurement Officer. All such change orders shall be in writing and issued only upon written concurrence of the supplier. Termination, as that term is used in this section, does not include termination for default of the supplier.						
 <u>STATE CONTRACTS AND PROCUREMENT REGISTRATION:</u>						
This Purchase Order has been registered into the State Contracts and Procurement Registration System ( <a href="https://www.scprs.dgs.ca.gov">https://www.scprs.dgs.ca.gov</a> ). The Registration Number is: eP 1017152						

## STATEMENT OF WORK

### 1. Introduction

This is the Statement of Work (SOW) that identifies all of the tasks and deliverables required to be performed by the contractor over the term of the contract. The SOW also includes the following, at a minimum:

- Task Descriptions
- Roles and Responsibilities
- Schedule
- Project Management
- Acceptance Criteria
- Invoicing Requirements

### 2. Task Description:

The Contractor shall scan all Division of Oil, Gas and Geothermal Resources (Division) well records in Districts 1 (Cypress) and 4 (Bakersfield) to electronic format. This involves approximately 150,000 wells, including, but not limited to, all paper and geophysical logs contained in the file folders. District 4 contains about 120,000 well records and District 1 contains about 30,000 well records. The project commences in Fiscal Year 2008/09 and is a 3-year project with scanning taking place as follows:

Fiscal Year	District	Number of Well Records	DOGGR Revenue
08/09 - 1 <sup>st</sup> yr	4	50,000	\$77,000.00
09/10 - 2 <sup>nd</sup> yr	4	50,000	\$77,000.00
10/11 - 3 <sup>rd</sup> yr	1	30,000	\$77,000.00
	Total	150,000	\$231,000.00

To maintain the above schedule, well records will have to be scanned at the rate of at least 1,000 well records per week. District staff is aware of this schedule and are prepared to supply prepped well record files to the Contractor at or above this rate. The fixed price of \$77,000.00 is the maximum allowable per year for this project.

### 3. Location:

The scanning of all well records shall be done in-house at either the Cypress district office (located at 5816 Corporate Ave, Suite 200, Cypress, CA 90630), or the Bakersfield district office (located at 4800 Stockdale Highway, Suite 417, Bakersfield, CA 93309). Each office will provide the necessary room for the scanning workstations (up to 4 workstations with two 30" by 60" tables for each workstation) and provide electrical connections for Contractor hardware. The Contractor shall supply the scanning hardware, software, and furniture necessary for the scanning workstations. The Contractor will be responsible for providing telephones and access to the Internet (if needed) for their workforce. The Contractor shall add scanning workstations, as necessary, to keep up with well file folders supplied by the district office preparation team, which is expected to be about 1,000 per week. No well records are to leave the district offices.

## STATEMENT OF WORK

### 4. Available Hours:

Both district offices shall provide access to well records for scanning between the hours of 8:00 a.m. to 5:00 p.m. weekdays excluding the following holidays: New Year's Day, Martin Luther King, Jr. Day, Lincoln's Birthday, Cesar Chavez Day, Memorial Day, Independence Day, Veterans Day, Thanksgiving Day, Day After Thanksgiving, and Christmas Day. If any of these holidays fall on a Sunday, the holiday will be observed on the following Monday.

### 5. Technical Detail of Document conversion:

Bidder must provide samples of a converted document, from originals provided by DOGGR, and meeting the specifications below:

The well records in each well file shall be scanned in an order determined by the district staff. Scanning resolution will be at 300 dpi, and can be adjusted as needed by the quality of the documents being scanned. The scanned images must be of sufficient quality so that a well record can be reproduced if the well record becomes damaged or lost.

The well record files shall be boxed by district staff in sequential order, approximately 30 to 40 per box, and provided to the Contractor. After scanning, the records in each well file shall be returned to the proper order by the Contractor. The district may supply the Contractor with MS Excel spreadsheets providing the API number, log identifier, and run date for logs (if available). The sequence of well information in each spreadsheet shall correspond to the sequence of well record files in each box.

The scanned files shall be named by the Contractor as follows:

DATA FILES: API Number\_Data\_Scan Date.pdf  
(EXAMPLE: 02920345\_Data\_04-23-2008.pdf)

LOG FILES: API Number\_logidentifier\_Run Date.tif  
(EXAMPLE: 02920345\_2Electric1\_12-29-1994.tif)

The API number is a unique identifier that consists of 8 characters with the first 3 characters separated from the last 5 characters by a hyphen (Example 029-20345). However, for this project, the API number in the file name should not include the hyphen. The Contractor should enter the file name from the information in the district-supplied MS Excel spreadsheet to create a file name that meets this naming convention.

