



ऑयल इंडिया लिमिटेड
(भारत सरकार का उद्यम)
Oil India Limited
(A Government of India Enterprise)

Conquering Newer Horizons

RAJASTHAN PROJECT

2-A, DIST. SHOPPING CENTER, SARASWATI
NAGAR, JODHPUR, RAJASTHAN, INDIA

Pin Code: 342005

E-mail:

munin_konwar@oilindia.in pcmazumdar@oilindia.in

Fax: (91) 291-2727050

Website: www.oil-india.com

COVERING LETTER

Sub: E-Tender No.CJG-8146-P16 for Hiring of Mud Engineering & Drilling Waste Management Services for 01(one) exploratory well in Rajasthan Project and 03 (three) exploratory wells in KG-Basin

Sir,

1.0 OIL INDIA LIMITED (OIL), a NAVARATNA category Government of India Enterprise, is a premier oil Company engaged in exploration, production and transportation of crude oil & natural gas with its Headquarters at Duliajan, Assam.

2.0 In connection with its drilling and exploration activities for hydrocarbon in its Project offices in Jodhpur, Rajasthan & Kakinada, Andhra Pradesh, OIL invites ONLINE International Competitive Bids (ICB) from competent and experienced Service Providers/Contractors for providing the above services under **Single Stage Two Bid System** through its e-Procurement site: <https://etender.srm.oilindia.in/irj/portal>

3.0 You are invited to submit your most competitive bid on or before the scheduled bid closing date and time. For your ready reference, few salient points (covered in detail in this Bid Document) are highlighted below:

IFB No/E-Tender No.	CJG-8146-P16 dated 10.08.2015
Type of Bidding	Online-Single Stage-Two Bid System
Tender Fee	USD 310.00 OR INR 20,000.00
Bid Closing date & Time	29 th Sept., 2015 (11:00 HRS IST)
Technical Bid Opening Date & Time	29 th Sept., 2015 (15:00 HRS IST)
Pre-Bid Meeting / Conference Date & Time	11:30 hrs (IST) on 01.09.2015
Price Bid Opening Date & Time	Will be intimated to the eligible bidders nearer the time.
Bids to be addressed to	CHIEF MANAGER, M & C Department Oil India Limited, 2A, Saraswati Nagar, Jodhpur, Rajasthan, India, Pin Code: 342005
However, the Bid must be uploaded online in OIL's E-procurement site.	

Bid Opening Place	Office of the Chief Manager (M&C) Rajasthan Project, Oil India Limited, Jodhpur-342005, Rajasthan, India.
Bid Security Amount	US\$ 35,110.00 OR INR 22,60,000.00
Amount of Performance Bank Guarantee	7.5% of the one year Contract Cost
Bid Validity	120 Days.
Duration of the Contract	1 (One) year from the Date of Commencement of the Contract.
Quantum of Liquidated Damage For default in timely Mobilisation	For default in timely mobilization, Liquidated damage @ 0.5% of the total contract value for delay of each week or part thereof subject to a maximum of 7.5% of total contract value will be applicable.
Original Bid Security to be submitted to	Office of the Chief Manager (M&C) Rajasthan Project, Oil India Limited, Jodhpur-342005, Rajasthan, India.
Integrity Pact	Must be digitally signed & uploaded along with the Technical Bid.

4.0 **Tender Document will not be issued physically by the Company.** The interested Bidders must submit their applications showing full address (including e-mail ID) along with the non-refundable Tender Fee (PSUs and firms registered with NSIC/SME are exempted from payment of cost of Bid Documents provided they furnish evidence that they are registered for the above services) in the form of a Banker's Cheque/Demand Draft in favour of OIL INDIA LIMITED and payable at JODHPUR to the CHIEF MANAGER (M&C), OIL INDIA LIMITED, 2A, DISTRICT SHOPPING CENTRE, SARASWATI NAGAR, BASNI, JODHPUR-342005, RAJASTHAN (INDIA) between **21.08.2015 and 22.09.2015** i.e., one week prior to the scheduled Bid Closing date & time. On receipt of application and Tender Fee as above, USER-ID and initial PASSWORD will be communicated to the bidder (through e-mail) and he/she will be allowed to participate in the tender through OIL's e-Procurement portal. Details of the NIT can be viewed using "Guest Login" provided in the e-procurement portal. **USER-ID and PASSWORD are not transferable.** The link to e-procurement portal has also been provided through OIL's website www.oil-india.com.

4.1 Tender Fee may also be paid online up to one week prior to the bid closing date (or as amended in e-portal).

5.0 Bids (Technical Bid as well as Priced Bid) must be uploaded on-line through OIL's e-Tendering Portal up to **11:00 hrs** (IST) (Server Time) on the bid closing date as mentioned. The Technical Bids will be opened on the same day at **15:00 hrs** (IST) at the Office of Head-Services, Rajasthan Project, OIL INDIA LIMITED, JODHPUR – 342005, RAJASTHAN, INDIA in presence of authorized representative of the bidders. Priced /Commercial Bids of the technically qualified bidders only will be opened subsequently on a pre-determined date & time, which will be notified to all such bidders separately nearer the time.

5.1 However, if the above mentioned closing/opening day of the tender happens to be non-working day due to Bundh/Strike or any other reason, the bids will be received and opened on the following full working day at the same time.

6.0 **PRE-BID MEETING / CONFERENCE:** A Pre Bid Meeting is scheduled to be held on **01-09-2015 (Time: 11:30 Hrs. (IST))** at OIL's office in Jodhpur to clarify provisions of Bid Documents, if any. Bidder, desirous of attending the Pre-Bid Meeting, must submit authorization letter (Proforma-D) at the time of Pre-Bid Meeting. The bidder is requested to submit their queries / questions / doubts by email / courier so as to reach Oil India Ltd. at following address at least 3 (three) day before the pre-bid meeting:

Chief Manager (M&C)
OIL INDIA LIMITED
2A, Saraswati Nagar, Jodhpur, Rajasthan
E-mail: pcmazumdar@oilindia.in

6.1 OIL shall make all efforts to respond to all the queries / clarifications during the Pre-Bid Meeting. A compiled list of such questionnaire shall be uploaded in the website of Oil India Ltd. for information of all concerned in www.oil-india.com as well as in the e-tender portal of OIL if required. All are requested to remain updated with the website. No separate reply / intimation shall be given elsewhere.

NOTE:

- i. Bidders are requested to fill all "Bid Response Sheets & Annexure" as enclosed in the Bid Document. Bidder must sign all the attachments of the Bidding Document.*
- ii. Bidder may depute their authorized representative to attend the "Un-priced Bid Opening". The eligible Bidder shall be informed the date & time for opening of their "Price Bid".*
- iii. Any change in bid after the "Due Date & Time" of Bid-Submission of bid is not allowed.*
- iv. Bidders are advised, in their own interest, to ensure that their bids are submitted well before the "Due Date & Time" of Bid-Submission of the bid document.*
- v. Bidder are required to submit their bids along with a covering letter under the firm's / company's letterhead specifying the name and designation of the authorized person signing the bid, complete postal address of firm / company, telephone no., fax no., e-mail ID, etc.*

3.0 We now look forward to receiving your most competitive offer in line with the tender terms well within the bid closing date and time.

Thanking you,

Yours faithfully,
OIL INDIA LIMITED

(P.C.MAZUMDAR)
CHIEF MANAGER (M&C)
FOR HEAD-SERVICES
FOR EXECUTIVE DIRECTOR (RP)

PART-1

SECTION-I

INSTRUCTIONS TO BIDDERS

1.0 Bidder shall bear all costs associated with the preparation and submission of bid. Oil India Limited, hereinafter referred to as Company, will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the bidding process.

1.1 **Tender Document will not be issued physically by the Company.** The interested Bidders must submit their applications showing full address (including e-mail ID) along with the non-refundable Tender Fee (PSUs and firms registered with NSIC/SME are exempted from payment of cost of Bid Documents provided they furnish evidence that they are registered for the above services) in the form of a Banker's Cheque/Demand Draft in favour of OIL INDIA LIMITED and payable at JODHPUR to the CHIEF MANAGER (M&C), OIL INDIA LIMITED, 2A, DISTRICT SHOPPING CENTRE, SARASWATI NAGAR, BASNI, JODHPUR-342005, RAJASTHAN (INDIA) between **21.08.2015 and 22.09.2015** i.e., one week prior to the scheduled Bid Closing date & time. On receipt of application and Tender Fee as above, USER-ID and initial PASSWORD will be communicated to the bidder (through e-mail) and he/she will be allowed to participate in the tender through OIL's e-Procurement portal. Details of the NIT can be viewed using "Guest Login" provided in the e-procurement portal. **USER-ID and PASSWORD are not transferable.** The link to e-procurement portal has also been provided through OIL's website www.oil-india.com.

Tender Fee may also be paid online up to one week prior to the bid closing date (or as amended in e-portal).

1.2 Bidders are advised to have a thorough reconnaissance of the area, if required, to know the terrain and get themselves fully acquainted with details of surface topographic features, fair weather slot, weather conditions, working culture in the area, socio-political environment, security aspects and law of the land, prior to submitting their bids. This will also help them to judiciously select proper inputs for successful execution of the project. However all such related expenses shall be to bidder's account.

