

**OIL INDIA LIMITED**  
**KG-BASIN PROJECT**  
**KAKINADA**

**GLOBAL EXPRESSION OF INTEREST No. OIL/KGB/EOI-34**

**GLOBAL EXPRESSION OF INTEREST (EOI) NO. OIL/KGB/EOI-34 FOR  
'HIRING OF VARIOUS SERVICES FOR DRILLING & TESTING SHALLOW  
EXPLORATORY WELLS IN NELP-VI BLOCK: KG-ONN-2004/1 IN EAST  
GODAVARI DISTRICT OF ANDHRA PRADESH & YANAM DISTRICT OF  
PUDUCHERRY, INDIA'**

**1. Introduction**

OIL India Limited (OIL) along with its partner, GeoGlobal Resources, Barbados invites Global Expression of Interest (EOI) from interested and reputable contractors with relevant experience for its Exploratory Drilling Campaign in the block- KG-ONN-2004/1 for provision of various services as mentioned below.

**Note:** Contractors having their own in-house services are qualified to participate. Any submission through agents or subcontractors or intermediaries will not be acceptable.

In case of consortium of companies, the Leader of consortium should satisfy all the experience criteria as mentioned. However, any one of the consortium members shall have to meet the financial turnover criteria.

**2. COMMUNICATION TO THE BLOCK:**

The communication to the Block KG-ONN-2004/1 (NELP-VI) is available through air, water, rail & road as given below:

1. Nearest Airport :

Vizag	: 180 Km
Rajahmundry	: 70 Km
2. Nearest Sea Port:

Kakinada	: 15 Km
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3. Nearest Railway Junction:

Samalkot	: 20 Km
Kakinada	: 05 Km
4. National Highway:

	: NH-5
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**3. Proposed Casing Program (subject to change):**

Casing			Hole Size (inches)	Shoe Depth(meters) Tentative			
Size (Inch)	Grade	Wt (ppf)		Well-1	Well-2	Well-3 (Deviated)	Well-4 (Deviated)
20	J-55	94	26	200	200	200	200
13 5/8	N-80	68	17 1/2	1000	1300	1300	1300
9 5/8	N-80	47	12 1/4	2200	2400	2400	2400
5 1/2	N-80 / P-110	20/35	8 1/2	3000	3000	3600	3600

**4. Mud System:** Mud design is proposed to be water based as per below table:

Hole size (Inch)	Estimate mud density section TD (PPG)	Tentative Mud System
26	ALAP	Water based Spud Mud
17 1/2	8.5 – 9.5	Lightly treated WBM
12 1/4	9 – 10	CH3COOK– KOH – PHPA WBM
8 1/2	9.5 – 11	CH3COOK– KOH – Polymer WBM

**5. Expected BHP & BHST:** Expected BHP & BHST: The expected BHP will be approx.7000 psi and BHST will be 150 deg Centigrade maximum.

**6. Brief description, work scope and services required**

A Land Drilling Rig of minimum 1400 HP capacity AC-SCR/VFD is planned to be used to drill a few onshore exploratory wells in KGB Project in Andhra Pradesh. It is scheduled to start operations by **October '2015**. It has been planned to drill & test 04 (four) exploratory wells in KGB Project. Out of these 4(Four) wells, two wells have been planned to be vertical and the two are deviated having around 800 -1850 metres horizontal displacement having “S”/”J” profile. The rig should be capable of handling high rotary torque (approx. 20 K ft-lbs) The entire drilling campaign is expected to be completed in about **12 (twelve) months** period, however it may be extended by another 12 (twelve) months or part thereof, if required. **The Rig Package & other Services may be deployed in other projects/operating areas of OIL, if required.** To carry out the drilling programme, it is intended to hire the following services from competent and experience service providers:

Srl.	Services required
1	Drilling Rig Package Services with crew
2.	Mud Engineering and waste Management services including supply of chemicals
3.	Cementing Services including supply of cement, additives and casing accessories.
4.	Wireline Logging
5.	Mud Logging Services
6.	DST, Surface Production Testing Services and TCP service package
7.	DD/ MWD services
8.	Liner Hanger services
9.	Coring services
10.	BHP services

## **7. Documents to be submitted:**

To qualify for consideration, contractors are required to supply one (1) set of the following documentation, with the specific chapters, separated by dividers, in the same order as set out here below (a) to (l). In addition, applicants must provide two clearly labelled (2) electronic copies (CD ROM) of the prequalification documents. Contractors are requested to provide all details as desired in the EOI and no further clarifications will be sought from the parties. Parties failing to provide all information will be rejected.

