



## REQUEST FOR PROPOSAL (RFP)

**FROM:** Timberlands Sequestration, LLC

**DATE:** November 1, 2024

**SUBJECT:** RFP for Aerial Magnetic Survey Interpretation  
Timberlands Sequestration Project

**RESPONSE DUE:** December 8, 2024

**SUBMISSION METHOD:** Submit your proposal to [TSProcurement@blueskyinfrastructure.com](mailto:TSProcurement@blueskyinfrastructure.com)

### 1.0 BACKGROUND, OVERVIEW, AND SCOPE

#### 1.1 Background

In September 2024, Timberlands Sequestration, LLC (“TS”), a wholly owned subsidiary of Blue Sky Infrastructure, LLC, was awarded a grant from the U.S. Department of Energy (“DOE”) under the Carbon Storage Assurance Facility Enterprise (“CarbonSAFE”) Program to perform site characterization activities and will help advance and de-risk project development to enable commercialization and commercial operations in Alabama.

#### 1.2 Overview

TS requests proposals for performing interpretation of aerial magnetic survey (the “Survey”) data (the “Data”) over the TS Project area. The primary objective of the Survey is to identify and accurately locate any infrastructure including artificial penetrations and pipelines that may exist in the project area. Additional objectives are to identify any geologic features such as faults and lineaments that may exhibit sufficient magnetic contrast to be delineated. TS intends to submit the results of the Survey to the Louisiana Department of Energy and Natural Resources (“LDENR”) in support of their Class VI injection applications.

#### 1.3 Scope

TS is seeking a geophysical company specialized in aerial magnetic survey interpretation to evaluate the Data over the TS Project area to identify any unknown wells, pipelines or other buried, iron-bearing infrastructure. TS has solicited a separate request for proposal (“RFP”) to select the Survey acquisition company based on the following acquisition criteria:

- **Acquisition Details**

- Project area: ~24.94 sq mi.
- Linear miles: ~1440.4 mi
- Flight line spacing:  $\leq 100$  ft
- Flight line direction: perpendicular
- Flying height:  $\leq 100$  ft
- Flying speed:  $\leq 67$  mi/hr
- Shapefile of planned survey area will be provided upon execution of attached non-disclosure agreement (“NDA”)

- **Instrumentation Specifications/Requirements**

- Aircraft: Helicopter or drone
- Magnetometers:
  - i. Airborne:
    - 1. Resolution:  $\leq 0.01$  nT
    - 2. Operating Range: 15,000 – 105,000 nT
    - 3. Sampling Rate:  $\geq 10$  Hz
  - ii. Base Station:
    - 1. Resolution:  $\leq 0.01$  nT
    - 2. Sampling Rate:  $\geq 1$  Hz
- GPS Positioning /Navigation Equipment:
  - i. Real-time Measurement Precision:  $\leq 6$  cm RMS
  - ii. Real-time Accuracy:  $\leq 1.8$  m (single frequency)
  - iii. Sampling Rate:  $\geq 2$  Hz
- Radar Altimeter:
  - i. Measurement Precision:  $\leq 1$  ft
  - ii. Accuracy:  $\pm 3$  ft
  - iii. Sampling Rate:  $\geq 10$  Hz
- Laser Altimeter:
  - i. Accuracy:  $\pm 4$  cm (short-range mode);  $\pm 8$  cm (medium-range mode);  $\pm 15$  cm (long-range mode)
  - ii. Sampling Rate:  $\geq 10$  Hz

The successful contractor will be responsible for the following tasks including but not limited to:

1. **Data QC**

- Review data acquisition and processing reports and identify any irregularities or apparent inconsistencies between the report and the data
- Ensure data is:
  - Correctly georeferenced
  - Elevation corrected

- Corrected for diurnal variations and instrument drift

## 2. Interpretation

- Qualitative and quantitative analysis
  - Werner Deconvolution
  - Magnetic inversion
- Identify location of all buried wells and pipelines
- Integrate all available data to create a cohesive subsurface interpretation inclusive of:
  - Basement structure
  - Lineaments
  - Faults
  - Shallow sedimentary features

## 3. Deliverable

- Maps and cross sections for
  - Total magnetic intensity
  - Reduction to Pole
  - Various frequency filtered residuals
- Digital file formats
  - ASCII
  - ArcGIS Shapes
  - Rasters
  - Geo-referenced tiffs
  - Powerpoint
- Final Report

## 2.0 SERVICES REQUIRED

Services for the Survey analysis RFP include:

- Magnetic data QC
- Qualitative and quantitative interpretation of magnetic data
- Magnetic data filtering and image processing
- Reporting of aerial magnetic data

## 3.0 PROJECT TIMELINE

TS intends to award this project as early as December 2024 and will be ready to commence upon selection of geophysical company. TS requests that all work be completed by end of Q3 2025.