A. BIDDING DOCUMENTS:

2.0 The services required, bidding procedures and contract terms are prescribed in the Bidding Documents.

2.1 The bidder is expected to examine all instructions, forms, terms and specifications in the Bidding Documents. Failure to furnish all information required in the Bidding Documents or submission of a bid not substantially responsive to the Bidding Documents in every respect will be at the Bidder's risk & responsibility and may result in the rejection of its bid.

3.0 AMENDMENT OF BIDDING DOCUMENTS:

3.1 At any time prior to the deadline for submission of bids, the Company may, for any reason, whether at its own initiative or in response to a clarification requested by a prospective Bidder, modify the Bidding Documents by issuing an Addendum.

3.2 The Addendum will be uploaded in OIL's E-Tender Portal in "Amendment" folder under Technical RFX tab. Bidders shall also check from time to time the e-Tender portal ["Amendment" folder under Technical RFX tab] for any amendments to the bid documents before submission of their bids.

3.3 Such Addendum, if any, may also be communicated through letter/fax/e-mail in writing to all prospective Bidders to whom Company issues the USER-ID & PASSWORD. The Company may, at its discretion, extend the deadline for bid submission, if the Bidders are expected to require additional time in which to take the Addendum into account in preparation of their bid or for any other reason.

B. PREPARATION OF BIDS

4.0 LANGUAGE OF BIDS: The bid as well as all correspondence and documents relating to the bid exchanged between the Bidder and the Company shall be in English language, except that any printed literature may be in another language provided it is accompanied by an English translated version, which shall govern for the purpose of bid interpretation.

5.0 DOCUMENTS COMPRISING THE BID: The bid submitted by the Bidder shall comprise of the following components:

A: TECHNICAL BID

- (i) Complete technical details of the services and equipment specifications with catalogue, etc.
- (ii) Documentary evidence established in accordance with Clause 9.0 herein below.
- (iii) Bid Security furnished in accordance with Clause 10.0 herein below.
- (iv) Statement of Compliance as per **Proforma -I**
- (v) **Proforma-E** showing the items to be imported, if any, **without showing the CIF values** thereof.
- (vi) Copy of Price bid format **without indicating prices** (**Proforma-II**)
- (vii) Signed Integrity pact as per **Proforma-III**

B: PRICED/COMMERCIAL BID

- (i) Bid Form as per **Section-III of Part-3**
- (ii) Price-Bid as per **Proforma-II**.
- (iii) Estimated CIF value as per **Proforma-E**

6.0 BID FORM: The bidder shall complete the Bid Form and the appropriate Price Schedule furnished in the Bid Document.

7.0 BID PRICE:

7.1 Unit prices must be quoted by the bidders, both in words and in figures.

7.2 Prices quoted by the successful bidder must remain firm during its performance of the Contract and is not subject to variation on any account whatsoever.

7.3 All Duties (except Customs Duty) and Taxes (excluding Service Tax) including Corporate Income Taxes and other levies payable by the successful bidder under the Contract for which this Bidding Document is issued, shall be included in the rates, prices and total Bid Price quoted by the bidder, and the evaluation and comparison of bids shall be made accordingly. For example, personal taxes and/or any corporate taxes arising out of the profits on the contract as per rules of the country shall be borne by the bidder.

7.4 **Customs Duty:** The services under this Contract shall be carried out in NELP Blocks awarded to the Company, for which licenses have been issued or renewed to Company after 01/04/1999 and therefore, the items/equipment to be imported in connection with execution of this particular Contract is exempted from Customs Duty as per Government policy presently in vogue in line with Notification No. 12/2012-Customs dated 17.03.2012. OIL INDIA LIMITED shall issue Recommendatory Letters to the Contractor on submission of requisite import documents for obtaining necessary EC (Essentiality Certificates) from the DGH (Directorate General of Hydrocarbon), India for this purpose. However, securing EC, clearance of goods through Indian Customs authority and payment of port rent, demurrage etc. as applicable will exclusively rest on the Contractor. In case this Govt. policy is subsequently changed during the currency of the contract and thereby the Customs duty if become payable any, the same will be reimbursed by Company to the Contractor against documentary evidence. No customs duty will therefore be considered for bid evaluation in this instance. Bidders should take note of the same while quoting.

7.5 **Service Tax:** The quoted price shall be exclusive of Service Tax. Service Tax as applicable shall be on Company's account. However, liability for payment of the service tax in case of Indian bidder and overseas bidders having offices in India will lie on the Contractor, else in case of foreign bidders, the liability shall lie on the Company.

8.0 CURRENCIES OF BID AND PAYMENT:

8.1 A bidder expecting to incur its expenditures in the performance of the Contract in more than one currency, and wishing to be paid accordingly, shall so indicate in the bid. In such a case, the bid shall be expressed in different currencies and the respective amounts in each currency shall together make up the total price.

8.2 Indian bidders too can submit their bids in any currency (including Indian Rupees) and receive payment in such currencies on par with foreign bidders. However, currency once quoted will not be allowed to be changed.

9.0 DOCUMENTS ESTABLISHING BIDDER'S ELIGIBILITY AND QUALIFICATION:

As per details provided in PART-2.

10.0 BID SECURITY:

10.1 Pursuant to Clause 5.0 above, the Bidder shall furnish Bid Security in the amount as specified in the "Covering Letter".

10.2 The Bid Security is required to protect the Company against the risk of Bidder's conduct, which would warrant the security's forfeiture, pursuant to Sub-Clause 10.8 below.

10.3 The Bid Security shall be denominated in the currency of the bid or another freely convertible currency, and shall be in one of the following form:

- (a) A bank guarantee or irrevocable Letter of Credit issued by a scheduled Indian bank or by a foreign bank through its Indian branch, in the form provided vide

Proforma-A, PART-4 or another form acceptable to the Company and valid for 30 days beyond the validity of the bids.

- (b) A cashier's cheque or demand draft **drawn on 'Oil India Limited' and payable at Jodhpur, Rajasthan.**

10.4 The Original Bid Security (in hard copy) as above must reach the office of Chief Manager (M&C), Rajasthan Project, OIL INDIA LIMITED, JODHPUR – 342005, RAJASTHAN, INDIA on or before the scheduled bid opening time and date, otherwise the Bid will be rejected. Bidders may send their bid security by Registered Post or by Courier Services or drop in the Tender Box placed at the Office of the Head-Services, Rajasthan Project on or before 3:00 PM on the scheduled date of opening of the tender. Company shall not be however responsible for any postal delay/transit loss. Timely delivery of the bid security is the responsibility of the Bidder.

The original **Bid Security** is to be submitted along with a covering letter mentioning Bidder's name and address in a sealed envelope superscribing the e-Tender Number and description of work and addressed to:

CHIEF MANAGER (M&C),
RAJASTHAN PROJECT,
OIL INDIA LIMITED,
JODHPUR – 342005,
RAJASTHAN, INDIA

A scanned copy of this document should also be uploaded online along with the un-priced Technical bid documents.

Bid Security may also be paid online on or before the Bid Closing Date and Time mentioned in the Tender

10.5 Any bid not secured in accordance with Sub-Clauses 10.1 through 10.4 shall be rejected by the Company as non-responsive.

10.6 Unsuccessful Bidder's Bid Security will be discharged and/or returned within 30 days of expiry of the period of bid validity.

10.7 Successful Bidder's Bid Security will be discharged upon the Bidder's signing the contract and furnishing the performance security.

10.8 The Bid Security may be forfeited:

- (a) If any Bidder withdraws or modifies their bid during the period of bid validity (including any subsequent extension).
- (b) If a successful Bidder fails or refuses:
 - i) To accept the LOA issued by Company within the period of bid validity and/or sign the contract within reasonable time or as notified in the LOA.
 - ii) To furnish Performance Security.

- (c) If the Bidder furnishes fraudulent document/information in their bid.

10.9 In case any bidder withdraws their bid during the period of bid validity, Bid Security will be forfeited and the party shall be debarred for a period of 2(two) years.

10.10 **EXEMPTION FROM SUBMISSION OF BID SECURITY:** Central Govt. offices, Central Public Sector undertakings and firms registered with NSIC/SME (subject to furnishing proper evidence as per guidelines) are exempted from submitting Bid Security.

11.0 PERIOD OF VALIDITY OF BIDS:

11.1 Bids shall remain **valid for 120** days after the date of bid opening /extended bid opening prescribed by the Company.

11.2 In exceptional circumstances, the Company may solicit the Bidder's consent to an extension of the period of validity. The request and the response thereto shall be made in writing (or by email or Fax). The bid Security provided under Clause 10.0 shall also be suitably extended. A Bidder may refuse the request without forfeiting its Bid Security. A Bidder granting the request will neither be required nor permitted to modify their bid.

C. SUBMISSION OF BIDS

12.0 Bidders are requested to examine all instructions, forms, terms and specifications in the bid documents. Failure to furnish all information required as per the bid document or submission of online offers not substantially responsive to the tender in all respect will be at the bidders' risk and may result in rejection of its bid without seeking clarifications.