- a) A separate section summarizing the contents chapter by chapter of the prequalification document.
- b) Contractor's general and organisation structure, including the branch / sub-division dedicated to such activities.
- c) Details of company's Health, Safety and Environmental Policy and Programme together with HSE Management System.
- d) Safety record summaries for accidents, injuries, damages, near-misses & LTI over the past two (2) years.
- e) Quality Assurance System certified ISO 9001 or equivalent or Company's own established equivalent QA system.
- f) Details of relevant verifiable experience of similar services that has been undertaken as main contractor in the last 5 (Five) years, inside or outside India.
- g) Reference (including emails and telephone numbers) of three major customers that can be contacted for information / reference.
- h) Description and brief specifications of services offered for this project.

- i) Resume of key personnel to be involved in the services with experience in their respective position.
- j) Qualifier's audited accounts for the past three (3) years.
- k) All relevant information concerning contacts, telephone, fax, e-mail of the contractor's representative.

Failure to provide any of the listed documents or information shall negatively affect the qualification to participate in the tendering process. Notwithstanding the submission of this documentation, OIL is neither committed nor obliged to include any contractor on the tender list or award any form of contract to any contractor and/or associated companies.

Please note that this is not an invitation to tender. Full tendering procedure will be provided only to contractors who have been successfully pre-qualified through this advertisement and this may consist of safety / technical audit of facilities/equipment to determine those suitable to provide this service.

## **8. Vendor Pre-qualifying Criteria:**

### **(i) Pre-qualifying criteria Drilling Rig Package Services(Srl.no.1):**

The contractor(s) must fulfill the following minimum criteria:

- a. 5 years of experience in providing the Drilling Rig Package Services with experienced crew to E&P companies with their own rig/ leased rig from publication of this EOI.
- b. Experience of drilling minimum 03 (three) nos. Gas/Oil wells in last 5(five) years from publication of this EOI.
- c. Must deploy experienced key personnel with minimum 3 years of experience in respective position. Key Personnel (Driller and above positions) must have valid IWCF certificate.
- d. Must have established Health, safety, security and environment management system with sound track record.
- e. Average annual turnover in last three accounting years should be minimum Rs. 24.00 Crores/USD 3.8 million.
- f. In case of consortium of companies, the Leader of consortium should satisfy the experiences-a) to d) above. However, any one of the consortium members individually shall have to meet the financial turnover criteria as mentioned in e) above.
- g. The offered rig shall have a residual life of minimum 5 years.
- h. The Rig Contractor must possess valid IADC certificate.

### **(ii) Pre-qualifying criteria Mud Engineering & Drilling Waste Management Services (Srl. No.2):**

The contractor(s) must fulfill the following minimum criteria:

- a. Minimum 5 years of corporate experience in providing mud engineering services in-house to E&P operators at the time of publication of this EOI.

Drilling Waste Management Services, however, can be outsourced by the bidder.

- b. Must have experience of providing Mud Engineering & DWM Services to at least 5 wells in last 5 years prior to publication of this EOI.
- c. Must deploy competent personnel such as lead mud engineer and second mud engineer with minimum 5 years and 3 years of experience respectively. The DWM operator must have minimum 3 years of relevant experience.
- d. Must have established Health, safety, security and environment management system with sound track record.
- e. The average annual turnover in last three accounting years should be minimum Rs. 3.00 Crores/USD 0.5 million.
- f. In case of consortium of companies, the Leader of consortium should satisfy the experiences-a) to d) above. However, any one of the consortium members individually shall have to meet the financial turnover criteria as mentioned in e) above.

**(iii) Pre-qualifying criteria for Cementing Services (Srl. No.3):**

The contractor(s) must fulfill the following minimum criteria:

- a. Minimum 5 years of corporate experience in providing Cementing services in-house to E&P operators at the time of publication of this EOI.
- b. Must have experience of providing cementing Services to at least 5 wells in last 5 years prior to publication of this EOI.
- c. Must deploy competent personnel such as cementing operator with minimum 5 years of relevant experience.
- d. Must have their own laboratory with requisite facilities for cement slurry formulation in India.
- e. Must have established Health, safety, security and environment management system with sound track record.
- f. The average annual turnover in last three accounting years should be minimum Rs. 3.8 Crores/USD 0.60 million.
- g. In case of consortium of companies, the Leader of consortium should satisfy the experiences-a) to e) above. However, any one of the consortium members individually shall have to meet the financial turnover criteria as mentioned in f) above.