## 4.0 PROPOSAL REQUIREMENTS AND PROCESS

### 4.1 DOE Grant Compliance

Pursuant to the requirements set forth under the cooperation agreement with the DOE for the grant funded work, Federal Award Procurement Requirements must be followed. If bidders plan to subcontract any portion of the work, they must adhere to procurement procedures and thresholds as set forth in 2 CFR 200.317 *et seq.*. A brief high-level summary is below:

- Informal Procurement Methods
  - o Micro-purchase awards: ≤ \$10,000
    - May be awarded without soliciting competitive price or rate quotations if the non-Federal entity considers the price to be reasonable
    - To the maximum extent practicable, the non-Federal entity should distribute micro-purchases equitably among qualified suppliers
  - o Small purchase awards: > \$10,000 but ≤ \$250,000
    - Price or rate quotations must be obtained from an adequate number of qualified sources as determined appropriate by the non-Federal entity
    - However, formal procurement methods are not required (i.e., does not need to be publicly advertised)
- Formal Procurement Methods
  - o Required for procurement for property or services > \$250,000
  - o Require public advertising (e.g., posting RFP on website) unless a non-competitive procurement can be used
- Noncompetitive Procurement
  - o Noncompetitive procurement can only be awarded if one or more of the following apply:
    - The aggregate dollar amount of the acquisition of property or services does not exceed the micro-purchase threshold (\$10,000);
    - The item is available only from a single source;
    - Emergency need for the requirement will not permit delay resulting from publicizing a competitive solicitation;
    - The Federal awarding agency expressly authorizes a noncompetitive procurement in response to a written request from the non-Federal entity;
    - or
    - After solicitation of a number of sources, competition is determined inadequate.

2 CFR 300 also requires contractors and subcontractors to comply with the below mentioned laws. Compliance with these laws will be included in our agreement.

- i. Contracting with Small Businesses, Minority Businesses, Women’s Businesses, and Labor Surplus Area Firms.
- ii. Copeland “Anti-Kickback” Act.
- iii. Byrd Anti-Lobbying Amendment, 31 U.S.C. § 1352 (as amended)
- iv. Buy America Requirements for Infrastructure Projects
- v. Equal Employment Opportunity

- vi. Suspension and Debarment
- vii. Prohibition on certain telecommunications and video surveillance services or equipment.
- viii. Davis Bacon Act
- ix. Compliance with the Contract Work Hours and Safety Standards Act.
- x. Clean Air Act
- xi. Federal Water Pollution Control Act

## 4.2 Bid Deliverables

- **Executive Summary:** A brief overview of your company's capabilities, relevant experience, and approach to this project.
- **Project Team:** Qualifications and experience of the key personnel assigned to this project, including resumes and certifications.
- **Deliverables:** A description of all expected deliverables, along with timelines for submission.
- **Cost Proposal:** Detailed breakdown of costs, including labor, materials, software, and any other anticipated expenses.
- In your response, please describe your method of charging for your services. TS prefers a fixed price contract but may use a time-and-materials type contract only (1) after a determination that no other contract is suitable and (2) then the contract must include a ceiling price that the contractor exceeds at its own risk. You may not use the cost plus a percentage of cost and percentage of construction cost methods of contracting.
- Please state whether your company is a Small Business, Minority Business, Women's Business, Veteran-Owned Business or a Labor Surplus Area Firms.
  - **"Labor Surplus Area Firm"** means a firm that, together with its first-tier subcontractors, will perform primarily in Labor Surplus Areas. "Labor Surplus Areas" are localities that have a civilian average annual unemployment rate during the previous two calendar years of 20 percent or more above the national rate.
  - **"Minority Business"** means a business concern in which at least 51% of the concern is owned and day-to-day managed and controlled by a minority, or in the case of a publicly owned business, at least 51% of the stock is owned by a minority, with one or more minorities managing and controlling the daily operation of the business.
  - **"Small Business"** means an independently owned and operated concern, including its affiliates, that is not dominant in the field of operation in which it is bidding on contracts, and qualified as a small business under the criteria and size standards in 13 CFR Part 121 (see FAR Part 19).

