



Oil India Limited
(A Govt. of India Enterprise)
P.O. DULIAJAN, DIST. DIBRUGARH,
Assam, India, PIN-786 602

NEF PROJECT
TEL: (91) 374-2807461/62
E-mail: nef@oilindia.in
Website: www.oil-india.com
FAX: (91) 374-2801799

INVITATION FOR EXPRESSION OF INTEREST (EOI)

FOR

CHARTER HIRE OF DRILLING RIG

(EOI NOTICE NO.: OIL/NEF/GLOBAL/EOI/029/2016)

Sub: Expression of Interest (EOI) for Charter Hire of One No. 2000HP (Minimum) Capacity Land Drilling Rig Package including Top Drive System & Effluent Treatment Plant (ETP) with Crew and Services for exploratory Drilling in Mizoram, India (NELP-VI Block: MZ-ONN-2004/1) for a period of one year.

1.0 PREAMBLE:

OIL INDIA LIMITED (OIL), a Government of India Enterprise under the Ministry of Petroleum and Natural Gas, is a premier up-stream Oil Company engaged in the business of Exploration, Production & Transportation of Crude Oil & Natural Gas as well as production of LPG, having its Headquarter at Duliajan, Assam in India. Its operations are largely based in the north-eastern parts of India particularly in Mizoram, Assam and Arunachal Pradesh, but have also extended its activities in different parts of India and abroad. In connection with its ongoing exploration activities in the State of Mizoram, OIL's NEF Project invites Expression of Interests (EOIs) from reputed and established E&P Service Providers/Vendors/Contractors meeting the pre-qualification criteria as mentioned below for empanelment/short listing and issue of tender document for Charter Hire of a 2000HP minimum capacity land Drilling Rig Package including suitable Top Drive system & Effluent Treatment Plant with requisite manpower to carry out drilling of exploratory wells in NELP-VI block: MZ-ONN-2004/1. The period of contract would be initially for one year, with a provision for extension by one more year on same rates, terms and conditions at the option of Company.

2.0 PROJECT INFORMATION:

2.1 As per committed Minimum Work Programme (MWP) for the NELP-VI Block (MZ-ONN-2004/1) Oil India Ltd. (OIL), being the Operator, has to drill exploratory wells within stipulated time frame. So far one well has already been drilled in the block and drilling of second well will commence soon. However, for completion of remaining wells, Company has planned to deploy one 2000 HP (minimum) capacity Land Drilling Rig Package on chartered hire basis initially for a period of one year with provision for further extension on same rates, terms & conditions at the option of Company.

- 2.2 Mizoram has the most variegated hilly terrain in the eastern part of India with 21 hill ranges of different altitudes (maximum altitude of around 1800 m and in general 900 m to 1200 m) with succession of long valleys running mostly from North to South covering the entire state. The hills are very steep and rugged with intervening deep gorges. Two major roads namely NH-54 and State Highway funded by World Bank run almost parallel to each other in North–Southern direction through the centre of the state as well as OIL’s NELP block. Both the roads emanate from Aizawl and converge at Lunglei, the second largest town in Mizoram after Aizawl. These two highways will serve as the major feeders for any drilling locations within the NELP block. The roads are in hilly terrain full of sharp curves with steep gradient. The other connecting roads are narrow having sharp horizontal curves with steep gradient in many places.
- 2.3 Like all other states in North east India, Mizoram also experiences heavy rain during Monsoon which sets early i.e. from May onward. The average annual rainfall is 250 cm. Pre Monsoon showers are also frequent. During the period of monsoon there is frequent heavy rains resulting landslides with temporarily disruption of the road communication system. The summer is hot and humid and maximum temperature ranges from 30 to 34 degree centigrade during April to June. The winter is from November to January when the temperature is 12 to 25 degree centigrade.

