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

NEF PROJECT
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INVITATION FOR EXPRESSION OF INTEREST (EOI)

FOR

VERTICAL DRILLING SERVICES (VDS) IN FOLD BELT AREA

(EOI NOTICE NO.: OIL/NEF/GLOBAL/EOI/030/2016)

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 meeting the pre-qualification criteria as mentioned below for empanelment/short listing and issue of tender document for providing **Vertical Drilling Services (VDS)** including Rotary Steerable or any other suitable system complete with crew for drilling vertical exploratory wells in NELP-VI block: MZ-ONN-2004/1 involving highly dipping formations. 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.

1.0 PROJECT INFORMATION :

1.1 As per the committed Minimum Work Program (MWP) to the Govt. of India, Oil India Ltd (OIL), being the Operator in the above mentioned NELP block, has to drill five (5) exploratory wells within the stipulated time frame. The wells are planned to be drilled in 26", 17½", 12¼", 8½" and 6" hole sizes (6" hole being kept under contingency plan) at various sites within the NELP block through a charter hire Drilling Rig Package of 2000HP (minimum) capacity. The holes are essentially desired to be vertical during drilling, for which this EOI for vertical drilling services (VDS) are requested. However, the vertical drilling service for 6" hole is provisional / optional and will be decided nearer the time based on requirements.

1.2 Mizoram has the most variegated hilly terrain in the eastern part of India with 21 hill ranges of different altitudes (maximum altitude of around 1800m 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.

1.3 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 land slides which 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.

2.0 GEOLOGY OF THE AREA :

2.1 Assam-Arakan region, Mizoram, Manipur and Tripura have drawn the attention of exploration geologists ever since the discovery of Digboi and Makum oil fields in 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.

2.2 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.

2.3 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. Multiple phases of folding, high degree of shearing, bed overturning and thrusting were recorded during the field investigation. From the overall evidences, high angle of subsurface formation dips (ranging from 0-51 degree) are anticipated in the area.

3.0 LOCATION OF THE AREA:

The block: MZ-ONN-2004/1 is situated in the Mizoram state 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

4.0 BRIEF SCOPE OF WORK :

4.1 The Service Provider shall engage complete set of Vertical Drilling System including but not limited to Rotary Steerable or any other rotating / non-rotating system, MWD, Vibration Monitor, Surface equipments for communicating with the tool by mud pulse telemetry, etc. including all required software / hardware / fittings.

4.2 The vertical drilling system should be suitable for drilling 17-1/2", 12-1/4", 8-1/2" & 6" holes with following limitations:

- Suitable to operate in water based Bentonite suspension mud or polymer based mud.
- Flow Rate Range – 300 to 1000 US GPM
- Max. allowable stand pipe pressure – 5000 PSI
- Max. allowable handling capacity of solid control equipments – 1000 US GPM.
- Max. bottom hole temperature – 140 degree centigrade.
- Formation pressure at around 4500 m to 5500 m is expected to be between 6000-9500 PSI.
- Maximum internal pressure capability of tool – 15000 PSI
- MWD recorder within 15 mts. or less from bit.
- Near bit inclination & azimuthal Gamma within 3 mtrs. from bit.
- Capable to maintain verticality within 1 degree or less.

4.3 The Contractor/Service provider shall engage two experienced Rotary Steerable Directional Drilling Engineer and two experienced MWD Engineer (one Engineer from each category on 12 hourly shift basis at site) for carrying out round the clock vertical drilling operations at respective well site(s) in Mizoram. Personnel may be subjected to interim demobilization and interim remobilization any time based on drilling operations at the discretion of the Company.

4.4 Service provider shall provide all necessary equipment & personnel for carrying out vertical drilling & recording all data generated during the operation.

4.5 Service provider shall maintain all equipment in good operating condition.

Notes:

1. The Service Provider shall be solely responsible for the operation of their equipment including but not limited to the rigging up, testing, running-in, carrying out drilling, pulling-out and rigging down of equipment on Company's hired 2000 HP land drilling rig.