- **“Veteran-Owned Business”** means a business concern in which at least 51% of the concern is owned and day-to-day managed and controlled by a minority, or in the case of a publicly owned business, at least 51% of the stock is owned by a veteran, with one or more veterans managing and controlling the daily operation of the business.
- **“Women Business”** means a business concern in which at least 51% of the concern is owned and day-to-day managed and controlled by women, or in the case of a publicly owned business, at least 51% of the stock is owned by women, with one or more women managing and controlling the daily operation of the business.
- If using any subcontractors, you will need to take affirmative steps to use Small Businesses, Minority Businesses, Women’s Businesses, Veteran-Owned Businesses and Labor Surplus Area Firms

### 4.3 Invoicing

Awardee must provide monthly invoices by the 15th of month following the invoice period. Payment will be remitted on a net 50-day basis via ACH transfer.

### 4.4 Accrual

On the third to final business day in each calendar month during the term of the contract, Awardee must provide a cost estimate for services rendered during such month. For example, in a month when the final business day is a Friday, the awardee must provide the estimate by the preceding Wednesday. Awardee shall use commercially reasonable efforts to provide good faith, monthly cost estimates. The monthly accrual estimates shall reflect all estimated costs including labor, expenses, and subcontracts.

### 4.5 RFP Disclaimer

This Request for Proposal (RFP) is issued solely for information and planning purposes and does not constitute an offer that can be accepted to form a binding contract. Any responses to this RFP are provided at the respondent's own expense, and no contractual obligation or commitment of any kind is formed as a result of submission. The issuing party reserves the right to reject any or all responses, amend, modify, or cancel this RFP at any time without notice or liability.

## 5.0 SELECTION PROCESS

All proposals will be evaluated based on the following criteria.

- Demonstrated competence and experience to perform the Scope of Work
- Thoughtfulness and comprehensiveness of response
- Cost competitiveness

## 6.0 ATTACHMENTS

- i. NDA

## Mutual Confidentiality Agreement

This Mutual Confidentiality Agreement (this “**Agreement**”), effective as of [\_\_\_\_], 2024 (the “**Effective Date**”), is entered into by and between Blue Sky Infrastructure, LLC, a Delaware limited liability company having its principal place of business at 1333 West Loop South, Suite 830, Houston, Texas 77027 (“**Blue Sky**”) and [\_\_\_\_], a [\_\_\_\_] [\_\_\_\_] having its principal place of business at [\_\_\_\_] (together, the “**Parties**,” and each, a “**Party**”).

WHEREAS, in connection with the evaluation of a potential business relationship between the Parties or one or both Parties’ providing services or goods to the other Party (the “**Purpose**”), the Parties desire to share certain information that is non-public, confidential, or proprietary in nature.

NOW, THEREFORE, in consideration of the mutual covenants, terms, and conditions set out herein, the Parties agree as follows:

1) Confidential Information. Except as set out in Section 2 below, “**Confidential Information**” means all non-public, confidential, or proprietary information, including, but not limited to, any trade secrets disclosed before, on or after the Effective Date, by a Party (a “**Disclosing Party**”) to the other Party (a “**Recipient**”) or its affiliates, or to any of such Recipient’s or its affiliates’ employees, consultants, contractors, officers, directors, managers, partners, shareholders, agents, attorneys, accountants, or advisors (collectively, “**Representatives**”), whether disclosed orally or disclosed or accessed in written, electronic, or other form or media, and whether or not marked, designated, or otherwise identified as “confidential,” including, without limitation:

a) all information concerning the Disclosing Party’s and its affiliates’, and their customers’, suppliers’, and other third parties’ past, present, and future business affairs including, without limitation: geological and geophysical information; well and log data; maps, reports, interpretations and charts; engineering, modeling, and other technical data; title and land information; finances; customer or potential customer information; supplier information; products; services; organizational structure and internal practices, forecasts, sales and other financial results; records and budgets; and business, marketing, development, sales, and other commercial strategies;

b) the Disclosing Party’s unpatented inventions, ideas, methods, and discoveries, trade secrets, know-how, unpublished patent applications, and other confidential intellectual property;

c) any third-party confidential information included with, or incorporated in, any information provided by the Disclosing Party to the Recipient or its Representatives; and

d) all notes, analyses, compilations, reports, forecasts, studies, samples, data, statistics, summaries, interpretations, and other materials (the “**Notes**”) prepared by or for the Recipient or its Representatives that contain, are based on, or otherwise reflect or are derived from, in whole or in part, any of the foregoing.