13.0 ON-LINE SUBMISSION:

13.1 The Bid should be submitted online up to 11:00 Hrs. (IST) (Server Time) on the date as mentioned herein i.e., on the scheduled Bid Closing Date. The Bids will be opened on the same day at 15:00 Hrs. (IST) at the office of Chief Manager (M&C), Oil India Limited, 2A, District Shopping Centre, Saraswati Nagar, Basni, Jodhpur -342005, Rajasthan, India in presence of authorized representative of the bidder.

13.2 The Rates/Prices along with price related conditions should be filled online in the Price-Bid Format and uploaded under the "Notes & Attachment" tab. All other techno-commercial documents other than the cost details to be submitted with un-priced bid as per tender requirement placed in the "un-priced" bid folder. No rate/price should be entered in Technical Bid; otherwise the offer will be rejected.

13.3 The Bid and all uploaded documents must be digitally signed by duly authorized representative of the bidding company using "Class 3" digital certificate [e-commerce application (Certificate with personal verification and Organization name)] as per Indian IT Act obtained from the licensed Certifying Authorities operating under the Root Certifying Authority of India (RCAI), Controller of Certifying Authorities (CCA) of India.

13.4 The Bidder will be responsible for ensuring the validity of digital signature and its proper usage by their employee. The authenticity of above digital signature shall be verified through authorized CA after the bid opening. If the digital signature used for signing is not of "Class-3" with Organization name, the bid will be rejected.

13.5 The Tender is invited under SINGLE STAGE TWO-BID SYSTEM. Therefore, the Bidder has to submit both the "TECHNICAL" and "PRICE" bids through electronic form in OIL's e-Tender Portal within the Bid Closing Date and Time stipulated in the e-Tender. Please ensure that the Techno-Commercial Bid is to be submitted as per Scope

of Work & Technical Specifications along with all technical related documents related to the tender in the Technical RFx Response-> User - > Technical Bid only. The “TECHNICAL/UNPRICED BID” shall contain all techno-commercial details except the prices. Please go through the help document provided in OIL’s e-Portal in details before uploading the document.

13.6 Details of prices as per Price Bid format (Part-2, Section-I, Proforma-II) can be uploaded as Attachment in the attachment link below tendering text in the attachment option under “Notes & Attachments”. A screen shot in this regard is given below. Offer not complying with above submission procedure will be rejected.

Please note that no price details should be uploaded in Technical RFx Response, otherwise the offer will be rejected.

The screenshot shows the 'Display RFx Response' window. At the top, there are buttons for 'Edit', 'Print Preview', 'Technical RFx Response', 'Close', and 'Withdraw'. Below these, a summary bar displays: 'RFx Response Number 60006452', 'RFx Number TEST2', 'Status Subr', 'RFx Owner WIPRO_TEST1', 'Total Value 0.00 INR', and 'RFx Response'. A red arrow points from the 'Technical RFx Response' button to a callout box that says: 'Go to this Tab “Technical RFx Response” for Uploading “Technical/ Unpriced Bid”.' Below the summary bar is a tabbed interface with 'RFx Information', 'Items', 'Notes and Attachments', 'Conditions', 'Summary', and 'Tracking'. A red arrow points from the 'Notes and Attachments' tab to another callout box that says: 'Go to this Tab “Notes and Attachments” for Uploading “Priced Bid” files.' The main content area is divided into 'Basic Data' and 'Questions'. Under 'Basic Data', there are fields for 'Event Parameters' (Currency: Indian Rupee), 'Detailed Price Information' (Price with Conditions), and 'Terms of Payment' (9010, 90% against despatch+10% after receipt). At the bottom, there is a section for 'Partners and Delivery Information' with a table that currently contains no data.

On “EDIT” Mode- The following screen will appear. Bidders are advised to Upload “Technical/ Un-priced Bid” and “Priced Bid” in the places as indicated above:

Edit RFX Response:

Submit | Read Only | Print Preview | Check Technical RFX Response | Close | Save | Verify signature of Response | Sign Response

RFX Response Number 60006452 RFX Number TEST2 Status Withdrawn Submission Deadline 13.04.2013 11:00:00 INDIA
RFX Owner WIPRO_TEST1 Total Value 0.00 INR RFX Response Version Number 2 RFX Version Number 5

RFx Information Items **Notes and Attachments** Conditions

▼ Notes

Add ▲ Clear

Assigned To	Category	Text Preview

▼ Attachments

Sign Attachment Add Attachment Edit Description Versioning ▲ Delete Create Qualification Profile

Assigned To	Category	Description	File Name	Version	Processor	Checked
The table does not contain any data						

Note :

* The “Technical/Un-priced Bid” shall contain all techno-commercial details **except the prices.**

** The “Price bid” must contain the price schedule and the bidder’s commercial terms and conditions. For uploading Price Bid, first click on Sign Attachment, a browser window will open, select the file from the PC and click on “Sign” to sign the file. On Signing a new file with extension **.SSIG** will be created. Close that window. Next click on Add Attachment, a browser window will open, select the **.SSIG** signed file from the PC and name the file under Description, Assigned to General Data and click on OK to save the File.

SINGLE STAGE TWO BID SYSTEM shall be followed for this tender and only the PRICED-BIDS of the bidders whose offers are commercially and technically acceptable shall be opened for further evaluation.

13.7 In Technical Bid Opening, only the **Technical RFX Response** will be opened. **Please do refer the User Manual provided on the portal on the procedure “How to create Response” for submitting offer.**

NB: All the Bids must be digitally signed using “Class-3” digital signature certificate with Organizations Name (e-commerce application) as per Indian IT Act obtained from the licensed Certifying Authorities operating under the Root Certifying Authority of India (RCAI), Controller of Certifying Authorities (CCA) of India.

13.8 The offer should contain complete specifications, details of services and equipment/accessories offered together with other relevant literature/ catalogues of the equipment offered. A scanned copy of Bid Security should be submitted with the Techno-commercial un-priced Bid in the “Technical RFX Response” tab.

13.9 The Integrity Pact is applicable against this Tender. OIL shall be entering into an Integrity Pact with the Bidders as per format enclosed herewith to the Tender Document. This Integrity Pact Proforma has been duly signed digitally by OIL's competent signatory. The Proforma has to be returned by the Bidder (along with their Technical Bid) duly signed digitally by the same signatory who signed the bid i.e., who is authorized to sign the bid. **Any bid not accompanied by Integrity Pact Proforma duly signed (digitally) by the Bidder shall be liable for rejection.** Uploading the Integrity Pact with digital signature will be construed acceptance of all terms & conditions mentioned therein and that all pages of the Integrity Pact have been signed by the bidder's authorized signatory who signs the Bid.

13.9.1 OIL has appointed Shri Raghaw Sharan Pandey, Former Secretary, MOP & NG IAS (Retd.) and Shri Rajiv Mathur, IPS (Retd.) as Independent Monitor (IEMs) to oversee implementation of the Integrity Pact in OIL. Bidders may contact the Independent Monitor for any matter related to this Invitation for Bid (IFB) at the e-mail ID available in Proforma-III / given below:

1. Shri Raghaw Sharan Pandey, IAS (Retd.)
E-mail: rspandey_99@yahoo.com
2. Shri Rajiv Mathur, IPS(Retd.)
E-mail: rajivmathur23@gmail.com

13.10 Timely submission of online bids is the responsibility of the Bidders. The Bid along with all annexure and copies of documents should be submitted in e-form only through OIL's e-bidding engine. The Bid submitted in physical form against e-procurement tenders shall not be given any cognizance. However, the following documents should necessarily be submitted in physical form in sealed envelope. The Tender No. and the Date of Bid Closing/Opening must be prominently marked on the outer cover/envelope containing these documents and should be sent to Chief Manager (M & C), Oil India Limited, 2A- District Shopping Centre, Saraswati Nagar, Basni, Jodhpur -342005, Rajasthan, Rajasthan, India so as to reach before the scheduled Bid Closing Date and Time of the Tender.

- (i) The Original Bid Security
- (ii) Power of Attorney for Signing the Bid
- (iii) Other documents required to be submitted in original as per tender requirement, if any.

13.11 Proforma-E (ref. PART-4) without the CIF values should be submitted with the Technical bid and the same Proforma incorporating the CIF values should be uploaded along with the Price/Commercial bid.

13.12 The offer should contain complete specifications, details of services and equipment/accessories offered together with other relevant literature/ catalogues of the equipment offered. A scanned copy of Bid Security as mentioned in Clause 10.0 should be submitted with the Technical Bid in Technical RFx Response Tab.

13.13 All the conditions of the contract to be signed with the successful bidder are given in various Sections of this document. Bidders to state their compliance/non-compliance to each clause of BRC in **Proforma-I in PART-2**, and the same should be uploaded with the Technical bid.

14.0 INDIAN AGENTS: Foreign Bidders are requested to clearly indicate in their quotation whether they have an agent in India. If so, the bidder should furnish the

name and address of their agent and state clearly whether the agent is authorized to receive any commission, particularly against this contract. Such commission, if payable any, must be included in the quotation of the bidder and to be clearly and categorically highlighted in the bids, which would be payable to Agent in non-convertible Indian currency by Company according to the Import Trade Regulation of India. Unless otherwise specified, it will be assumed that agency commission is not involved in the particular bid. Further, Bidders are requested to quote directly and not through their agents in India. Moreover, one Indian Agent cannot represent more than one foreign bidder against the tender. In case an Indian agent represents more than one foreign bidder against the tender, then Bids of such foreign bidders shall be rejected.