2. Vertical Drilling System shall be available in operational condition at all times during the period of the Contract.

3. The Service Provider must provide detailed specification of all equipment / tools along with technical literature / drawings, etc. indicating the various features available in their system. The bidder should also indicate limitations of their tools / sensors such as temperature, pressure and discharge limitations with ability to pump LCM materials in mud loss conditions through the tool.

4. The wells are planned to be drilled either with Water based or Polymer based Mud system.

5. The Service Provider has to make all arrangements and take necessary precautions for maintaining the verticality of the hole.

6. The Service Provider may have to carry out side tracking operation using the same set of tools in case the need arises due to any down-hole problems.

7. The Service Provider will be responsible to carry out the mobilization and demobilization of their tools / equipments and personnel to and from the designated locations in Mizoram. Inter-location movements will also be the responsibility of Service Provider.

The Service Provider must confirm all the above points while responding to this EOI.

5.0 TOOLS / EQUIPMENTS

5.1 Service Provider to deploy the following tools / equipments at well site, complete in all respect & in ready to use condition throughout the period of drilling till target depth is reached.

- Two sets (one operating + one standby) of Vertical Drilling System with Vibration sensor suitable for drilling 17-1/2" hole.
- Two sets (one operating + one standby) of Vertical Drilling System with Vibration sensor suitable for drilling 12-1/4" hole.
- Two sets (one operating + one standby) of Vertical Drilling System with Vibration sensor suitable for drilling 8-1/2" hole.
- Two sets (one operating + one standby) of Vertical Drilling System with Vibration sensor suitable for drilling 6" hole (Optional).
- Two sets (one operating + one standby) of MWD system with Gamma suitable for 17-1/2" hole.
- Two sets (one operating + one standby) of MWD system with Gamma suitable for 12-1/4" hole.
- Two sets (one operating + one standby) of MWD system with Gamma suitable for 8-1/2" hole.
- Two sets (one operating + one standby) of MWD system with Gamma suitable for 6" hole (Optional).
- One set of surface unit / tool with all required fittings, hardware & software, suitable for two way communication from surface to bottom & vice versa.

5.2 Service provider should specify any other tool / equipment required, but not listed above.

5.3 Tools/ equipment deployed shall be of the latest versions/ technologies, so that, the project can be completed in the shortest possible time and execution of the job shall be of state of art & technology.

5.4 Any special Fishing equipment other than standard fishing equipments viz. overshot, spear, etc. for the above vertical drilling system should be indicated with details.

5.5 ADDITIONALTOOLS / EQUIPMENTS

- The Service Provider may have to provide suitable PDC bits after analyzing the formation of Mizoram and in consultation with OIL. PDC bits should be compatible with VDS (RSS)/High Torque Steerable Downhole Mud Motor for faster drilling. It should be field proven and suitable for formation encountered in Mizoram. Selected bits of 17½", 12¼", 8½" & 6"are to be approved by OIL.

- The Service Provider may have to provide one set of stabilized positive displacement High torque Steerable downhole mud-motors (SDMM) along with drilling jars & stabilizers with services of directional drillers for drilling 17½", 12 ¼" & 8 ½" hole sizes. Motors will be used basically for performance drilling. The contractor shall study the abrasiveness, compressive strength of the formation encountered and offset well data and rig limitation for selection of the Motor.

6.0 PERSONNEL & THEIR RESPONSIBILITIES:

6.1 The Service Provider must engage following Personnel throughout the drilling operations in the well(s) on round the clock basis as required by the Company. Service Provider's personnel/crew must be mobilised at site within five (5) days advance notice issued by the Company for providing the vertical drilling services at any of the designated well in Mizoram.

- Two (2) Directional Drilling Engineers

- Two (2) MWD Engineers

(NOTE: One Engineer of each category on 12 Hrs. shift pattern at well site)

6.2 Directional Drilling Engineer / MWD Engineer should be a graduate in Engineering with a minimum experience of three (3) years in drilling vertical / deviated / horizontal wells with rotary steerable or similar system. The Directional Drilling Engineer / MWD Engineer shall be responsible for (but not limited to) the following activities:

- Prepare drilling plan and program to maintain the verticality of the hole.

- Establish co-ordination with Rig-Manager of the rig and Company representative deployed in the fields.