### 6. Data:

The majority of well records consist of standard 8.5" by 11" sheets of paper. Some well records consist of legal size 8.5" by 14" sheets of paper. Both standard and legal sheets of paper are held in place by 2-inch fasteners (two-hole punch in the file) that are on 2-3/4 inch centers. The Contractor needs the ability to scan documents (plat maps, directional surveys, etc.) that are up to 11" by 17" in size. About 1 percent of the well records contain documents that are this size. Some documents are double sided and both sides will need to be scanned.

The well record documents are arranged in a specific order and shall be scanned and returned in the same order and condition as when the contractor received the well file. Staples, if encountered, need to be removed by the Contractor, but do not need to be re-stapled after

## STATEMENT OF WORK

scanning. The sheets of paper shall also be reattached onto the paper fasteners. Some sheets are old, fragile, damaged, or light (e.g. onion skin). The Contractor should take into account that some of these sheets must be hand fed into the scanner so they are not destroyed.

Driller/lithologic logs that are 8.5 inches wide and more than 14 inches in length shall be folded by the contractor so that they may be scanned in sections as standard or legal size images.

Some well records contain oversized documents such as maps or sheets of paper greater than legal-sized documents. Most oversized documents are smaller than 11" by 17", but a small percent are larger than 11" by 17". The Contractor shall scan these oversized documents and incorporate the scanned image into the Data file. The Contractor shall replace the oversized pages in the well folders in the same location and order.

Additionally, some well records contain sheets of paper smaller than 8 ½" by 11" in size. These small sheets of paper shall be scanned by the Contractor and replaced in the well folders in the same location and order.

### 7. Logs:

Each well record may contain at least one geophysical log, and there could be many more. These logs are fan-folded into numerous sections, and are about 6 to 9 inches wide and may be over 20 feet long. Mud logs are generally 11 inches wide and also fan-folded. Geophysical and mud logs will be scanned in one continuous scan and delivered as one file (tif). Some logs will be in color and must be scanned in color. Logs with color headers only will be scanned in black and white. After each log is scanned, the Contractor shall re-fold the log and place it in the proper well file. The Contractor will replace the well records in the record file boxes in the same sequence as they were received.

### 8. Deliverables:

The Contractor shall supply the Division with the scanned data images in PDF file format and the scanned log images in TIF format. This shall be done by supplying the files via DVDs to the Division project managers

The well files and logs will be returned in the same condition and same page order as they were received. Pages and logs will not be torn, folded, shredded, or the two-hole punch holes damaged. The Contractor will make every reasonable effort to physically protect the paper originals throughout the disassembly, scanning, and reassembly process, and in the event of damage repair the documents to their original condition.

### 9. Contractor Tasks and Responsibilities:

#### a. Project Management:

At the Bakersfield and Cypress sites, the contractor will develop and monitor staffing, equipment, and resources sufficient to complete the described document conversion tasks, and manage the coordination of these to ensure the successful, set-up, launch, and performance of this project.

### 10. Acceptance Criteria:

The well files shall be returned in the same condition and same page order as they were received by the Contractor. Pages and logs shall not be torn, folded, shredded, or the two-hole punch holes damaged.

## STATEMENT OF WORK

Scanned images shall be clear and not shaded. Documents shall not be skewed or margins shortened so that data is cut off. Documents should not be persistently skewed or margins shortened, whether data is cut off or not. Artifacts in the scanned image that do not obscure the clarity of data may be accepted; however, artifacts should not be allowed to be a persistent feature of the scanned images. An un-skewed, clear document with no shading or artifacts, and normal margins shall be expected for scanned images.

Well records have varying quality of paper, lightness of inked or penciled data, size of data elements, and legibility of data. The Contractor shall be able to adjust the scanning parameters to produce a quality image. Well records of such poor quality that they cannot be scanned to an acceptable image shall be returned to the district staff for evaluation. These poor quality well records may be modified by the district office staff so they can be scanned to an acceptable image.

The Contractor shall have a quality monitoring program for scanned images. District office staff shall also monitor quality of scanned images. When the scanned images of documents are not acceptable, those documents shall be returned to the contractor for re-scanning at the Contractor's expense. Documents that require modification by the district to achieve an acceptable scanned image will be re-scanned at the Division's expense.

### 11. State Responsibilities:

Appoint a contracts administrator to serve as a liaison with the Contractor and to provide consultation as necessary and serve as a point of contact for the Contractor.

The Division will provide the Contractor with access to the MS Excel spreadsheet containing all the API numbers and log identifiers as needed to name the files.

The Division will prepare the well records for scanning. The process will generally involve removing the records from the file cabinet, reviewing the records for proper order, removing any extraneous pages and logs, and placing the records in boxes in the proper sequence for scanning. Each well record will be maintained in a manila file folder and contains one or more pages of data, and usually one or more geophysical logs. NOTE: Some well records have no geophysical log. The operator (oil company), oil field, section, township, range, well name, well number, and API number will be listed on the file folder. The API number is the identification number that will be used to name the scanned file as mentioned above. The rate that well files will be supplied to the Contractor is about 1,000 per week.