3.0 GEOLOGY OF THE AREA:

- 3.1 Assam - Arakan region, Mizoram, Manipur and Tripura have drawn the attention of exploration geologists ever since the discovery of Digboi and Makum oil fields of Upper Assam around 1890. The Badarpur oil field in Cachar district of Assam, presently abandoned, was discovered in 1901. This discovery followed a spate of other discoveries in Assam since Sixties of the last Century. Gas occurrence in Tripura is very relevant to the exploration of the region. Commercial gas in this state was discovered during the late seventies of previous century within the Surma sequence of Miocene age. Several other gas fields have also been found since then.
- 3.2 Cachar–Tripura–Mizoram fold belt constitutes a distinct part of Assam–Arakan tectonic system. Myanmar’s Shan Plateau and the Ophiolite complex extend to the east of it. The Bangladesh flood plains are to the west. The Naga Schuppen belt of Assam forms the northern extreme and Chittagong hill track (Bangladesh) lies to the south of it.
- 3.3 The area of operation is a part of Tripura–Cachar–Mizoram fold belt of Assam Arakan Basin. The Mizoram fold belt is composed of tight linear folds with their axes almost in north-south direction. The intensity of folding increases from west to east where the rocks of Indian plate sub-ducted below the Burmese plate. The anticlines are long, narrow and tight, whereas the synclines are broad and gentle. As per the geological section of the area of operation, the area has Tipam formation exposed in the central part and Bokabil formation is exposed in the eastern and western part. The Bhuban formation is divided in three formations as Lower, Middle and Upper Bhuban formations. Lower Bhuban formation is mainly alternations of sandstones and shale. The Middle Bhuban consists of mainly shale with subordinate sandstones. The Upper Bhuban consists of alternations of sandstones and shales.

4.0 LOCATION OF THE AREA:

The block: MZ-ONN-2004/1 is situated in the Mizoram state in India and covers an area of 3213 sq. km. Aizawl is the Capital town of Mizoram and is connected to the other places by motorable roads and highways. The nearest railhead is at Bhairabi close to the border with Cachar district of Assam. Aizawl is linked by air to the rest of India, the nearest international airport being located at Kolkata in West Bengal. The proposed area lies in between the following broad coordinates:

Coordinates of Block MZ-ONN-2004/1

Points	Latitude (N)			Longitude (E)		
	Deg.	Min.	Sec.	Deg.	Min.	Sec.
A	23	40	00	92	32	54.85
B	23	00	00	92	35	58
C	23	00	00	93	00	00
D	23	40	00	93	00	00
A	23	40	00	92	32	54.85

5.0 BRIEF SCOPE OF WORK:

- 5.1 To drill onshore wells through chartered hire of one (1) No. of Land Drilling Rig Package of capacity 2000HP (Minimum) including Top drive System and suitable capacity Effluent Treatment Plant alongwith all associated personnel, equipment/ tools & services for a period of one (1) year. The wells will be straight vertical holes with formation pressure above hydrostatic. Well depths are expected to be in the range of 3500-5500 meters. However, depths of the wells may increase or decrease at the option of Company (OIL) within the rated capacity of the rig.
- 5.2 The input horsepower rating of the Draw-works of identified/offered rig should be minimum 2000 HP. Further the rig offered should be Diesel-Electric (AC-SCR or AC-VFD) having minimum 1000 kps static hook load capacity self-elevating type mast and sub-structure (conforming to API specification 4F) and also suitable for cluster location (1+1 wells i.e. spacing between the two locations / wells at surface will be approx. 15 mtrs.). The Rig should be installed with a suitable Top Drive System and the Rig Package should also include a proper Effluent Treatment Plant.

Note: The roads leading to the drilling locations in Mizoram are in hilly terrain with sharp turnings and steep gradients where the maximum single load with carrier/trailer should not exceed 35 MT for transportation.