**(iv) Pre-qualifying criteria for Wire Line Logging services (Srl.No.4):**

The contractor(s) must fulfill the following minimum criteria:

- a. Minimum 5 years of corporate experience in providing respective in-house service(s) to E&P operators.
- b. Must have experience of providing Wire Line Logging Services to at least 5 wells in last 5 years prior to publication of this EOI.
- c. Logging Engineers & crew proposed to be deployed must have minimum 3 years of experience in wire line logging and perforation.
- d. The data processing personnel must have minimum 4 years of experience in processing & interpretation jobs.
- e. Must have established Health, safety, security and environment management system with sound track record.

- f. The average annual turnover in last three accounting years should be minimum Rs. 4.50 Crores/USD 0.72million.
- g. In case of consortium of companies, the Leader of consortium should satisfy the experiences-a) to e) above. However, any one of the consortium members individually shall have to meet the financial turnover criteria as mentioned in f) above.

**(v) Pre-qualifying criteria for Mud Logging Services (Srl.No.5):**

The contractor(s) must fulfill the following minimum criteria:

- a. Minimum 5 years of corporate experience in providing respective in-house service(s) to E&P operators.
- b. Must have experience of providing Mud Logging Services to at least 5 wells in last 5 years prior to publication of this EOI.
- c. The mud loggers must have minimum two years relevant experience and the data engineer must have minimum three years of experience.
- d. Must have established Health, safety, security and environment management system with sound track record.
- e. The average annual turnover in last three accounting years should be minimum Rs. 0.35 Crores/USD 0.05 million.
- f. In case of consortium of companies, the Leader of consortium should satisfy the experiences-a) to d) above. However, any one of the consortium members individually shall have to meet the financial turnover criteria as mentioned in e) above.

**(vi) Pre-qualifying criteria for DST, SPT & TCP Services (Srl.No.6):**

The contractor(s) must fulfill the following minimum criteria:

- a. Shall provide the following services as a package:
  - i. 10k psi rated DST service
  - ii. 10k psi rated SPT service
  - iii. TCP service
- b. Must have minimum 5 years of corporate experience in providing 10K psi rated DST and/or 10K psi rated SPT of their own to E&P operators at the time of publication of this EOI. The services-iii and i/ii can be outsourced; however, the outsourced entity (ies) must meet (vi) c below.
- c. All the entities must have experience of providing 10K psi rated DST and/or SPT and/or TCP services to at least 5 wells in last 5 years prior to publication of this EOI.
- d. Must deploy competent key operating personnel with minimum 5 years of relevant experience.
- e. Must have established Health, safety, security and environment management system with sound track record.
- f. The average annual turnover in last three accounting years should be minimum Rs. 13.8 Crores /USD 2.2 million.
- g. In case of consortium of companies, the Leader of consortium should satisfy the experiences-a) to e) above. However, any one of the consortium members individually shall have to meet the financial turnover criteria as mentioned in f) above.

**(vii) Pre-qualifying criteria for Other Services (Srl. no. 7 through Srl. No. 10):**

The contractor(s) must fulfill the following minimum criteria:

- a. Minimum 5 years of corporate experience in providing respective services in-house to E&P operators at the time of publication of this EOI.
- b. Must have experience of providing respective Services to at least 5 wells in last 5 years prior to publication of this EOI.
- c. Must deploy competent key operating personnel with minimum 5 years of relevant experience.
- d. Must have established Health, safety, security and environment management system with sound track record.
- e. The average annual turnover in last three accounting years should be as below:

Srl.	Brief description of Services	Average Annual Turn-Over USD-----million-/Rs.----- ----Crores
7.	DD/ MWD services	0.57/3.5
8.	Liner Hanger services	0.33/1.5
9.	Coring services	0.14/0.86
10.	BHP services	0.04/0.25

- f. In case of consortium of companies, the Leader of consortium should satisfy the experiences-a) to d) above. However, any one of the consortium members individually shall have to meet the financial turnover criteria as mentioned in e) above.