2) Exclusions from Confidential Information. Except as required by applicable federal, state, or local law or regulation, the term “**Confidential Information**” as used in this Agreement shall not include information that:



a) at the time of disclosure is, or thereafter becomes, generally available to and known by the public other than as a result of, directly or indirectly, any violation of this Agreement by the Recipient or any of its Representatives;

b) at the time of disclosure is, or thereafter becomes, available to the Recipient on a non-confidential basis from a third-party source, provided that such third party is not and was not prohibited from disclosing such Confidential Information to the Recipient by a legal, fiduciary, or contractual obligation to the Disclosing Party;

c) was known by or in the possession of the Recipient or its Representatives, as established by documentary evidence, before being disclosed by or on behalf of the Disclosing Party under this Agreement; or

d) was or is independently developed by the Recipient, as established by documentary evidence, without reference to or use of, in whole or in part, any of the Disclosing Party's Confidential Information.

3) Recipient Obligations. The Recipient shall:

a) protect and safeguard the confidentiality of all such Confidential Information with at least the same degree of care as the Recipient would protect its own Confidential Information, but in no event with less than a commercially reasonable degree of care;

b) not use the Disclosing Party's Confidential Information, or permit it to be accessed or used, for any purpose other than the Purpose, or otherwise in any manner to the Disclosing Party's detriment;

c) not disclose any such Confidential Information to any person or entity, except to (i) the Recipient's Representatives who (A) need to know the Confidential Information to assist the Recipient, or act on its behalf, in relation to the Purpose or to exercise its rights under the Agreement; (B) are informed by the Recipient of the confidential nature of the Confidential Information; and (C) are subject to confidentiality duties or obligations to the Recipient that are no less restrictive than the terms and conditions of this Agreement or (ii) the Department of Energy who have a need to know the Confidential Information for purposes of the grant funding that Blue Sky or one of its subsidiaries is a recipient of.

d) be responsible for any breach of this Agreement caused by any of its Representatives.

4) Additional Confidentiality Obligations. Except as required by applicable federal, state, or local law or regulation, or otherwise as mutually agreed in writing by the Parties, neither Party shall itself disclose, nor permit any of its Representatives to disclose to any person:

a) that the Confidential Information has been made available to it or its Representatives, or that it has inspected any portion of the Confidential Information;

b) that discussions or negotiations may be, or are, underway between the Parties regarding the Confidential Information or the Purpose, including the status thereof; or

c) any terms, conditions, or other arrangements that are being discussed or negotiated in relation to the Confidential Information or the Purpose.

5) Required Disclosure. Any disclosure by the Recipient or its Representatives of any of the Disclosing Party's Confidential Information under applicable federal, state, or local law, regulation, or a valid order issued by a court or governmental agency of competent jurisdiction (a "**Legal Order**") shall be subject to the terms of this Section. Before making any such disclosure, the Recipient shall make commercially reasonable efforts to provide the Disclosing Party with:

a) prompt written notice of such requirement so that the Disclosing Party may seek, at its sole cost and expense, a protective order or other remedy; and

b) reasonable assistance, at the Disclosing Party's sole cost and expense, in opposing such disclosure or seeking a protective order or other limitations on disclosure.

If, after providing such notice and assistance as required herein, the Recipient remains subject to a Legal Order to disclose any Confidential Information, the Recipient (or its Representatives or other persons to whom such Legal Order is directed) shall disclose no more than that portion of the Confidential Information which, on the advice of the Recipient's legal counsel, such Legal Order specifically requires the Recipient to disclose and, on the Disclosing Party's request, shall use commercially reasonable efforts to obtain assurances from the applicable court or agency that such Confidential Information will be afforded confidential treatment.

6) Return or Destruction of Confidential Information. At any time during or after the term of this Agreement, at the Disclosing Party's written request, the Recipient and its Representatives shall promptly return to the Disclosing Party all copies, whether in written, electronic, or other form or media, of the Disclosing Party's Confidential Information, or destroy all such copies and certify in writing to the Disclosing Party that such Confidential Information has been destroyed. In addition, the Recipient shall also destroy all copies of any Notes created by the Recipient or its Representatives and certify in writing to the Disclosing Party that such copies have been destroyed. Notwithstanding the foregoing, the Recipient may retain copies of Confidential Information that are stored on the Recipient's IT backup and disaster recovery systems until the ordinary course deletion thereof. The Recipient shall continue to be bound by the terms and conditions of this Agreement with respect to such retained Confidential Information.

7) Term and Termination. The term of this Agreement shall commence on the Effective Date and shall expire two (2) years from the Effective Date, provided that with respect to Confidential Information that constitutes a trade secret under applicable law, such rights and obligations will survive such expiration until, if ever, such Confidential Information loses its trade secret protection other than due to an act or omission of Recipient or its Representatives, and, provided that either Party may terminate this Agreement at any time by providing written notice to the other Party. Notwithstanding anything to the contrary herein, each Party's rights and obligations under this Agreement shall survive any expiration or termination of this Agreement for a period of two (2) years from the date of such expiration or termination, even after the return or destruction of Confidential Information by the Recipient.

