

ORDINANCE/RESOLUTION REQUEST

Date of Request: 8/25/2016

Please mark one: Bill Request or Resolution Request

1. Has your agency submitted this request in the last 12 months?

Yes No

If yes, please explain:

2. **Title:** Oil & Gas Field Management Professional Services, PetroPro Engineering, Inc, 201524898.

3. **Requesting Agency:** DEN

4. **Contact Person:**

- **Name:** Aaron Barraza
- **Phone:** (303) 342-2261
- **Email:** Aaron.Barraza@flydenver.com

5. **Contact Person:**

- **Name:** Mookie Patel, Senior Vice President of Commercial
- **Phone:** (303) 342-2501
- **Email:** Mookie.Patel@flydenver.com

6. **General description of proposed ordinance including contract scope of work if applicable:**

The contract is for the management and operation of seventy-five (75) oil and gas wells on DEN property. The scope of services include optimization of production, monitoring revenue, cost control, well maintenance, oversight of third-party contract services, environmental compliance, regulatory reporting, and the provision of advisory support for economic evaluations, forecasting, operating, and capital budgets.

****Please complete the following fields:**

- a. **Contract Control Number:** 201524898-00
- b. **Duration:** 5 years (11/1/2016 – 10/31/2021)
- c. **Location:** DEN
- d. **Affected Council District:** 11
- e. **Benefits:** Extracting the highest income possible from each oil and gas well while ensuring environmental compliance and conformity to all local, state and federal rules and regulations.
- f. **Costs:**

| <i>Current Contract Amount</i> | <i>Additional Funds</i> | <i>Total Contract Amount</i> |
|--------------------------------|-------------------------|------------------------------|
| (A) | (B) | (A+B) |
| \$3,600,000.00 | \$0.00 | \$3,600,000.00 |

| <i>Current Contract Term</i> | <i>Added Time</i> | <i>New Ending Date</i> |
|------------------------------|-------------------|------------------------|
| 5 years | 0 | 10/31/2021 |

- g. **Date Goals Assigned:** Not Applicable
- h. **Goals:** None

7. **Is there any controversy surrounding this ordinance? Please explain.** None known.

To be completed by Mayor's Legislative Team:

SIRE Tracking Number: _____

Date: _____

Key Contract Terms

Type of Contract:

- Professional Services > \$500K Lease Design or Construction for airport improvements > \$5M
- Grant IGA Sale of Real Property Sale of Personal Property

Vendor/Contractor Name: PetroPro Engineering Inc.

Contract control number: 201524898-00

City's contract manager: Mookie Patel

Was this contractor selected by competitive process? Yes, the contractor was selected by an RFP competitive process.

Has this contractor provided these services to the City before? Yes No

Term/Duration of contract/project: 5 years (11/1/2016 – 10/31/2021)

Is this a new contract? Yes No Is this an Amendment? Yes No

Renewal terms: None.

Purpose: The contract is for the management and operation of seventy-five (75) oil and gas wells on DEN property. The scope includes, but is not limited to, optimization of production, daily monitoring, well maintenance, oversight of third-party contract services, environmental compliance, regulatory reporting, and the provision of advisory support for economic evaluations, forecasting, operating, and capital budgets.

Cost/value: Approximately \$529,610.00 to \$720,000.00 (with reimbursement of sub-contracted services, not available directly to DEN, to be used for any required additional work in relation to stimulation or plugging)

Source of funds: Operation and Maintenance Budget (73810-RMB-1920-OILG-6068)

Benefit: Specialized professional services are to facilitate stability and continuity of services essential in optimal well operations at DEN. Experienced petroleum engineering and management services allow DEN to extract the highest income possible from each oil and gas well, while ensuring environmental compliance and conformity to all local, state and federal rules and regulations.

Is this contract subject to: W/MBE DBE SBE XO101 ACDBE N/A

WBE/MBE/DBE commitments (construction, design, Airport concession contracts):

Who are the subcontractors to this contract? The Division of Small Business Opportunity has determined that this contract's Scope of Services does not fall under provisions of Denver's CEI (Construction Empowerment initiative) Ordinance.

Location: Denver International Airport Grounds

Affected Council District: 11

To be completed by Mayor's Legislative Team:

SIRE Tracking Number: _____

Date: _____