**Note: As a proof of having corporate experience and work experiences against all the services as indicated above, the Contractor should provide documentary evidence (viz. well details, Pressure & Temperature of the wells, well locations, client's name with contact details, completion certificates from client/ Copies of contract/ Work orders/ Job logs endorsed by operator/ any other documentary evidence that can substantiate the satisfactory execution of the contracts) showing details of scope of work for the services are to be provided.**

**The Contractor may provide self-certified documents against the Proof of Experience duly signed by CEO / Authorized signatory of the firm/entity(ies).**

**5. Broad Scope of Work:**

**i) Drilling Rig Package Services with Crew:**

To provide all necessary equipment, manpower, spares, consumables to operate & perform with the Land Rig having the following minimum specifications:

1. Minimum 1400 HP AC/SCR or AC/VFD Drilling Rig, API 4E/F specifications. Mast is to be designed for minimum 80 mph wind load with a full rack of pipe and minimum 100 mph on a bare mast. Substructure capacity shall be of approximately 800,000 lbs of casing string simultaneously with 500,000 lbs off racked pipes. In case of 4E mast & substructure, the same shall be recertified to CAT-IV as per API RP 4G by authorized third party agency.
2. Rotary Table = minimum 27.5" opening.
3. Depth capacity of all components = 4,000 m.
4. Hook load capacity = 10,00,000 lbs.
5. Electric Top Drive = 500 ton capacity.
6. 2 x triplex mud pumps of minimum 1600 HP each with 5000 psi WP system with parallel pumping capabilities for 26" , 17.1/2" and 12.1/4" hole sizes.
7. Mud tank capacity = 1200 bbl active and gross capacity of 2200 bbls.
8. 2 x LMSS, LMMC, Mud Gas Separator, Degasser
9. High pressure (10,000 psi rated) kill pump with minimum 200 bbls capacity tank with necessary fittings and agitator.
10. Well Control Equipment:
  - i. 13-5/8" 10,000 psi WP BOP stack (Single, Double with Shear Ram, Annular) and BOP control unit/equipment.
  - ii. 10,000 psi WP choke & kill manifold and lines.
11. 5" Grade "G" (approx. 3000 m) & "S" (Approx 1500m). 3.1/2" Drill Pipe (approx.. 2000m), 3.1/2"/4.1/4" drill collars.

**ii) Mud Engineering & Waste Management Services:**

Based on the Depth Data and Drilling Policy of the wells, the contractor shall design the phase wise Mud programme including types of mud, mud formulation, mud weight and other important mud parameters, requirement of various mud chemicals and the anticipated volume usage for each phase of the well. The contractor is required to provide two (2) on-site mud engineers on 12 hours shift basis, a suitable mud laboratory, complete line of drilling fluid, completion and well bore clean up chemicals. WBM is proposed to be used in these exploratory wells. Secondly, the contractor is required to provide Drilling Waste Management (DWM) service including complete equipment package, manpower & services, consumables and laboratory etc.

**iii) Cementing Equipment and Services:**

Based on the Depth Data and Drilling Policy of the wells, the contractor shall design the stage wise cement programme including supply of cement, cement additives, casing accessories etc. The contractor is required to provide experienced cementer/cementing supervisor on-site on 12 hours shift basis. The contractor must have cement test laboratory preferably at Kakinada. The contractor will be



responsible for all primary, secondary cementation jobs including plug jobs, isolation repair jobs, conducting LOT/PIT etc. Contractor will be required to provide Slurry Design, Cementing Programme & Casing Stand-off Programme, job report and end of the well report etc.

**iv) Wire line Logging**

The contractor is required to provide wire line Logging and Perforation services with required experienced logging engineers and crew. The wireline contractor should be capable of providing different Open Hole surveys as essential services including MDT/RDT services and other specialized services on call-out basis, drilling support services like free-point/ back-off / Puncture, capable of carrying out cased hole perforation, cement retainer/ Packer/ Bridge Plug setting services and Pipe conveyed logging services (if required) etc. Contractor to take note that it shall have its own approved place for storage of radioactive & explosive materials. Contractor will also have to transport the explosives & radioactive materials in mobile vehicles duly approved by statutory body. Contractor must have base in Kakinada/Rajahmundry

**v) Mud Logging Unit and Services**

The Contractor is required to provide Mud Logging Services along with tools, equipment, spares, consumables and experienced manpower for monitoring all drilling parameters, mud parameters, flow line gases, gas log etc. The Contractor will be required to prepare geological mud log, drilling log, time log, gas log, to carry out d-exponent, calcimeter & shale density analysis/measurements, analyse gas with gas chromatograph, collect, examine for florescence & cut and to provide mud log outputs regularly to well site geologist etc. The contractor is required to provide experienced Data engineer, Mud Logger on 24 hours basis at well site. The contractor has to provide real time well data transmission through WITS to OIL's offices from well site. Contractor need to provide constant volume degasser with gas chromatograph which can analyse hydrocarbon C1 to C5 in 45 second.