15.0 DEADLINE FOR SUBMISSION OF BIDS: Bids must be uploaded online not later than 11:00 Hrs. (Indian Standard Time) on the bid closing date mentioned in the "Covering Letter" / e-tender portal. Bidders are requested to take note of this and arrange to submit their bids well within the deadline to avoid last minute rush/network problems.

16.0 MODIFICATION AND WITHDRAWAL OF BIDS:

16.1 The Bidder after submission of bid may also withdraw its bid prior to the bid closing date & time. Bidder intends to modify its bid prior to bid closing may withdraw its bid and re-submit after necessary corrections/rectifications before the stipulated bid closing time & date. Maintaining sufficient time gap to withdraw the earlier bids for modifications and to resubmit the bids after necessary corrections/modifications within the scheduled bid closing date and time is the sole risk and responsibility of Bidder. Company shall not be responsible for any delayed delivery/late receipt of such requests/notices for whatsoever reasons.

16.2 No bid can be modified subsequent to the deadline for submission of bids. Post tender modification(s) of bid by any bidder within the period of its bid validity will lead to rejection of such offer and forfeiture of bidder's Bid security in full. Such modification (s) may also call for debarment of the bidder as mentioned above.

16.3 No bidder shall be permitted to withdraw their bid after its opening till expiry of bid validity including extended validity, if any. Such withdrawal will make the bidder liable to forfeit their Bid Security in full and be debarred them from participating against OIL's future tenders at the sole discretion of the Company and the period of debarment in no case shall be less than two (2) years.

17.0 EXTENSION OF BID SUBMISSION DATE:

17.1 Normally no request for extension of Bid Closing Date & Time will be entertained. However, Company reserves the right to extend the Bid Closing Date and/or Time due to any reason(s) at its option to which bidders will not have any objection.

17.2 In case of receipt of only one Bid on the scheduled Bid Closing Date and Time, Company may extend the Bid Closing /Opening Date by 2(two) weeks maximum. However, the bidder whose bid has been received within the bid closing date and time, will not be allowed to revise their Bid/prices. Withdrawal of such Bid is also not permitted.

17.3 In case the scheduled bid closing/opening day of the tender happens to be a non-working day in OIL, Jodhpur for any reason including Bandh/Strike, the bids will be received and opened on the following full working day. The Bid closing & opening timing will remain same (i.e., 11:00 hrs& 15:00 hours respectively).

18.0 BID OPENING AND EVALUATION:

18.1 Company will open the Bids in presence of Bidder's representatives who choose to attend at the date, time and place mentioned in the Covering Letter. However, an authorization letter from the bidder must be produced by the Bidder's representative at the time of bid opening. Unless this Letter is presented, the representative will not be allowed to attend the bid opening. The Bidder's representatives who are allowed to attend the bid opening shall sign a register evidencing their attendance. Only one representative against each bid will be allowed to attend.

18.2 Bid for which an acceptable notice of withdrawal is received pursuant to Clause 16.0 above shall be returned unopened. After opening, Company will examine bids to determine whether they are complete, whether requisite Bid Securities & Integrity Pact have been furnished, whether documents have been digitally signed and whether the bids are generally in order.

18.3 At bid opening, Company will announce the Bidders' names, written notifications of bid modifications or withdrawal, if any, submission of requisite Bid Security & Integrity Pact and such other details as the Company may consider appropriate.

18.4 Company shall prepare, for its own records, minutes of bid opening including the information disclosed to those present in accordance with the Sub-Clause 18.3 above.

18.5 To assist in the examination, evaluation and comparison of bids the Company may at its option, ask the Bidders for clarifications of their bids. The request for clarification and the response shall be in writing and no change in the price or substance of the bid shall be sought, offered or permitted.

18.6 Prior to the detailed evaluation, Company will determine the substantial responsiveness of each bid to the requirement of the Bidding Documents. For purpose of these paragraphs, a substantially responsive bid is one, which conforms to all the terms and conditions of the Bidding Document without material deviations or reservation. A material deviation or reservation is one which affects in any substantial way the scope, quality, or performance of work, or which limits in any substantial way, inconsistent way with the bidding documents, the Company's right or the bidder's obligations under the contract, and the rectification of which deviation or reservation would affect unfairly the competitive position of other bidders presenting substantial responsive bids. The Company's determination of bid's responsiveness is to be based on the contents of the Bid itself without recourse to extrinsic evidence.

18.7 A Bid determined as not substantially responsive will be rejected by the Company and may not subsequently be made responsive by the Bidder by correction of the non-conformity.

18.8 The Company may waive minor informality or nonconformity or irregularity in a bid, which does not constitute a material deviation, provided such waiver, does not prejudice or affect the relative ranking of any Bidder.

19.0 OPENING OF PRICE BIDS:

19.1 Company will open the Price Bids (Commercial Bids) of the technically qualified Bidders only, on a specific date in presence of interested qualified bidders, if they attend. All such qualified Bidders will be intimated about the commercial bid opening date & time in advance.

19.2 The Company will examine the Price/rates quoted by the Bidders to determine whether they are complete, any computational errors have been made, the documents have been properly signed, and the bids are generally in order.

19.3 Arithmetical errors will be rectified on the following basis. If there is a discrepancy between the unit price and the total price (that is obtained by multiplying the unit price and quantity) the unit price shall prevail and the total price shall be corrected accordingly. If any Bidder does not accept the correction of the errors, their bids will be rejected. If there is a discrepancy between words and figures, the amount in words will prevail.

20.0 CONVERSION TO SINGLE CURRENCY: While evaluating the bids, the closing rate of exchange (BC Selling market rate) declared by the State Bank of India on the day prior to price bid opening will be taken into account for conversion of foreign currencies into Indian Rupees for the purpose of comparison to ascertain inter-se-ranking of all qualified bidders. Where the time lag between the opening of the price bids and final decision exceeds three months, the rate of exchange declared by State Bank of India on the date prior to the date of final decision will be adopted for conversion.

21.0 EVALUATION AND COMPARISON OF BIDS: The Company will evaluate and compare the bids as per BRC/BEC of the bidding documents.

22.0 LOADING OF FOREIGN EXCHANGE: There would be no loading of foreign exchange for deciding the inter-se-ranking of domestic bidders.

22.1 **Exchange Rate Risk:** Since Indian bidders are now permitted to quote in any currency and also receive payments in that currency, Company will not be compensating for any exchange rate fluctuations in respect of the services.

22.2 **Repatriation of Rupee Cost:** In respect of foreign parties, rupee payments made on the basis of the accepted rupee component of their bids, would not be repatriable by them. A condition to this effect would be incorporated by the Company in the contract.

23.0 CONTACTING THE COMPANY:

23.1 Except as otherwise provided in Clause 18.5 above, no Bidder shall contact Company on any matter relating to its bid, from the time of the bid opening to the time the Contract is awarded.

23.2 An effort by a Bidder to influence the Company in the Company's bid evaluation, bid comparison or Contract award decisions may result in rejection of their bid.

D. AWARD OF CONTRACT

24.0 AWARD CRITERIA: The Company will award the Contract to the successful Bidder whose bid has been determined to be substantially responsive and has been determined as the lowest evaluated bid, provided further that the Bidder is determined to be qualified to perform the Contract satisfactorily.

25.0 COMPANY'S RIGHT TO ACCEPT OR REJECT ANY BID: Company reserves the right to accept or reject any or all bids and to annul the bidding process and reject all bids, at any time prior to award of contract, without thereby incurring any liability to the affected bidder, or bidders or any obligation to inform the affected bidder of the grounds for Company's action.

26.0 NOTIFICATION OF AWARD:

26.1 Prior to the expiry of the period of bid validity or extended validity, the Company will notify the successful Bidder in writing by registered letter or by e-mail/fax (to be confirmed in writing by registered/couriered letter) that its bid has been accepted.

26.2 The notification of award will constitute formation of the Contract.

26.3 Upon the successful Bidder's furnishing of Performance Security pursuant to Clause 28.0 herein below, the Company will promptly discharge the Bid Securities of all un-successful Bidders, pursuant to Clause 10.0 hereinabove.

27.0 SIGNING OF CONTRACT:

27.1 At the same time as the Company notifies the successful Bidder that its Bid has been accepted, the Company will either call the successful Bidder for signing of the agreement or send the Contract Form provided in the Bid Documents, along with the General & Special Conditions of Contract, Technical Specifications, Schedule of Rates incorporating all the agreements between the parties.

27.2 Within 30 days of issue of LOA, the successful Bidder shall sign and date the Contract and return it to the Company. Till the Contract is signed, the LOA issued to the successful bidder shall remain binding on the parties.

27.3 In the event of failure on the part of the successful Bidder to sign the Contract within the period specified above or any other time period specified by Company, the Company reserves the right to terminate the LOA issued to the successful Bidder and invoke the Bid Security or the Performance Security if submitted by the successful Bidder. The party shall also be debarred for a period of 2(two) years from the date of default.

