OIL INDIA LIMITED KG BASIN PROJECT KAKINADA

GLOBAL EXPRESSION OF INTEREST (EOI) NO. OIL/KGB/EOI-44 FOR "HIRING OF HYDRAULIC FRACTURING (HF) SERVICE, WELL ACTIVATION & CLEAN OUT SERVICE WITH CTU & NPU UNIT, SUPPLY OF RETRIEVABLE SEAL BORE PACKER, SSD WITH SERVICES AND SUPPLY OF 4-1/2" TUBING ON RENTAL" FOR EXPLORATORY HPHT AND EXPLORATORY/ APPRAISAL SHALLOW 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) invites Global Expression of Interest (EOI) from interested and reputable contractors with relevant experience for its Exploratory & Appraisal Well Drilling Campaign in the block- KG-ONN-2004/1 for provision of various services as mentioned below.

2. BRIEF DESCRIPTION, WORK SCOPE AND SERVICES REQUIRED

As a part of the Exploratory campaign NELP-VI block: KG-ONN-2004/1, 3 (three) exploratory HPHT wells are planned and 5(Five) exploratory shallow wells were planned to be drilled on onshore field. Of this One (01) HPHT exploratory wells has already been completed and 2nd HPHT well is in Drilling phase. Of the five shallow wells, 3 wells have already been drilled and hydrocarbon is established in one well and two wells are abandoned for no evidence of Hydrocarbon. An appraisal J- Bend well with a target depth of 3600 m (TVD) with maximum horizontal displacement of 10850 m is in drilling phase. Two more shallow exploratory wells are planned to be drilled.

It is now intended to initially carryout HF of two wells after completion of DST testing of the wells and based on the performance of HF jobs in the first two wells, HF in one more well may be taken up

To carry out the **Hydro-fracturing (HF) program**, it is intended to hire the below mentioned service from competent and experience service providers.

- (i) Hydraulic fracturing (HF) service complete package with Chemicals and Equipment to execute 100 MT fracturing job.
- (ii) Well activation and Clean out service with CTU & NPU unit along with supply of liquid Nitrogen.

- (iii) Supply of 7 inch Hydraulic Set Retrievable Seal Bore Packer rated to 10,000 psi with accessories and Packer setting service. Packer should be suitable to carryout HF job at 3500-4000 m depth.
- (i) Supply of 10 K rated 3-1/2" SSD with Services & Tools to be operated on CT. SSD should be suitable to be used in HF string at 3500-4000m depth.
- (iv) Supply of 4-1/2" tubing and crossovers on rental for execution of high pressure HF job. The tubing shall be suitable for fracturing well in 5200 m in HPHT environment with likely presence of H₂S & fracture gradient close to 15,000 psi.

Below representative characteristic of the wells may be considered for design purpose while proposing for the above cited service.

Shallow well

Completion: 7" Casing completion (29.0 ppf)

Target Depth: 3200-4000 metre.

Porosity: 4 to 13%

Permeability: 0.172 mD (Average); 0.66 mD (Maximum) Pressure: 6000 psi (Max); Temperature: 320° F (Max)

H2S = 15 ppm, CO2 = 13% Fracture gradient = 0.64 psi/ft

Deviation Data for Appraisal Well : J Bend, TVD= 3600 m, MD=4080 m ; Max Horizontal Displacement= 1820 m

HPHT well

Completion: 7" Liner completion in 9.5/8 casing (35.0 ppf, Grade –SM 125 TT)

Target Depth: 5000-5200 metre.

Porosity: 6 to 12%

Permeability: 0.053 mD (Average); 0.159 mD (Maximum) Pressure: 15,000 psi (Max); Temperature: 420° F (Max)

H2S = 40-120 ppm, CO2 = 5-15% (7% likely)

Fracture gradient = 0.865 psi/ft

3. 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):

- a) A separate section summarizing the contents chapter by chapter of the prequalification document.
- b) Contractor's general structure and organization, 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.
- 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.
- 1) Indicate tentative mobilization schedule.

In addition, applicants must provide two clearly labeled (2) electronic copies (CD ROM) of the prequalification documents.

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 EOI and this may consist of safety / technical audit of facilities/equipment to determine those suitable to provide this service.

4. VENDOR PRE-QUALIFYING CRITERIA:

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

- (a) Minimum **5 years** of corporate experience in providing Hydraulic **Fracturing Services** in-house to E&P operators at the time of publication of this EOI.
- (b) Must have experience of providing **Hydraulic Fracturing Services** to at **least** 5 nos. of wells of which atleast one (1) should be **HPHT** well. Such HPHT

well job should have been done in the last 7 years prior to publication of this EOI. Documentary evidence (viz. well Generic details, Job log, pressure & temperature of the wells, well location/Field Location, clients name, completion certificates/ De-mobilisation notice / any documents certifying successful execution of Job. from client) showing details of scope of work for the services provided to these wells are to be provided.

(c) The key operating personnel for offered services should have experience in Onshore" **Hydraulic Fracturing Services** in **minimum 1(one) HPHT well**. The competent key operating personnel should have minimum 5 years of overall experience in Hydraulic Fracturing Service.

Bidder should submit bio-data of the proposed personnel(s).

NOTE:

- A) **Definition of HPHT** for the above case: Well having static reservoir pressure ≥ 10,000 psi and static reservoir ≥ 350 deg F.
- (d) Must provide services for full scope of work i.e. to provide the following services as a package for the entire period of the contract:
 - (ii) Hydraulic fracturing (HF) service complete package with Chemicals and Equipment to execute 100 MT fracturing job.
 - (iii) Well activation and Clean out service with CTU & NPU unit along with supply of liquid Nitrogen.
 - (iv) Supply of 7 inch Hydraulic Set Retrievable Seal Bore Packer rated to 10,000 psi with accessories and Packer setting service. Packer should be suitable to carryout HF job at 3500-4000 m depth.
 - (v) Supply of 10 K rated 3-1/2" SSD with Services & Tools to be operated on CT. SSD should be suitable to be used in HF string at 3500-4000m depth.
 - (vi) Supply of 4-1/2" tubing and crossovers on rental for execution of high pressure HF job. The tubing shall be suitable for fracturing well in 5200 m in HPHT environment with likely presence of H₂S & fracture gradient close to 15,000 psi.
- (e) In case, the bidder does not have all the services of their own, they can have pre-tender tie-up for the services mentioned in clause no 4(d) under serial nos. (ii), (iii), (v) & (v).
- (f) Must have established Health, safety, security and environment management system with sound track record.

(g) The average annual turnover in last three accounting years should be USD 1 Million or INR 6.5 Crores.

The HF service is tentatively required in September '2017.

The Party (ies) should indicate their best possible mobilization time from the issue of Mobilization notice.

Interested Parties having relevant experience and expertise as above and willing to provide service in the timeframe indicated are invited to submit their EOI at our e-mail id: oilkgbprojecteoi@gmail.com within 13.05.2017, followed by hard copies and two (2) clearly labeled electronic copies (CD ROM) of the same through courier/post superscribing "Expression of Interest No. OIL/KGB/EOI-44 for "HIRING OF HYDRAULIC FRACTURING (HF) SERVICE, WELL ACTIVATION & CLEAN OUT SERVICE WITH CTU & NPU UNIT, SUPPLY OF RETRIEVABLE SEAL BORE PACKER, SSD WITH SERVICES AND SUPPLY OF 4-1/2" TUBING ON RENTAL" at the following address:

Executive Director (KGB&BEP)
OIL INDIA LIMITED,
D.No.11-4-7, 3rd Floor,
Nookalamma 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.

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.