6.0 PRE-QUALIFICATION CRITERIA:

- 6.1 The Vendor/Contractor/Service Provider must fulfill the following minimum pre-qualifying criteria to be eligible for empanelment/short-listing and issue of tender document by Company for Charter Hire of Drilling Rig Package.
- (i) The Vendor/Contractor/Service Provider shall be in possession of the Drilling Rig Package (including suitable Top Drive system & Effluent Treatment Plant) of minimum 2000HP capacity, either owned or leased. In case the bidder is not in possession of the Rig Package at the time of submission of EOI, they may offer a Rig for which they have an agreement for lease/purchase.
 - (ii) The Vendor/Contractor/Service Provider must possess at least one (1) year continuous experience of providing Drilling Services to E&P companies with minimum of 1400 HP capacity Drilling Rig on chartered hire basis during last five (5) years upto the date of submission of EOI.
 - (iii) The Vendor/Contractor/Service Provider must have successfully drilled at least five (5) numbers of wells with drilling rig of minimum 1400 HP capacity, out of which at least one well should be of minimum 4000 m depth and one well in fold-belt area.

- (iv) In case the Vendor/Contractor/Service Provider proposes a vintage Rig in their EOI, then the Rig Package should not be of more than ten (10) years old and must have a minimum Residual Life of seven (7) years.
 - (v) The Vendor/Contractor/Service Provider should be in a position to complete mobilization of their resources at site to take up the assignment in the event of a contract within **one hundred fifty (150) days** from the date of issue of Letter of Award (LOA) by Company.
- 6.2 In case the Vendor/Contractor/ Service Provider is a Consortium of Companies, the Leader of the Consortium should satisfy the minimum requirements as per para 6.1 (i) to (v) above.
- 6.3 In case the Vendor/Contractor/ Service Provider is an Indian Company/Indian joint venture Company, then the participating vendor should meet the criteria laid down in para 6.1 (i) through (v) above.
- 6.4 Any party who is extending support by way of entering into technical collaboration/joint venture with another party shall not be allowed to submit an independent EOI and such EOIs shall be rejected straightway. Further, all EOIs from parties with technical support from the same principal shall also be rejected.
- 6.5 EOIs from Vendor/Contractor/Service Provider who do not meet the criteria as stipulated in para 6.1 above of their own can also be considered, provided they are the 100% Subsidiary Company of a Parent Company which meets aforesaid minimum criteria. In such cases, as the Subsidiary Company is dependent on the experience of Parent Company, the participating Vendor (100% subsidiary Company) should submit an agreement/Corporate Guarantee as per **Annexure-IV**.
- 6.6 DOCUMENTS / INFORMATION:

The Vendor/Contractor/Service Provider must furnish the following documents as part of their EOI in support of fulfilling all the above pre-qualifying criteria, failing which the EOI shall be rejected.

- (a) **Identification of Rig Package:** Vendor must categorically declare whether the Rig Package identified by them is already in their possession (owned/ leased) or against proposed purchase/lease.
- (b) **Technical Specifications:** Brief Technical Specifications and critical parameters of the indentified/offered Rig Package.
- (c) **Vintage & Residual Life of Rig Package:** Categorical declaration by the Vendor about Vintage & Residual Life, if applicable, of the proposed/offered Rig Package as on EOI submission date.
- (d) **Experience of Vendor:** Pursuant to sub-para 6.1 (ii) & 6.1 (iii) above, Vendor must submit a statement in a tabular form as per **Annexure-I** indicating the details of jobs completed.
- (e) Details of current work in hand and other contractual commitments of the Vendor are also to be submitted in tabular form as per **Annexure-II**.
- (f) A letter with categorical confirmation that the Vendor has the key personnel meeting the requisite qualification & experience as indicated herein and can deploy them for job execution in the event of an Agreement.