28.0 PERFORMANCE SECURITY:

28.1 Within 15 (fifteen) days of receipt of notification of award from the Company, the successful Bidder shall furnish to Company the Performance Security for an amount specified in the Covering Letter and in the Letter of Award (LOA) issued by Company as per **Proforma-B** in PART-4 or in any other format acceptable to the Company and must be in the form of Bank Guarantee (BG) or an irrevocable Letter of Credit (L/C) from any of the following Banks:

- i) Any Nationalised / Scheduled Bank in India OR
- ii) Any Indian branch of a Foreign Bank OR
- iii) Any reputed foreign Bank having correspondent Bank in India

The Performance Security shall be denominated in the currency of the Contract or in equivalent US Dollars converted at the B.C. Selling rate of State Bank of India on the date of issue of LOA (Letter of Award). Bank Guarantees issued by Banks in India should be on non-judicial stamp paper of requisite value, as per Indian Stamp Act, purchased in the name of the Banker.

28.2 The Performance Security specified above must be valid for 6 (six) months beyond the Contract duration. The Performance Security will be discharged by Company not later than 30 days following its expiry. In the event of any extension of

the Contract period, Bank Guarantee should be extended by Contractor by the period equivalent to the extended period.

28.3 The Performance Security shall be payable to Company as compensation for any loss resulting from Contractor's failure to fulfill its obligations under the Contract.

28.4 The Performance Security will not accrue any interest during its period of validity or extended validity.

28.5 Failure of the successful Bidder to comply with the requirements of Clause 27.0 and/or 28.0 shall constitute sufficient grounds for annulment of the award and forfeiture of the Bid Security or Performance Security. In such an eventuality, the party shall be debarred for a period of 2 (two) years from the date of default.

29.0 SITE VISIT: The Bidders, at their own cost, responsibility and risk are encouraged to visit and examine the site of work and its surroundings to understand the logistics and obtain all information that may be necessary for preparing the Bid and entering into a Contract for the required services/work.

The Contractor shall be deemed prior to submitting their Bid to have:

- a) Inspected and examined the Site and its surroundings and carried out such surveys as it considers necessary;
- b) Satisfied itself as to the nature of the work and materials necessary for the execution of the Works;
- c) Satisfied itself as to the circumstances at the Site, including, without limitation, the ground and sub-soil, the form and nature of the Site and the climate and hydrological conditions of the Site;
- d) Satisfied itself as to the means of communication with and access to & through the Site, the accommodation it may require and the precautions and the times and methods of working;
- e) Obtained for itself all necessary information as to the risks, contingencies and all other circumstances, which may influence or affect the Contract price and its obligations under the Contract;
- f) Satisfied itself with all the Indian as well as local conditions, factors and legislation which may have any effect on the execution of the work covered under the Bid Document;
- g) Ascertained the general labour position at the Site and have understood the cost associated with engagement of the labours.

30.0 BACKING OUT BY BIDDER: In case any bidder withdraws their bid within the bid validity period, Bid Security will be forfeited and the party will be debarred for a period of 2 (two) years.

31.0 BACKING OUT BY L-1 BIDDER AFTER ISSUE OF LOA: In case LOA issued is not accepted by the L1 bidder or the Performance Security is not submitted as per the terms of the contract within the time specified in the Bid Document, the Bid Security shall then be forfeited and the firm shall be debarred for 2 (two) years from the date of default.

32.0 FURNISHING FRAUDULENT INFORMATION/DOCUMENTS: If it is found that a bidder/contractor has furnished fraudulent information/documents, the Bid Security/Performance Security shall be forfeited and the party shall be debarred for a period of 3(three) years from the date of detection of such fraudulent act besides the legal action.

33.0 CREDIT FACILITY: Bidders should indicate clearly in the bid about availability of any credit facility inclusive of Government to Government credits indicating the applicable terms and conditions of such credit.

34.0 SPECIFICATIONS: Before submission of Bids, Bidders are requested to make themselves fully conversant with all Conditions of the Bid Document and other relevant information related to the works/services to be executed under the Contract.

35.0 MOBILIZATION ADVANCE PAYMENT:

35.1 Request for advance payment shall not be normally considered. However, depending on the merit and at the discretion of the Company, advance against mobilisation charge may be given at an interest rate of 1% above the prevailing Bank rate (CC rate) of SBI from the date of payment of the advance till recovery/refund. However, any mobilization advance shall be given in two phases – 50% of mobilization charges before shipment of materials, equipment & tools etc. and rest 50% after the shipment is completed.

35.2 Advance payment agreed to by the Company shall be paid only against submission of an acceptable bank guarantee whose value should be equivalent to the amount of advance plus the amount of interest covering the period of advance. Bank guarantee shall be valid for 2 months beyond completion of mobilisation and the same may be invoked in the event of Contractor's failure to mobilise as per contract.

35.3 In the event of any extension to the mobilisation period, Contractor shall have to enhance the value of the bank guarantee to cover the interest for the extended period and also to extend the validity of bank guarantee accordingly.

36.0 LOCAL CONDITIONS: It is imperative for the Bidders to fully inform themselves of all Indian as well as local conditions, factors and legislation which may have any effect on the execution of the work covered under the Bid Document. The bidders shall be deemed prior to submitting their bids to have satisfied themselves of the all aspects covering the nature of the work as stipulated in the Tender and obtain for themselves all necessary information as to the risks, contingencies and all other circumstances, which may influence or affect the various obligations under the Contract.

36.1 No request will be considered for clarifications from the Company (OIL) regarding such conditions, factors and legislation. It is understood and agreed that such conditions, factors and legislation have been properly investigated and considered by the Bidders while submitting the Bids. Failure to do so shall not relieve the Bidders from responsibility to estimate properly the cost of performing the work within the provided timeframe. Company (OIL) will assume no responsibility for any understandings or representations concerning conditions made by any of their officers prior to award of the Contract. Company (OIL) shall not permit any Changes to the time schedule of the Contract or any financial adjustments arising from the Bidder's lack of knowledge and its effect on the cost of execution of the Contract.

-END OF SECTION-I-

-END OF PART – 1-

PART – 2

SECTION-I

BID REJECTION CRITERIA (BRC)/BID EVALUATION CRITERIA (BEC)

FOR MUD ENGINEERING AND WASTE MANAGEMENT SERVICES

- A) BID REJECTION CRITERIA:** The bid shall conform generally to the specifications and terms and conditions given in the bidding documents. Bids will be rejected in case services offered do not conform to the required parameters stipulated in the technical specifications. Notwithstanding the general conformity of the bid to the stipulated specifications, the following requirements will have to be particularly met by the bidders without which the same will be considered as non-responsive and rejected.

1.0 **TECHNICAL:** Bidders must meet the following criteria :

1.1 **Experience of Bidder:**

- (i) The bidder should be in business of providing Mud Engineering services in-house to E&P operators during past five (5) years reckoned from Technical bid closing date. Drilling Waste Management Services, however, can be outsourced by the bidder through tie-up/consortium; but the outsourced party should have rendered similar services for past five (5) years reckoned from Technical bid closing date. The bidder should furnish documentary evidence including all information of one Contract/job carried out by them during the above period.
- (ii) Bidder should have provided Mud Engineering and Drilling Waste Management services for minimum 3 (three) numbers of exploratory wells in the past five (5) years reckoned from Technical bid closing date. The bidder is required to submit documentary evidence of such 3 (three) wells including but not limited to depth, mud system used in different stages, mud related downhole problems faced, if any, their solution etc.
- (iii) The bidder must have experience of providing mud engineering service using environment friendly mud system like Potassium Acetate Mud System/ KCl-KOH-PHPA/Potassium Formate /Glycol Amine etc. for at least two exploratory wells in past five (5) years.

1.2 **Experience of Bidder's Personnel:**

- (i) Deployment of competent personnel, as required for the service, should have minimum five (5) years of experience for lead mud engineer out of which at least three (3) years in handling mud system independently in exploratory wells and three (3) years for second mud engineer. Bidder should submit bio-data of at least three mud engineers at the time of bid submission.
- (ii) Deployment of one (1) qualified waste management supervisor, as required for the service should have minimum five (5) years of experience in Drilling Waste Management (DWM) system. The DWM operators must have minimum three

years of experience in similar systems. The bidder must submit the bio-data of one DWM supervisor and three DWM operators at the time of bid submission.

1.3 In case, the bidder is a **consortium of companies**, the following requirement should be satisfied by the bidder:

- (a) The leader of consortium should satisfy the experience criteria of Clause 1.1 above. However, any one of the consortium members individually shall have to meet the financial turnover criteria as mentioned in Clause 2.1 below.
- (b) The Leader of consortium should confirm unconditional acceptance of full responsibility of executing the 'Scope of Work' of this bid document. This confirmation should be submitted along with the Technical/un-priced bid.
- (c) All the members of consortium must undertake in their MOU that each party shall be jointly and severally liable to the Company for any and all obligations and responsibilities arising out of this contract. Notwithstanding anything to the contrary stated herein, the responsibility of completion of job under this Contract shall be that of the consortium leader.
- (d) MOU/ Agreement concluded by the bidder with consortium partners, should also be addressed to the Company, clearly stating that the MOU / Agreement is applicable to this Tender and shall be binding on them for the Contract period.