- Run, maintain and manage the vertical drilling system efficiently for different hole sizes.

- Submit daily progress report (shift wise) to the Company Representative at the Drilling Rig.

- Maintain adequate stock and inventory of tools and spares at site to perform uninterrupted operations as per the Drilling program.

- Ensure adequate spares for all the equipment and tools are available at site to carry out any repairs without downtime.

- Submit compiled report on completion of each hole section and thereafter, a comprehensive report of all vertical drilling operations on completion of a well consisting of the following:

a) Analyze and recommend optimum parameters for future wells.

b) A detailed list of tools used in each hole section.

c) A detailed study on the problems encountered and mitigation strategies.

d) Recommendation for future vertical drilling based on the lesson learned and its analysis.

7.0 PROPOSED CASING PROGRAM (SUBJECT TO CHANGE):

Casing (Buttress Threaded & Coupled)			Hole Size (inches)	Approximate Shoe Depth (meters)			
Size (Inch)	**Grade**	**Wt (ppf)**		**Loc-2**	**Loc-4/5**	**Loc-1**	**Loc-8**
20	J-55	94	26	300	300	300	300
13.3/8	N-80	68	17.½	1800	1800	1200	1400
9.5/8	N-80/ P-110	47	12.1/4	3400	3400	2600	3400
7 Prod. liner	N-80/ P-110	29	8.1/2	-----	-----	2400 - 3500	3250 - 4000
5.1/2	N-80/ P-110	20	8.1/2	5000+	4500	------	------

*(**Note**: Contingency plan – In case of any unforeseen circumstances with problem in completing the well with 5.1/2" oil string casing then the well will be completed by running 7" (29 ppf x N-80 / P-110 x BTC) & 5" (15 ppf x P-110 x FL4S) liners).*

8.0 TENTATIVE VERTICAL DRILLING PROGRAMME:

Sl. No.	Stage wise planned Operation for vertical drilling system services.	Remarks
1	Drilling of 17-1/2" hole using vertical drilling system from surface to 200 mtrs. / 300 mtrs. of formation down below.	After completion of drilling by service provider, company will arrange to enlarge the hole to 26" using hole opener in order to run 20" conductor casing & cement the same.
2	Drilling of 17-1/2" hole using vertical drilling system from around 200 mtrs. / 300 mtrs. to 1400 mtrs./1800 mtrs. (depending on casing setting depth) Including drilling of float collar, cement, float shoe & formation.	After completion of drilling by service provider, company will arrange to run 13-3/8" isolation casing & cement the same.
3	Drilling of 12-1/4" hole using vertical drilling system (VDS) from around 1400 mtrs./1800 mtrs. (as the case may be) to around 3400 mtrs. (depending on casing setting depth) Including drilling of float collar, cement, float shoe & formation. ***(Note - Three conventional corings of 9 mtrs. each using conventional core barrels are also planned for this hole section. However, the conventional coring will be arranged by the company. VDS service providers may have to correct and bring back the hole to vertical on resuming drilling after the coring operation if required.)***	After completion of drilling by service provider, company will arrange to run 9-5/8" intermediate isolation casing & cement the same.
4	Drilling of 8-1/2" hole using vertical drilling system (VDS) from around 3400 mtrs. to target depth of around 4000 mtrs./4500 mtrs./ 5000+	After completion of drilling by service provider, company will arrange to run 7" liner or 5-

	mtrs. (depending on casing setting depth) Including drilling of float collar, cement, float shoe & formation. ***(Note - Three conventional corings of 9 mtrs. each using conventional core barrels are also planned for this hole section. However, the conventional coring will be arranged by the company. VDS service providers may have to correct and bring back the hole to vertical on resuming drilling after the coring operation if required.)***	1/2" oil string casing (as the case may be) & cement the same.