- (g) **Mobilisation:** Vendor should confirm to mobilise their resources within **one hundred fifty (150) days** from issue of Letter of Award (LOA) by Company.
- (h) **Financial Turnover of Vendor:** Statement to be furnished as per **Annexure-III** for the last three (3) accounting years, preceding the date of submission of EOI.
- (i) **MOU/Agreement/Corporate Guarantee:** Valid document, must be furnished in respect of formation of Consortium/Joint Venture/ Collaboration or Corporate Guarantee for 100% subsidiary, as may be applicable, pursuant to para 6.2 to 6.5 above.

GENERAL NOTES:

- (i) All documents submitted alongwith the EOI must be self certified by the Vendor/Contractor/Service Provider and should be clear & legible.
- (ii) The EOI is liable to be ignored in case of submission of any misleading / false representation by the Vendor/Contractor/Service Provider.
- (iii) OIL INDIA LIMITED reserves the right to ignore any or all EOIs and also to curtail/enhance the scope of work stated above, if required, without assigning any reason thereof.

7.0 Based on the responses received against this invitation, OIL intends to short-list the Vendors/Firms who meet the minimum qualifying criteria given in Para 6.0 above. Bids shall then be invited from those short-listed Vendors/Firms through formal Tendering specifying detailed BEC/BRC for award of contract.

8.0 SUBMISSION OF EOI:

8.1 Interested Vendors/Contractors/Service Providers are requested to submit their EOI together with the relevant information/documents in sealed envelopes superscribing "EOI for Charter Hire of 2000HP Drilling Rig Package for NELP Block in Mizoram" at following address **on or before 1st March, 2016 (15:00 hrs. IST)**

General Manager (NEF)

OIL INDIA LIMITED

NEF PROJECT

Duliajan-786602, Assam, India

Ph: 91-374-2800405/2801799, Fax: 91-074-2801799,

Email: nef@oilindia.in Website: www.oil-india.com

8.2 In case, the above mentioned date happens to be a non-working day for OIL in Duliajan due to Bandh/holiday or for any other reasons, EOIs shall be received upto the next full working day till 15:00 Hrs. (IST) and opened accordingly. EOI may be sent by post/courier service or delivered personally at the tender box placed in the office of NEF Project, Oil India Limited, Duliajan-786602, Assam. However, OIL shall not be responsible for any consequence arising out of delay in receipt or non-receipt of EOIs.

9.0 Oil India Limited reserves the right to (a) either accept or reject any/all EOIs (b) cancel the process, without assigning any reasons whatsoever.

ANNEXURE-I

Experience of Vendor

(Details of jobs completed during last five years upto EOI submission)

Sl. No.	Contract No.	Name of client	Place of operation	HP of Rig	No. of Wells drilled & completed		Commencement date of contract	Completion date of contract
					Depth of Well	Nature of well		

(Add lines as required)

ANNEXURE-II

Details of current work in hand

Sl. No.	Contract No.	Name of client	Place of operation	HP of Rig	No. of Wells drilled		Duration of Contract	Commencement date of contract
					Depth of Well	Nature of well		

(Add lines as required)

ANNEXURE - III

Annual Financial Turnover

Financial Turnover of Vendor/Service Provider as per Audited balance sheets / profit and loss accounts for the last three (3) accounting years, preceding the date of submission of EOI.

Accounting Year	Annual Turnover (indicate Currency)	Net Worth (indicate Currency)

PARENT COMPANY GUARANTEE

(TO BE MADE ON STAMP PAPER OF REQUISITE VALUE AND NOTORIZED)

DEED OF GUARANTEE

THIS DEED OF GUARANTEE executed at..... this..... day of 2016 by M/s..... (mention complete name) a company duly organized and existing under the laws of (insert jurisdiction/country), having in Registered Office at..... herein after called “the Guarantor” which expression shall, unless **excluded** by the repugnant to the subject or context thereof, be deemed to include its successors and permitted assigns.