1.3.1 In case the bidder is a legal entity/affiliates of the Party (or, their parent company) to whom tender has been issued, the participating bidder should submit necessary documents to substantiate the same in addition to fulfilling all the criteria.

1.4 **Other Requirements:**

- (i) The bidder should submit Mine Safety Data Sheet (MSDS) and specification of chemicals at the time of bid submission **without which the bid will not be considered for bid evaluation.**
- (ii) The bidder must submit the necessary certificates from competent authorities indicating the suitability of the use of their proposed equipment in oil well drilling sites/ hazardous area.
- (iii) The competent personnel deployed for Mud Engineering and Drilling Waste Management services should be fluent in English language, both written and spoken.
- (iv) All the documents, certificates, information in support of meeting above criteria must be submitted along with the Technical bid.

- 1.5 **MOBILIZATION SCHEDULE:** The bidder must be in a position to mobilize the services as under:-

Particulars	Mobilization Time
Mobilization of tools, equipment, accessories, consumables & associated Services as per	Within 90 days of Mobilization notice issued by Company
Mobilization of Contractor's Personnel	Within 7 days of Mobilization notice issued by Company
Mobilization of tools, equipment, accessories, consumables & associated Services as per	Within 30 days of Mobilization notice issued by Company
Interim remobilization of tools, equipment, accessories, consumables & associated Services as per Scope of Work	Within 30 days of Mobilization notice issued by Company

2.0 **COMMERCIAL - BID SUBMISSION**

- 2.1 **FINANCIAL STRENGTH OF BIDDER:** Average annual financial turnover during the last 3 accounting years shall be minimum **INR 4.02 Crores or USD 0.62 million** for bidders offering the service.
- 2.2 The bids are to be submitted in a single stage two bid system, i.e. Technical Bid (Un-priced) and Commercial Bid (Priced) separately as per Part-1, Clause 5.0 of the Tender. Bids shall be rejected outright if the Technical Bid contains the prices.
- 2.3 Bidder shall offer **firm prices**. Price quoted by the successful bidder must remain firm during the execution of the Contract and not subject to variation on any account.
- 2.4 Bid Security in original must reach the office of **Chief Manager (M & C), Oil India Limited, Rajasthan Project, 2A, District Shopping Center, Saraswati Nagar, Basni, Jodhpur – 342 005**, Rajasthan, India, before the bid opening date and time, otherwise, bid will be rejected. However, timely delivery of the Bid-Security to the Office of Chief Manager (M&C) is the sole responsibility of the bidder. The amount of Bid Security shall be as specified in the "Forwarding Letter". Scanned copy of this Bid Security should also be submitted / uploaded online along with the un-priced (Technical) Bid. Public Sector Undertakings and Firms registered with NSIC/Directorate of Industries in India are exempted from submission of bid security against this tender. Bid security must be valid for **30** days more than the validity of bid. Bids with Bid security not having above minimum validity will be rejected.

Bid Security may also be paid online on or before the Bid Closing Date and Time mentioned in the Tender.

If bid security in ORIGINAL of requisite Amount (please refer Forwarding Letter) and Validity is not received or paid online within bid closing date and time, the bid submitted through electronic form will be rejected without any further consideration.

In case of extension of Bid Closing date against the tender where a bidder has already submitted his bid with requisite bid security validity within the original B.C. Date, such bidders will extend validity of bid security covering the extended period of the bid closing date.

2.5 Bids received in physical form, but not uploaded in OIL's e-Tender Portal will be rejected

2.6 Bidders must quote rates in accordance with the price schedule outlined in **PRICE BID FORMAT (PROFORMA-II)**, otherwise the Bid will be rejected. The Bids in which the rates for any part of the work are not quoted shall be rejected. However, if no charge is involved for any of the work/item, '**NIL**' should be mentioned against such part of work.

2.7 Bids received by Company after the Bid Closing Date and Time will be rejected.

2.8 The User ID and Password issued by the Company are not transferable. Offers made by bidders who have not been issued User ID/password and permitted to quote will be rejected.

2.9 Bid must be submitted electronically only through OIL's e-procurement portal. Bid submitted in any other form will be rejected.

2.10 Bids must be kept valid for a minimum **period of 120 days** from the date of scheduled bid closing (extended bid closing) date. Bids with inadequate validity will be rejected.

2.11 The Bids and all uploaded documents must be digitally signed using "Class 3" digital certificate [e-commerce application (Certificate with personal verification and Organization name)] as per Indian IT Act obtained from the licensed Certifying Authorities operating under the Root Certifying Authority of India (RCAI), Controller of Certifying Authorities (CCA) of India.

2.14 Bidders shall bear, within the quoted rates, the personal tax as applicable in respect of their personnel and Sub-Contractor's personnel, arising out of execution of the Contract.

2.15 Bidders shall bear, within the quoted rate, the corporate tax as applicable on the income from the Contract.

2.16 Any bid containing false statement may be liable for rejection.

2.17 Bidders must quote clearly and strictly in accordance with the price schedule outlined in Price-Bid Format of bidding document; otherwise the bid will be summarily rejected.

2.18 Bidder must accept and comply with the following clauses as given in the Tender Document in toto failing which offer shall be rejected:

- (i) Performance Guarantee Bond Clause
- (ii) Force Majeure Clause
- (iii) Tax Liabilities Clause
- (iv) Arbitration Clause
- (v) Acceptance of Jurisdiction and Applicable Law
- (vi) Liquidated damage cum penalty clause

- (vii) Safety and Labour Law
- (viii) Termination Clause
- (ix) Integrity Pact
- (x) Bid Security clause

3.0 GENERAL

- 3.1 **Proforma-I**, the compliance statement should be duly filled up. In case bidder takes exception to any clause of the tender document not covered under BEC/BRC, then the Company has the discretion to load or reject the offer on account of such exception if the bidder does not withdraw/modify the deviation when/as advised by Company. The loading so done by the Company will be final and binding on the bidders.
- 3.2 To ascertain the substantial responsiveness of the bid, the Company reserves the right to ask the bidder for clarification in respect of clauses covered under BEC/BRC also and such clarifications fulfilling the BEC/BRC clauses in toto must be received in “**ONE GO**” on or before the deadline given by the Company, failing which the offer will be summarily rejected.
- 3.3 If any of the clauses in the BRC contradict with other clauses of tender document elsewhere, then the clauses in the BRC shall prevail.

4.0 DOCUMENTS

Bidders must furnish documentary evidences with the specific chapters, separated by dividers, in the same order as set out here below (a) to (f) in support of fulfilling all the requirements.

- (a) **Experience of bidder** – Statement to be furnished by bidder in tabular form along with copies of contracts / work orders / completion certificates / proof of release of Performance Security/ final payment certificates issued by the clients/ any other documentary evidence that can substantiate the satisfactory execution of the contracts.
- (b) MOU/ Agreement concluded with consortium partners along with the Technical bid.
- (c) Financial turnover of bidder– Audited balance sheets / profit and loss accounts etc. for the past three (3) years.
- (d) Contractor's general structure and organisation, including the branch / sub-division dedicated to such activities.
- (e) Details of bidder's Health, Safety and Environmental Policy and Programme together with HSE Management System. HSE considerations on site and throughout the requirement are part of contractor's responsibility and Contractor must have proven methods for managing risks associated with its own scope of services and all interfaces with others. These methods must be clearly indicated.
- (f) Resume of key personnel to be involved in the services with experience in their respective position.

Bid without the listed documents or information shall be rejected.

B. BID EVALUATION CRITERIA:

The bids conforming to the technical specifications, terms and conditions stipulated in the tender and considered to be responsive after subjecting to Bid Rejection Criteria will be considered for further evaluation as per the Bid Evaluation Criteria given below.

- 5.1 To ascertain the inter-se-ranking, the comparison of the responsive bids will be made subject to loading for any deviation. Commercial Bids shall be evaluated taking into account the rates quoted in the **PRICE BID FORMAT as per Proforma – II.**

- 5.2 **Customs Duty:** No customs duty is considered for evaluation of the offers since imports under this contract are presently exempted from payment of custom duty as the proposed drilling activity shall be carried out in NELP Blocks of Rajasthan and KG Basin, Andhrapradesh.

6.0 Granting of Price Preference to Domestic Bidders (applicable to ICB tenders only)

Domestic bidders would be entitled to a price preference up to ten percent (10%) over the lowest acceptable (evaluated) foreign bid subject to value addition. For ensuring value addition and eligibility for price preference, domestic bidders should provide all evidence necessary to prove that they meet the following criteria:

- (a) Be registered within India
- (b) Have majority ownership by Nationals of India
- (c) Not sub-contract more than 50% of the works measured in terms of value, to foreign contractors.

For meeting the criteria at (c) above, domestic bidders should obtain a certificate in original from practicing Statutory Auditor engaged by them for auditing their annual accounts, which could establish that not more than 50% of the works measured in terms of value has been sub-contracted to foreign contractors. The original certificate indicating various sub-contracting details in percentage terms as well as in absolute value should be submitted in the priced bid. However, a copy of the Statutory Auditor's certificate indicating various sub-contracting details in percentage terms only and with price details should be submitted in the un-priced bid.