In case of any unforeseen circumstances with problem in completing the well planned with 5.1/2" oil string casing then the well will be completed by running 7" (29 ppf x N-80 / P-110 x BTC) liner inside 9.5/8" casing and 5" (15 ppf x P-110 x FL4S) liner inside 7" liner. So, in such case the vertical drilling services mentioned against Sl. No. 4 above will be as follows:

Sl. No.	**Stage wise planned Operation for vertical drilling system services.**	**Remarks**
4 (a)	Drilling of 8-1/2" hole using vertical drilling system (VDS) from around 3400 mtrs. to around 4000 mtrs./ 5000+ mtrs. (depending upon casing setting depth) Including drilling of float collar, cement, float shoe & formation. ***(Note - Three conventional corings of 9 mtrs. each using conventional core barrels are also planned for this hole section. However, the conventional coring will be arranged by the company. VDS service providers may have to correct and bring back the hole to vertical on resuming drilling after the coring operation if required.)***	After completion of drilling by service provider, company will arrange to run 7" liners from around 3300 mtrs to 4000 mtrs./ 5000+ mtrs (hanged inside 9-5/8" casing) and cement the same.
4 (b)	**<u>OPTIONAL</u>** Drilling of 6" hole using vertical drilling system (VDS) from around 4000 mtrs. to target depth of around 4500 mtrs./5000+ mtrs. (depending upon casing setting depth) Including drilling of float collar, cement, float shoe & formation. ***(Note - Three conventional corings of 9 mtrs. each using conventional core barrels are also planned for this hole section. However, the conventional coring will be arranged by the company. VDS service providers may have to correct and bring back the hole to vertical on resuming drilling after the coring operation if required.)***	After completion of drilling by VDS service provider, company will arrange to run 5" liners from around 3900 mtrs to around 4500 mtrs./ 5000+ mtrs (hanged inside 7" liner) and cement the same.

9.0 MOBILISATION PERIOD

The service provider must be in a position to mobilize the vertical drilling tools & equipments and services to designated well sites at Mizoram as under:-

a) **Tool / Equipment** (duly inspected & accepted) within 60 (sixty) days from the date of Mobilization notice issued by the Company. For first well the tools / equipments will be mobilized on staggered basis depending upon the stage wise requirement. The optional tools / equipments for 6" hole section to be mobilized within 30 (thirty) days from the date of Mobilization notice issued by the Company.

b) **Personnel** within 5 (five) days from the date of Mobilization notice issued by the Company.

(Note: Interim de-mobilization & re-mobilization will be applicable at the discretion of the company)

10.0 SAFETY COMPLIANCE:

The Service Provider shall have to comply with the applicable, standard and prevailing provisions of the Mines Act, 1952, OISD (Oil Industry Safety Directorate) guidelines and MoEF (Ministry of Environment and Forest) and Central/ State Pollution Control Board's directives of India.

11.0 PRE-QUALIFYING CRITERIA:

11.1 The 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 hiring of Vertical Drilling Services.

(i) The Service Provider must have minimum five (5) years experience of providing Vertical / Deviated / Horizontal Drilling Services (i.e. with Rotary Steerable or any other rotating / non-rotating system) including MWD services during the last 7 (seven) years preceding the EOI submission date. During the aforesaid period of five years, the Service Provider must have provided vertical drilling services & successfully completed at least two (2) wells (minimum of 2500 m depth each) in dipping formation areas.

(ii) The key personnel (i.e. Directional Drilling Engineers & MWD Engineers) to be deployed by the Service Provider must be graduate in engineering having minimum three (3) years of experience in drilling Vertical / Deviated / Horizontal wells for E&P companies during the last 7 (seven) years preceding the EOI submission date. During the aforesaid period of three years, both Directional Drilling Engineers & MWD Engineers must have successfully drilled & completed at least two vertical wells (minimum of 2500 m depth each) using vertical drilling system (i.e. Rotary Steerable or any other rotating / non-rotating system) in dipping formation areas.

(iii) Tools/ equipment deployed shall be of the latest versions/ technologies and the Service Provider must forward catalogue / literature along with brief write-up on operating procedure & limitations of their tools / equipments.

(iv) The Service Provider must confirm to deploy the required number of qualified, experienced and competent personnel.

11.2 In case the Vendor/Contractor is a Consortium of Companies, the Leader of the Consortium should satisfy the minimum experience requirements as per para 11.1 (i) to (iv) above.