The Division will review the quality of scanned well records.

### 12. Contractor Employees:

All employees of the Contractor shall act in a professional manner and shall dress in appropriate attire (business casual) for the district office. The district office shall provide a janitorial service once a week; however, the employees of the Contractor shall not leave excessive amounts of trash or damage the premises. The Division reserves the right to request that the Contractor replace any employee that does not adhere to the above policy.

### 13. Scheduled Dates:

The term of this agreement will be thirty six (36) months effective upon the Agreement start date or upon the date the Purchase Order is signed, whichever is later.

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### 14. Reserved Rights:

The Division reserves the right to cancel, halt, or temporarily suspend scanning operations under this contract at any time and to change details of the proposed work under this contract, as necessary, to properly and effectively perform the work required. In the event of such stoppage, the Division shall be under no obligation to the Contractor except to pay for all work completed by the Contractor and otherwise satisfy the Division's obligations in accordance with the terms of this Agreement as of the time of such stoppage.

### 15. Invoice Submittal:

#### Invoicing and payment

- A. For services/deliverables satisfactorily rendered, and upon receipt and approval of the invoices, the State agrees to compensate the Contractor for actual expenditures incurred in accordance with the rates specified herein, which is attached hereto and made a part of the Agreement.
- B. Invoices shall include the Agreement Number and District Office and shall be submitted in triplicate not more frequently than monthly in arrears to:

Department of Conservation  
IT Procurement and Compliance Unit  
Attn: Yvonne Villa  
801 K Street, Room 1600  
Sacramento, CA 95814  
Phone: (916) 323-4725  
Email: [IT.Purchasing@conservation.ca.gov](mailto:IT.Purchasing@conservation.ca.gov)

- C. Invoices must clearly reference the following:
  - Contract/Agreement Number
  - District Office location of service/deliverables performed
  - Billing Period
  - Itemized description of service/deliverables

### 16. Budget Contingency Clause

- A. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, the State shall have no liability to pay any funds whatsoever to the Contractor or to furnish any other considerations under this Agreement and Contractor shall not be obligated to perform any provisions of this Agreement.
- B. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the State shall have the option to either cancel this Agreement with no liability occurring to the State, or offer an agreement amendment to Contractor to reflect the reduced amount.

## STATEMENT OF WORK

### 17. Prompt Payment Clause

Payment will be made in accordance with, and within the time specified in Government Code section 927, et seq.

### 18. Change Management:

Change management enables effective handling of project changes, and ultimately helps us to keep the project budget, quality and timeline within the expectations of both organizations. The change management process is as follows:

1. Once a potential task has been identified, the DOC Project Manager, and the contractor will determine if the task falls within or outside the scope of this agreement.
2. If the task falls within the scope, then the contractor will perform the task. Resulting changes for time or costs are allowed.
3. If the task falls outside of the scope, time, or costs, but is deemed necessary to the successful completion of the work, then the DOC Project Manager and Contractor Project Manager will estimate the time and cost required to complete the task. If the additional task is approved, the Contract Administrator will be notified and the contract amended as necessary to incorporate the additional time, materials, and/or additional costs required to complete the task.
4. All changes in item 3 above will be executed by means of a "Work Authorization" form.
5. All applicable rules and requirements will be applied to any changes in costs.

### 19. Special Provisions

There will be no overtime paid under this contract.

There will be no travel or per diem paid by the DOC under this contract.

DOC and the Contractor are mutually obligated to keep open and regular channels of communication in order to ensure the successful execution of this contract. Both parties are responsible for communicating any potential problems or issues to the DOC Project Manager and the Contractor, respectively, within 48 hours of becoming aware of said problem.

### 20. Contacts

#### **Project Sponsor:**

Jim Campion, Technical Services Manager,  
801 K Street, 20<sup>th</sup> Floor  
Sacramento, CA 95814  
Phone 916- 323-1779)  
Email: [Jim.Campion@conservation.ca.gov](mailto:Jim.Campion@conservation.ca.gov)

## STATEMENT OF WORK

### Project Managers:

Chris McCullough, Cypress district office project manager  
5816 Corporate Ave, Suite 200  
Cypress, CA 90630  
Phone: 714-816-6847  
Email: [Chris.McCullough@conservation.ca.gov](mailto:Chris.McCullough@conservation.ca.gov)

Mark Gamache, Bakersfield district office project manager  
4800 Stockdale Highway, Suite 417  
Bakersfield, CA 93309  
Phone, 661-322-4031  
Email: [Mark.Gamache@conservation.ca.gov](mailto:Mark.Gamache@conservation.ca.gov)

### Contract Administrator:

Yvonne Villa  
801 K Street, Suite 1600  
Sacramento, CA 95814  
Phone: (916) 323-4725  
Fax: (916) 445-2735  
Email: [IT.Purchasing@conservation.ca.gov](mailto:IT.Purchasing@conservation.ca.gov)