Consortium between domestic (Indian) and foreign firms led by Indian firm shall also be eligible for the price preference provided they fulfill the conditions of price preference given for domestic bidder at (a), (b) & (c) above.

However Consortium between domestic and foreign firms led by foreign firms shall not be eligible for price preference even though their domestic partner satisfies the conditions given for domestic bidder at (a), (b) & (c) above.

It must be noted that above information so furnished, if at any stage found wrong, incorrect or misleading, will attract action as per rules/law.

The bidders are requested to check the latest position on the subject on their own and OIL does not accept any liability whatsoever on this account.

PROFORMA -I

STATEMENT OF COMPLIANCE

(Only exceptions/deviations to be rendered)

SECTION NO. (PAGE NO.)	CLAUSE NO. SUB-CLAUSE NO.	COMPLIANCE/ NON COMPLIANCE	REMARKS

(Authorised Signatory)

Name of the bidder_____

NOTE: OIL INDIA LIMITED expects the bidders to fully accept the terms and conditions of the bid document. However, should the bidders still envisage some exceptions/deviations to the terms and conditions of the bid document; the same should be indicated here and put in the un-priced bid. If the proforma is left blank, then it would be presumed that the bidder has not taken any exception/deviation to the terms and conditions of the bid document.

PRICE BID FORMAT**FORMAT – A (EQUIPMENT)**

Sl.No.	DESCRIPTION	UNIT	QTY	Rate	AMOUNT
A	<u>EQUIPMENT</u>				
a	Mud Lab & Accessories				
a1.1	Mobilization Charges to RP	LS	1		
a1.2	Mobilization Charges to KGB	LS	1		
a2.1	Demobilization Charges to RP	LS	1		
a2.2	Demobilization Charges to KGB	LS	1		
a3	Rental Charges	Days	365		
a4	ILM Charges up to 50 km	LS	3		
a5	ILM Charges beyond 50 km	KM	100		
a6.1	ILM from RP to KGB	KM	2400		
a6.2	ILM from KGB to RP	KM	2400		
b	DWM-1				
b1.1	Mobilization Charges	LS	1		
b1.2	Mobilization Charges	LS	1		
b2.1	Demobilization Charges	LS	1		
b2.2	Demobilization Charges	LS	1		
b3	Rental Charges	Days	365		
b4	ILM Charges up to 50 km	LS	3		
b5	ILM Charges beyond 50 km	KM	100		
b6.1	ILM from RP to KGB	KM	2400		
b6.2	ILM from KGB to RP	KM	2400		
c	DWM-2 (On Call Out Basis)				
c1	Mobilization Charges	LS	3		
c2	Demobilization Charges	LS	3		
c3	Rental Charges	Days	80		
TOTAL EQUIPMENT CHARGES, A= a + b + c					
z1	Interim Demobilization - Remobilization Charges for Mud Lab & Accessories	LS	1		
z2	Interim Demobilization - Remobilization Charges for DWM Unit 1	LS	1		

Note: Interim demobilization & remobilization charges for Contractor's items in point no. 'z1' & 'z2' above shall not be considered for evaluation.

FORMAT – B (PERSONNEL)

Sl. No.	DESCRIPTION	UNIT	QTY	Rate	AMOUNT
B	<u>PERSONNEL</u>				
a	Lead Mud Engineer x 1 no.				
a1	Mobilization Charges	LS	4		
a2	Demobilization Charges	LS	4		
a3	ODRP	Days	320		
a4	SDRP	Days	45		
b	Night Mud Engineer x 1 no.				
b1	Mobilization Charges	LS	4		
b2	Demobilization Charges	LS	4		
b3	ODRP	Days	320		
b4	SDRP	Days	45		
c	DWM Supervisor x 1 no.				
c1	Mobilization Charges	LS	4		
c2	Demobilization Charges	LS	4		
c3	ODRP	Days	320		
c4	SDRP	Days	45		
d	DWM Operator x 2 nos.				
d1	Mobilization Charges	LS	4		
d2	Demobilization Charges	LS	4		
d3	ODRP	Days	320		
d4	SDRP	Days	45		
TOTAL PERSONNEL CHARGES, B= a + b + c + d					

FORMAT – C (CHEMICALS)

Sl. No.	Chemical	Brand Name	Unit	Quantity	Unit cost	Total Cost	Specs enclosed	MSDS enclosed
							Yes/No	Yes/No
1	Barytes		MT	1500				
2	Bentonite		MT	800				
3	Caustic Soda		MT	11				
4	CMC(HVG)		MT	10				
5	CMC(LVG)		MT	14				
6	CFLS		MT	12				
7	CL		MT	12				
8	PAC(R)		MT	117				
9	PAC(L)		MT	25				
10	XC Polymer		MT	16				
11	Soltex/Asphasol		MT	25				
12	Resinated Lignite		MT	24				
13	Linseed Oil		KL	20				
14	EP Lube		KL	13				
15	KCl		MT	130				
16	KOH		MT	20				
17	Mud Detergent		KL	4				
18	Pipelax		KL	4				
19	Mica		MT	16				
20	Saw dust		MT	16				
21	Jel flake		MT	4				
22	Cal carb (F/M/C)		MT	15				
23	Walnut shell		MT	5				
24	Defoamer		KL	4				
25	Biocide (ENV)		KL	4				
26	Soda ash		MT	10				
27	Sodium bicarb		MT	11				
28	Lime		MT	10				
28	Teepol		KL	1.5				
29	SAPP		MT	3.5				
30	CH3COOK		MT	190				
31	PHPA		MT	12				
32	Brine Corrosion Inhibitor		KL	1.5				
33	Zinc Carbonate		MT	2.5				
Total cost of chemicals, (C) :								

Note: Chemical names shown above are generic in nature. The bidder may quote for equivalent/substitute chemicals with proper technical literatures.

FORMAT – D (DWM CHEMICALS & CONSUMABLES)

Sl. No.	Consumables	Brand Name	Unit	Qty	Cost	Total Cost	Specs/MSDS submitted?
Chemicals for DWM							
a	Flocculent		MT	11			
b	Coagulant-1		MT	50			
c	Coagulant-2		MT	11			
Other Consumables for DWM							
d	10 micron absolute Cartridges		No	350			
e	5 micron absolute Cartridges		No	350			
f	25 micron bag filters		No	30			
g	40 micron bag filters		No	30			
Total Cost of DWM Chemical and Other Consumables, D= a + b + c + d + e + f + g							

Note: These are the general chemicals/consumables required for Drilling Waste Management Service. Contractor has to optimize the chemical treatment and process system of the Company based on lab studies in its laboratory based on actual effluent encountered at well site.

FORMAT – E (CONSUMABLES & CHEMICALS PROPOSED BY CONTRACTOR)

Item	Consumables	Brand Name	Unit	Qty	Cost	Total Cost	Specs/MSDS submitted?
a							
b							
c							
Total Cost of consumables & chemicals, E = a + b + c+.....							

TOTAL ESTIMATED CONTRACT VALUE [T] = A + B + C + D + E

NOTE:

- i) The items mentioned in above clause are to be read in conjunction with **Schedule of Rates** in Section III.
- ii) Bidders shall quote for all the items.
- iii) The quantities mentioned against each item in Schedule of Rate/Price Bid Format are for evaluation purposes only. However, payment will be made at actual.

Authorised Person's Signature: _____

Name: _____

Seal of the Bidder:

INTEGRITY PACT

Between

Oil India Limited (OIL) hereinafter referred to as "The Principal"

And

(Name of the bidder).....hereinafter referred to as "The Bidder/Contractor"

Preamble:

The Principal intends to award, under laid down organizational procedures, contract/s for -----
----- . The Principal values full compliance with all relevant laws and regulations, and the principles of economic use of resources, and of fairness and transparency in its relations with its Bidder/s and Contractor/s.

In order to achieve these goals, the Principal cooperates with the renowned international Non-Governmental Organization "Transparency International" (TI). Following TI's national and international experience, the Principal will appoint an external independent Monitor who will monitor the tender process and the execution of the contract for compliance with the principles mentioned above.

Section: 1 -Commitments of the Principal

(1) The Principal commits itself to take all measures necessary to prevent corruption and to observe the following principles:

1. No employee of the Principal, personally or through family members, will in connection with the tender for, or the execution of a contract, demand, take a promise for or accept, for him/herself or third person, any material or immaterial benefit which he/she is not legally entitled to.

2. The Principal will, during the tender process treat all Bidders with equity and reason. The Principal will in particular, before and during the tender process, provide to all Bidders the same information and will not provide to any Bidder confidential/additional information through which the Bidder could obtain an advantage in relation to the tender process or the contract execution.

3. The Principal will exclude from the process all known prejudiced persons.

(2) If the Principal obtains information on the conduct of any of its employees which is a criminal offence under the relevant Anti-Corruption Laws of India, or if there be a **Page 2 of 5** substantive suspicions in this regard, the Principal will inform its Vigilance Office and in addition can initiate disciplinary actions.

Section: 2 -Commitments of the Bidder/Contractor

(1) The Bidder/Contractor commits itself to take all measures necessary to prevent corruption. He commits himself to observe the following principles during his participation in the tender process and during the contract execution.