WHEREAS;

M/s Oil India Limited, a company duly registered under the companies Act 1956, having its Registered Office at **Duliajan, Dist: Dibrugarh, Assam-786602, India** and having Corporate Office at **Plot No. 19, Sector-16A, Noida, UP** hereinafter called “**Company**” which expression shall **unless** excluded by or repugnant to the context thereof, be deemed to include its successor and assigns, invited Expression of Interest on vide OIL/NEF/GLOBAL/EOI/029/2016 for Charter Hire of Drilling Rig Package.

M/s..... (Mention complete name), a company organized and existing under the laws of..... (Insert jurisdiction/country), having its registered office at..... (give complete address) hereinafter called “the Contractor” which expression shall, unless executed by or repugnant to the subject or context thereof, be deemed to include its successor and permitted assigns, *a wholly owned subsidiary of the Guarantor, have, in response to the above mentioned tender invited by the Company, submitted their bid no..... to the Company with one of the condition that the Contractor shall arrange a guarantee from its parent company guaranteeing due and satisfactory performance of the work covered under the said tender including any change herein as may be deemed appropriate by the Company at any stage.

The Guarantor represents that they have gone through and understood the requirement of the above said tender and are capable of and committed to provide technical, financial and such other supports as may be required by the Contractor for successful execution of the same.

The Contractor and the Guarantor have entered into an agreement dated..... as per which the Guarantor shall be provided technical, financial and such other supports as may be necessary for performance of the work relating to the said tender.

Accordingly, at the request of the Contractor and in consideration of and as a requirement for the Company to enter into agreement(s) with the Contractor, the Guarantor hereby agrees to give this guarantee and undertakes as follows:

The Guarantor (Parent Company) unconditionally agrees that in case of non-performance by the Contractor of any of its obligations in any respect, the Guarantor shall, immediately on receipt of notice of demand by the Company, take-up the job without any demur or obligation, in continuation and without loss of time and without any cost to the Company and duly perform the obligations of the Contractor to the satisfaction of the Company. In case the guarantor also fails to discharge its obligations herein and complete the job satisfactorily,

Company shall have absolute rights for effecting the execution of the job from any other person at the risks and costs of the Guarantor.

The Guarantor also undertakes to make good any loss that may be caused to the Company for non-performance or unsatisfactorily performance by the Guarantor or the Contractor of any of their obligations.

1. The Guarantor agrees that the Guarantee herein contain shall remain valid and enforceable till the satisfactory execution and completion of the work (including discharge of the warranty obligations) awarded to the Contractor.
2. The Guarantor shall be jointly with the Contractor as also severally responsible for satisfactory performance of the contract entered between the Contractor and the Company.
3. The liability of the Guarantor, under this Guarantee, is limited to the value of the contract entered between the Contractor and the Company i.e. upto and in no event shall be Guarantor's liability hereunder, either in its capacity of Guarantor or as a Contractor should it perform the contract in the event of the Contractor's non-performance as per point 1 hereinabove, exceed that of the Contractor under the mutually agreed contract awarded to the Contractor. This will, however, be in addition to the forfeiture of the Performances Guarantees furnished by the Contractor.
4. The Guarantor represents that the Guarantee has been issued after due observance of the appropriate laws in force in India. The Guarantor hereby undertakes that the Guarantor shall obtain and maintain in full force and effect all the government and other approvals and consents that are necessary and do all other acts and things necessary or desirable in connection therewith or for the due performance of the Guarantor's obligations hereunder.
5. The Guarantor also agrees that this Guarantee shall be governed and construed in accordance with the laws in force in India and subject to the exclusive jurisdiction of the courts of....., India.
6. The Guarantor hereby declares and represents that this Guarantee has been given without any undue influence or coercion from any person and that the Guarantor has fully understood the implications of the same.
7. The Guarantor represents and confirms that the guarantor has the legal capacity, power and authority to issue this Guarantee and that giving of this Guarantee and the performance and observations of the obligations hereunder do not contravene any existing law or any judgment.

For & on behalf on (Parent Company)

M/s_____

Witness:

1.

2.

*strikeout, if not applicable

=====OOOOO=====