8) No Representations or Warranties. Neither the Disclosing Party nor any of its Representatives make any representation or warranty, expressed or implied, as to the accuracy or completeness of the Confidential Information disclosed to the Recipient hereunder. Neither the Disclosing Party nor any of its Representatives shall be liable to the Recipient or any of its

Representatives relating to or resulting from the Recipient's use of any of the Confidential Information or any errors therein or omissions therefrom.

9) No Transfer of Rights, Title, or Interest. Each Party hereby retains its entire right, title, and interest, including all intellectual property rights, in and to all its Confidential Information. Any disclosure of such Confidential Information hereunder shall not be construed as an assignment, grant, option, license, or other transfer of any such right, title, or interest whatsoever to the Recipient or any of its Representatives.

10) No Other Obligation. The Parties agree that neither Party shall be under any legal obligation of any kind whatsoever, or otherwise be obligated to enter any business or contractual relationship, investment, or transaction, by virtue of this Agreement, except for the matters specifically agreed to herein. Either Party may at any time, at its sole discretion with or without cause, terminate discussions and negotiations with the other Party, in connection with the Purpose or otherwise.

11) Remedies. Each Party acknowledges and agrees that money damages might not be a sufficient remedy for any breach or threatened breach of this Agreement by such Party or its Representatives. Therefore, in addition to all other remedies available at law (which neither Party waives by the exercise of any rights hereunder), the non-breaching Party shall be entitled to seek specific performance and injunctive and other equitable relief as a remedy for any such breach or threatened breach, and the Parties hereby waive any requirement for the securing or posting of any bond or the showing of actual monetary damages in connection with such claim.

12) Governing Law, Jurisdiction, and Venue. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Texas without giving effect to any choice or conflict of law provision or rule (whether of the State of Texas or any other jurisdiction) that would cause the application of laws of any jurisdiction other than those of the State of Texas. Any legal suit, action, or proceeding arising out of or related to this Agreement or the matters contemplated hereunder shall be instituted exclusively in the federal courts of the United States or the courts of the State of Texas in each case located in the city of Houston and County of Harris, and each Party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action, or proceeding and waives any objection based on improper venue or forum *non conveniens*. Service of process, summons, notice, or other document by mail to such Party's address set out herein shall be effective service of process for any suit, action, or other proceeding brought in any such court.

13) Notices. All notices, requests, consents, claims, demands, waivers, and other communications hereunder shall be in writing and shall be deemed to have been given: (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by email (with confirmation of transmission) if sent before 5:00 p.m. Central Time, and on the next business day if sent after such time; or (d) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent to the respective Parties at the addresses set out on the first page of this Agreement (or to such other address that may be designated by a Party from time to time in accordance with this Section).

14) Entire Agreement. This Agreement constitutes the sole and entire agreement of the Parties regarding the subject matter contained herein, and supersedes all prior and contemporaneous understandings, agreements, representations, and warranties, both written and

oral, regarding such subject matter. This Agreement may only be amended, modified, or supplemented by an agreement in writing signed by each Party hereto.

15) Severability. If any term or provision of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

16) Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by email, or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

17) Assignment. Neither Party may assign any of its rights or delegate any of its obligations hereunder without the prior written consent of the other Party. Any purported assignment or delegation in violation of this Section shall be null and void. No assignment or delegation shall relieve the assigning or delegating Party of any of its obligations hereunder. This Agreement is for the sole benefit of the Parties and their respective successors and permitted assigns and nothing herein, express, or implied, is intended to or shall confer on any other person or entity any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of this Agreement.

18) Department of Energy Assurances. The confidentiality restrictions herein, shall not restrict Blue Sky, counterparty, or any of their Representatives from lawfully reporting waste, fraud, or abuse to a designated investigative or law enforcement representative of a Federal department or agency authorized to receive such information.

19) Waivers. No waiver by any Party of any of the provisions hereof shall be effective unless explicitly set out in writing and signed by the Party so waiving. No waiver by any Party shall operate or be construed as a waiver in respect of any failure, breach, or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power, or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power, or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege.



IN WITNESS WHEREOF, the Parties have executed this Agreement to be effective as of the Effective Date.

**Blue Sky Infrastructure, LLC**

\_\_\_\_\_  
Name:  
Title:

**[Counterparty]**

\_\_\_\_\_  
Name:  
Title: