

Shell Canada Limited

Shelburne Basin Exploration Drilling Project

EXPRESSION OF INTEREST (EOI): Solids Control Equipment and Associated Services

Bids Category: 0200; 0224

Package number: SHELL 21

Issue date: May 22, 2014

Closing date: June 5, 2014 1:00 pm AT

GENERAL

In association with the acquisition of Exploration Licenses 2423, 2424, 2425, 2426, 2429 and 2430 located 350 km south of Halifax offshore, Shell Canada Limited (Shell) has committed to carrying out an exploration drilling program within an initial 6-year exploration period commencing on 1 March 2012. It is Shell's current intention to drill up to 3 exploration wells in these exploration blocks commencing approximately May 2015.

Shell is committed to ensuring that full and fair opportunity is provided to Nova Scotia and Canadian companies through employment, procurement and contracting.

As part of the Project, Shell requires Solids Control Services. Additional regulatory and stakeholder engagement support may also be required in support of the Project.

SCOPE OF WORK

Shell is seeking qualified contractors to provide the following key deliverable for its proposed Project:

The provision of Solids Control equipment and services is required as per the following:

- Contractor will supply solids control operators to operate all solids control equipment (SCE) on the drilling rig, which includes, but is not limited to, Shakers, Auger System, Dryers, and Centrifuges.
- Contractor will be responsible for daily normal operation and routine maintenance of SCE onboard the drilling rig and Contractor will assist rig crews on shaker screen replacement.
- Contractor shall supply shaker screens when requested by Shell and Drilling Contractor, as per Solids Handling contract price list.
- Drilling Contractor will be responsible for maintaining proper spare parts inventory and shaker screens on board the drilling rig. If Drilling Contractor fails to provide adequate spares or shaker screens Contractor will coordinate with Company Representative before ordering necessary spares from a third-party company.
- Drilling Contractor is responsible for electrical and mechanical repairs of the SCE. If Drilling Contractor is unable to perform required electrical and/or mechanical repairs on the SCE, Contractor will be responsible for arranging & coordinating repair work performed by a third-party.

- Contractor is not liable or responsible for down time (NPT) resulting from mechanical or electrical failure of rig owned SCE/waste handling equipment, which can include the Dryer and Auger Systems. Contractor is liable and responsible for down time (NPT) resulting from improper operation of the SCE/waste handling equipment which leads to unplanned delays in drilling operations.
- Drilling Contractor will make available operation manuals and books for equipment operational reference.

Attachment 1 outlines the base well design; It can be assumed that all wells will follow the same concept.

EXPRESSION OF INTEREST REQUIREMENTS

Shell will select qualified bidders from respondents to this EOI.

Interested firms are requested to demonstrate their capabilities and experience via a formal response to the EOI and completion of the Prequalification Questionnaire, which can be obtained from Shell at the address provided below.

Included in the qualification process is a Safety Assessment: All companies providing a formal response to this EOI must be registered with ISNetworld (ISN) (<http://www.isnetworld.com/>) to enable Shell to assess safety management systems and help pre-qualify potential suppliers. Please note that there may be a registration cost involved, dependent upon company size.

Pre-qualified companies will be required to complete a Contractor Local Implementation Plan, and demonstrate their commitment to and compliance with Shell requirements regarding Canada–Nova Scotia Benefits, during the tender process.

BID SCHEDULE

Expressions of Interest must be received on or before June 5, 2014 1:00 pm AT.

A Request for Proposal (RFP) will be issued to a list of qualified bidders chosen from the responses to this EOI. Issue of the RFP is expected around June 19, 2014 and award of contract around July 15, 2014.

All inquires and Expressions of Interest (electronic format only) must be clearly marked with the EOI reference number and should be directed to:

Shell Canada Limited
1701 Hollis Street, Suite 900
Halifax, NS B3J 3M8

Attention: Janice D. Frost
Local Benefits Manager
Email: Janice.Frost@Shell.com

In addition:

*Potential suppliers for this Project, if they have not already done so, are encouraged to register their companies with BIDS at:
Phone: 1-800-397-0393
Email: distribution@bids.ca*