11.3 In case the Vendor is an Indian Company/Indian joint venture Company, the lead bidder should meet the criteria laid down in para 11.1 (i) through (iv) above.

11.4 Any party who is extending technical support by way of entering into technical collaboration with another party shall not be allowed to submit an independent bid and such bids will be rejected straightway. Further, all bids from parties with technical support from the same principal will also be rejected.

11.5 Offers from Bidders who themselves do not meet the experience criteria as stipulated in para 11.1 above can also be considered, provided the Bidder is a 100% subsidiary company of the parent company which meets the aforesaid experience criteria. In such cases, as the subsidiary company is dependent on the experience of parent company, the participating Bidder should submit an agreement/ a Corporate Guarantee as per Appendix-IV.

11.6 DOCUMENTS / INFORMATION:

The 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 will be rejected.

(a) Detailed specification of tools / equipment / sensors along with catalogue / literature indicating all the features available in their system. The Service Provider should also indicate limitations of their tools / sensors such as temperature, pressure and discharge limitations with ability to pump LCM materials in mud loss conditions through the tool.

(b) A letter with categorical confirmation that the Service Provider has the key personnel meeting the requisite qualification & experience as indicated above and can deploy them for the vertical drilling services.

(c) Service Provider's experience in providing the services of Vertical / Deviated / Horizontal Drilling including MWD during the last 7 (seven) years preceding the EOI submission date – Statement to be furnished by the Service Provider in a tabular form as per Appendix-I.

(d) Financial turnover of bidder – Statement to be furnished as per Appendix-II for the last three (3) accounting years, preceding the date of submission of EOI.

(e) Details of current work in hand and other contractual commitments of the service provider / vendor are to be submitted in a tabular form as per Appendix-III.

(f) MOU in respect of formation of Consortium/Joint Venture or Corporate Guarantee for 100% subsidiary as per para 11.2 to 11.5 above.

GENERAL NOTES:

(i) All copy of documents submitted alongwith the EOI must be self certified by the Vendor 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.

(iii) OIL INDIA LIMITED reserves the right to curtail/enhance the scope of work stated above or cancel, if required, without assigning any reason thereof.

(iv) OIL INDIA LIMITED reserves the right to ignore any or all EOIs without assigning any reasons thereof.

12.0 SUBMISSION OF EOI:

The EOI together with the information/documents as mentioned above should be submitted in a closed envelop superscribing **" EOI for Vertical Drilling Services for NELP-VI Block in Mizoram"** should reach the following address on or before **1st March, 2016.**

General Manager (NEF)
OIL INDIA LIMITED
Duliajan-786602, Assam, India
Ph: 91-374-2800405/2801799, Fax: 91-074-2801799,
Email: nef@oilindia.in Website: www.oil-india.com

13.0 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 3:00 PM (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.

14.0 Oil India Limited reserves the right either to accept or reject any / all EOI/(s) or cancel the process, without assigning any reason what so ever.

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APPENDIX - I

Experience Statement of Service Provider

Experience in providing the services of Vertical / Deviated / Horizontal Drilling using Rotary Steerable or any other rotating / non-rotating system with MWD during last 7 (seven) years preceding bid (EOI) submission date.

Sl. No	Contract No	Name & contact details of client	Place of operation	Normal or Fold belt area	Well Depth with hole profile	Vertical/ Deviated/ Horizontal Section(s) with depth range(s) & hole size(s)	Start date of contract	End date of contract
1								
2								
3								
4								

N.B: Please add rows & extra sheets if required.

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APPENDIX - II

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)

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APPENDIX - III

Details of current work in hand and other contractual commitments of Service Provider:

Sl. No	Contract No	Name & contact details of client	Place of operation	Normal or Fold belt area	Planned Well Depth with hole profile	Vertical / Deviated / Horizontal Section(s) with depth range(s) & hole size(s)	Period of contract (from–to)	Start date of contract
1								
2								
3								

N.B: Please add rows & extra sheets if required.

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APPENDIX-IV

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/030/2016 for Vertical Drilling Services.

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:

1. 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.

2. 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.

3. 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.

4. 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.

5. 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.

6. 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.

7. 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.

8. 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==========