**vi) DST, Surface Production Testing Services and TCP service package**

The contractor is required to provide Drill stem testing (DST) equipment & services, Surface Production Testing equipment & services and TCP equipment & services. The contractor is to provide qualified & experienced Supervisors and personnel for DST/SPT/TCP and other associated services. The prime bidder will also have to transport the explosives/ radioactive materials in mobile vehicles duly approved by statutory body. Nitrogen Pumping Unit (NPU) and well bore clean out services will have to be provided by the contractor as optional services, if required. The contractor will be responsible for well test design, well test result analysis & report preparation, operation and supervision.

**vii) MWD /Directional Drilling Services**

The contractor is required to provide DD/MWD tools & equipment including monel

drill collars, stabilizers, jars, float subs, PBL sub etc. along with necessary spares, consumables and personnel for carrying out directional drilling operation in 17.1/2", 12.1/4" and 8.1/2" holes. The contractor will also be required to provide the technical support and manpower, recommendations, programs and reports for the Services offered. The contractor shall be expected to provide directional drilling planning / BHA selection / torque and drag analysis as required by OIL in order to formulate an efficient, safe and cost effective drilling program. The contractor is required to provide experienced DD & MWD engineers on 24 hrs basis at well site and should have work shop facility at Base in Kakinada.

**viii) Liner Hanger Equipment and Services (on Call Out)**

The Contractor is required to provide Liner Hanger assembly with packer and services for lowering 7" liner in 8.1/2" hole. The contractor is required to provide services of Liner Hanger Expert for running, setting, testing of 7" Liner Hanger with Packer on CALL OUT basis.

**ix) Coring & Core Handling Services (on call out)**

The contractor shall provide complete set of core barrel assembly, core bits (PDC/Diamond), handling tools and services for taking conventional cores in 8.1/2" hole section including gamma track, preservation, stabilization and packing of the cores. The contractor is to select the core head based on the lithology of the well. The contractor is to provide one experienced core expert during the coring process.

**x) Bulk Handling Plant Services:**

Contractor must be able to supply the BHP equipment with manpower, spares and consumables as required to stack / store, cut cement and barites in silos. The contractor must be able to blend cement with silica flour and other additives as and when required. The contractor will be responsible to transfer cement /barites to cementing unit/batch mixer, surge tank as per requirement. The contractor is required to provide experienced BHP operator (1) and Helper (1) on 12 hour shift pattern at well site.

**OIL intends to spud the first well by October, 2015. The Party (ies) should therefore confirm the following in respect of the service(s) offered:**

**(A) Mobilization of the following services by mid-October, 2015:**

- 1. Rig Package Services with Crew**
- 2. Mud Engineering Services**
- 3. Cementing Services**
- 4. Mud Logging Services**
- 5. Wire Line Logging Services**
- 6. BHP Services.**

## **7. DD/MWD Services**

### **(B) Mobilization of rest of the services by end-November/mid December, 2015.**

Interested Parties having relevant experience and expertise as above are invited to submit their EOI, complete with all documents as asked at our e-mail id: **oilkgbprojecteoi@gmail.com** within **24.04.2015**, followed by hard copies and two(2) clearly labelled electronic copies (CD ROM) of the same through courier/post super-scribing **“Expression of Interest No. OIL/KGB/EOI-34(Srl. ---) for [-----To specify the service(s) offered]”** at the following address:

Group General Manager (KGB&BEP)  
OIL INDIA LIMITED,  
D.No.11-4-7,  
3rd Floor,  
Nokalamma Temple Street,  
Ramaraopeta,  
Kakinada-533004, Andhra Pradesh.  
Contact No: 0884-2302179.

The offer(s) may also be uploaded in Parties' FTP server/File sharing website (portal) and the link(s) may be provided to us at our e-mail within above specified period.

**The offer(s) should have clear indication whether the same meet the requisite experiences as mentioned in Pre-qualifying criteria.**

Evaluation of offer(s) will be made group-wise as serialized above.

OIL reserves the right to (a) accept or reject any/all EOIs submitted by parties (b) cancel the process at any time without any liability and assigning any reason thereof.

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