



# CITY OF HUNTINGTON BEACH

**To:** Honorable Mayor and City Council

**From:** Travis Hopkins, City Manager

**Date:** April 15, 2025

**Subject:** Supplemental Communication for Item 13 – Approve and Authorize Execution of Amendment No. 3 with Excalibur Well Services Corp.: Approve Additional Funding and Appropriation of Funds for Well #3 of the Civic Center Oil Well Abandonment Project

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Attached is an updated Amendment No. 3, updating terms and completion of all three wells and clarification of scope of work for other contractors.

## SUPPLEMENTAL COMMUNICATION

**Meeting Date:** 4/15/2025

**Agenda Item No.** 13 (25-307)

AMENDMENT NO. 3 TO SERVICE AGREEMENT BETWEEN  
THE CITY OF HUNTINGTON BEACH AND  
EXCALIBUR WELL SERVICES, CORP.  
FOR  
CIVIC CENTER WELL ABANDONMENT

THIS AMENDMENT is made and entered into by and between the CITY OF HUNTINGTON BEACH, a California municipal corporation, hereinafter referred to as “City,” and EXCALIBUR WELL SERVICES, CORPORATION, hereinafter referred to as “Contractor.”

WHEREAS, City and Contractor are parties to that certain agreement, dated February 20, 2024, entitled “Service Agreement Between the City of Huntington Beach and Excalibur Well Services, Corp., for Civic Center Well Abandonment” which agreement shall hereinafter be referred to as the “Original Agreement”; and

City and Contractor wish to amend the Original Agreement to increase the amount of compensation to be paid to Contractor and to clarify the terms and scope of service,

NOW, THEREFORE, it is agreed by City and Contractor as follows:

1. ADDITIONAL COMPENSATION

Section 3 of the Original Agreement shall be amended as follows:

City agrees to pay Contractor the rates specified in Exhibit B to the Original Agreement not on a “time and materials” basis but as a way to calculate the lump sum payment for all costs to complete Civic Center 1, 2 & 3 abatement and CalGEM approval of abandonment. City and Contractor agree that an additional not to exceed One Million One Hundred Fifty Thousand Dollars (\$1,150,000.00) will be a lump sum payment to complete all work necessary to abandon Civic Center 3 and obtain

CalGEM approval of abandonment. The additional sum shall be added to the original sum of Two Million Nine Hundred Thirteen Thousand Two Hundred Thirty Five Dollars Fifty Cents (\$2,913,235.50), which includes the original Agreement's 15% contingency fee previously approved by City Council, for a new contract amount not to exceed Four Million Sixty Three Thousand Two Hundred Thirty Five Dollars Fifty Cents (\$4,063,235.50).

The additional sum of One Million One Hundred Fifty Thousand Dollars (\$1,150,000.00) includes the existing balance due of \$104,047.80.

If the work to complete abandonment of Civic Center 1, 2 & 3 and CalGEM approval is less than One Million One Hundred Fifty Thousand Dollars (\$1,150,000.00), the savings will be evenly split between the City of Huntington Beach and Excalibur Well Services. Any amount to complete the abandonment of Civic Center 1, 2 & 3 and receive CalGEM approval that exceeds the total of One Million One Hundred Fifty Thousand Dollars (\$1,150,000.00) will be solely paid, covered and otherwise the responsibility of Contractor.

## 2. SCOPE OF WORK

The remaining Scope of Work to be performed includes, but is not limited to, the following:

- Clean out 2-7/8" inner liner from 2,343.77' to 2,635'
- Run inside cutter to cut 2-7/8" slotted liner @2,375'
- Deploy spear and hydraulic jar BHA to engage and free liner
- Cleans out 5-1/2" 17# liner to reach top of 2-3/8" tubing (FISH) @ ~3,654'
- Recover downhole junk (fish)

- Continue cleanout to CalGEM's required depth of 4,094'
- Perform cementing operations in accordance with CalGEM and City Fire Department standards (Fire Department to witness final surface cement plug)
- Conduct perforations per CalGEM requirements
- Perform casing cut-off at required elevation, confirm cement returns to surface, and conduct leak test (CalGEM and Fire Department to witness)

Excalibur Well Services will provide oversight to any subcontractors and be on-site to confirm compliance with CalGem and City Fire Department requirements. Should a cement top job be required after casing cut-off, Excalibur Well Services will complete the work as part of and is included in the lump sum of One Million One Hundred Fifty Thousand Dollars (\$1,150,000.00)

This excludes the OC Vacuum Scope of Work that is under a separate agreement with the City.

This amendment to the Original Agreement is not on a "times and material" bases but is a lump sum payment for all work and associated costs to complete the abandonment of Civic Center 1, 2 & 3 and to obtain CalGEM approval of abandonment.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by and through their authorized officers on \_\_\_\_\_, 2025.

EXCALIBUR WELL SERVICES, CORP

By: \_\_\_\_\_

\_\_\_\_\_  
print name

**ITS:** *(circle one)* Chairman/President/Vice President

**AND**

By: \_\_\_\_\_

\_\_\_\_\_  
print name

**ITS:** *(circle one)* Secretary/Chief Financial  
Officer/Asst. Secretary - Treasurer

CITY OF HUNTINGTON BEACH, a  
municipal corporation of the State of  
California

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
City Clerk

INITIATED AND APPROVED:

  
\_\_\_\_\_  
Fire Chief

APPROVED AS TO FORM:

  
\_\_\_\_\_  
City Attorney

REVIEWED AND APPROVED:

\_\_\_\_\_  
City Manager