1. The Bidder/Contractor will not, directly or through any other person or firm, offer, promise or give to any of the Principal's employees involved in the tender process or the execution of the contract or to any third person any material or immaterial benefit which he/she is not legally entitled to, in order to obtain in exchange any advantage of any kind whatsoever during the tender process or during the execution of the contract.

2. The Bidder/Contractor will not enter with other Bidders into any undisclosed Contract or understanding, whether formal or informal. This applies in particular to prices, specifications, certifications, Subsidiary contracts, submission or non-submission of bids or any other actions to restrict competitiveness or to introduce cartelization in the bidding process.

3. The Bidder/Contractor will not commit any offence under the relevant Anticorruption Laws of India; further the Bidder/Contractor will not use improperly, for purposes of competition or personal gain, or pass on to others, any information or document provided by the Principal as part of the business relationship, regarding plans, technical proposals and business details, including information contained or transmitted electronically.

4. The Bidder/Contractor will, when presenting his bid, disclose any and all payments he has made, is committed to or intends to make to agents, brokers or any other intermediaries in connection with the award of the contract.

(2) The Bidder/Contractor will not instigate third persons to commit offences outlined above or be an accessory to such offences.

Section 3 -Disqualification from tender process and exclusion from future Contracts

If the Bidder, before contract award has committed a transgression through a violation of Section 2 or in any other form such as to put his reliability or credibility as Bidder into question, the Principal is entitled to disqualify the Bidder from the tender process or to terminate the contract, if already signed, for such reason.

1. If the Bidder/Contractor has committed a transgression through a violation of Section 2 such as to put his reliability or credibility into question, the Principal is entitled also to exclude the Bidder/Contractor from future contract award processes. The imposition and duration of the exclusion will be determined by the severity of the transgression. The severity will be determined by the circumstances of the case, in particular the number of transgressions, the position of the transgressions within the company hierarchy of the Bidder and the amount of the damage. The exclusion will be imposed for a minimum of 6 months and maximum of 3 years.

2. The Bidder accepts and undertakes to respect and uphold the Principal's Absolute right to resort to and impose such exclusion and further accepts and undertakes not to challenge or question such exclusion on any ground, including the lack of any hearing

before the decision to resort to such exclusion is taken. This undertaking is given freely and after obtaining independent legal advice.

3. If the Bidder/Contractor can prove that he has restored/recouped the Damage caused by him and has installed a suitable corruption prevention system, the Principal may revoke the exclusion prematurely.

4. A transgression is considered to have occurred if in light of available evidence no reasonable doubt is possible.

Section 4 -Compensation for Damages

1. If the Principal has disqualified the Bidder from the tender process prior to the award according to Section 3, the Principal is entitled to demand and recover from the Bidder liquidated damages equivalent to 3 % of the value of the offer or the amount equivalent to Earnest Money Deposit/Bid Security, whichever is higher.
2. If the Principal has terminated the contract according to Section 3, or if the Principal is entitled to terminate the contract according to Section 3, the Principal shall be entitled to demand and recover from the Contractor liquidated damages equivalent to 5% of the contract value or the amount equivalent to Security Deposit/Performance Bank Guarantee, whichever is higher.
3. The bidder agrees and undertakes to pay the said amounts without protest or demur subject only to condition that if the Bidder/Contractor can prove and establish that the exclusion of the Bidder from the tender process or the termination of the contract after the contract award has caused no damage or less damage than the amount or the liquidated damages, the Bidder/Contractor shall compensate the Principal only to the extent of the damage in the amount proved.

Section 5 -Previous transgression

1. The Bidder declares that no previous transgression occurred in the last 3 years with any other Company in any country conforming to the TI approach or with any other Public Sector Enterprise in India that could justify his exclusion from the tender process.
2. If the Bidder makes incorrect statement on this subject, he can be disqualified from the tender process or the contract, if already awarded, can be terminated for such reason.

Section: 6 -Equal treatment of all Bidders/Contractor/Subcontractors

1. The Bidder/Contractor undertakes to demand from all subcontractors a commitment in conformity with this Integrity Pact, and to submit it to the Principal before contract signing.
2. The Principal will enter into Contracts with identical conditions as this one with all Bidders, Contractors and Subcontractors.
3. The Principal will disqualify from the tender process all bidders who do not sign this Pact or violate its provisions.

Section: 7 -Criminal charges against violating Bidders/Contractors/ Subcontractors

If the Principal obtains knowledge of conduct of a Bidder, Contractor or Subcontractor, or of an employee or a representative or an associate of a Bidder, Contractor or Subcontractor, which constitutes corruption, or if the Principal has substantive suspicion in this regard, the Principal will inform the Vigilance Office.

Section: 8 -External Independent Monitor/Monitors

(three in number depending on the size of the contract)

(to be decided by the Chairperson of the Principal)

1. The Principal appoints competent and credible external independent Monitor for this Pact. The task of the Monitor is to review independently and objectively, whether and to what extent the parties comply with the obligations under this Contract.
2. The Monitor is not subject to instructions by the representatives of the parties and performs his functions neutrally and independently. He reports to the Chairperson of the Board of the Principal.
3. The Contractor accepts that the Monitor has the right to access without restriction to all Project documentation of the Principal including that provided by the Contractor. The Contractor will also grant the Monitor, upon his request and demonstration of a valid interest, unrestricted and unconditional access to his project documentation. The same is applicable to Subcontractors. The Monitor is under contractual obligation to treat the information and documents of the Bidder/Contractor/Subcontractor with confidentiality.
4. The Principal will provide to the Monitor sufficient information about all meetings among the parties related to the Project provided such meetings could have an impact on the contractual relations between the Principal and the Contractor. The parties offer to the Monitor the option to participate in such meetings.
5. As soon as the Monitor notices, or believes to notice, a violation of this Contract, he will so inform the Management of the Principal and request the Management to discontinue or heal the violation, or to take other relevant action. The Monitor can in this regard submit non-binding recommendations. Beyond this, the Monitor has no right to demand from the parties that they act in a specific manner, refrain from action or tolerate action.
6. The Monitor will submit a written report to the Chairperson of the Board of the Principal within 8 to 10 weeks from the date of reference or intimation to him by the 'Principal' and, should the occasion arise, submit proposals for correcting problematic situations.
7. If the Monitor has reported to the Chairperson of the Board a Substantiated suspicion of an offence under relevant Anti-Corruption Laws of India, and the Chairperson has not, within reasonable time, taken visible action to proceed against such offence or reported it to the Vigilance Office, the Monitor may also transmit this information directly to the Central Vigilance Commissioner, Government of India.
8. The word 'Monitor' would include both singular and plural.

Section: 9 -Pact Duration

This Pact begins when both parties have legally signed it. It expires for the Contractor 12 months after the last payment under the respective contract, and for all other Bidders 6 months after the contract has been awarded.

If any claim is made/ lodged during this time, the same shall be binding and continue to be valid despite the lapse of this pact as specified above, unless it is discharged/determined by Chairperson of the Principal.

Section: 10 -Other provisions

1. This Contract is subject to Indian Law. Place of performance and jurisdiction is the Registered Office of the Principal, i.e. Noida.
2. Changes and supplements as well as termination notices need to be made in writing. Side Contracts have not been made.
3. If the Contractor is a partnership or a consortium, this Contract must be, signed by all partners or consortium members.
4. Should one or several provisions of this Contract turn out to be invalid, the remainder of this Contract remains valid. In this case, the parties will strive to come to an Contract to their original intentions.

.....
For the Principal

.....
For the Bidder/Contractor

Witness 1:

Witness 2:

Place. JODHPUR.

Date í í í í í

NAME OF INDEPENDENT EXTERNAL MONITOR:

- (i) SRI RAGHAW SHARAN PANDEY, IAS (Retd.),
Former Secretary, MOP & NG,
E-mail ID: rspandey_99@yahoo.com
- (ii) SRI RAJIV MATHUR, IPS (Retd.)
E-mail ID: rajivmathur23@gmail.com

-- END OF SECTION-I --
-- END OF PART-2 --

PART-3

SECTION – I

GENERAL TERMS AND CONDITIONS

1.0 DEFINITIONS:

In the contract, the following terms shall be interpreted as indicated:

- (a) **"Approval"** as it relates to Company, means written approval;
- (b) **"Company"** or **"OIL"** means Oil India Limited;
- (c) **"Company's items"** means the equipment, materials and services, which are to be provided by Company at the expense of Company and listed in the Contract;
- (d) **"Company's Personnel"** means the personnel to be provided by OIL or OIL's contractor (other than the Contractor executing this Contract). The Company representatives of OIL and Consultant deployed by OIL for supervision of operations are also included in the Company's personnel;
- (e) **"Contract"** means agreement entered into between Company and Contractor, as recorded in the Contract Form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein;
- (f) **"Contractor"** means the individual or firm or Body incorporated performing the work under this Contract;
- (g) **"Contractor's items"** means the equipment, materials and services, which are to be provided by Contractor or to be provided by Company at the expense of the Contractor, which are listed in section II under Terms of Reference and Technical Specifications;
- (h) **"Contractor's Personnel"** means the personnel to be provided by the Contractor from time to time to provide services as per the contract;
- (i) **"Day"** means a calendar day of twenty-four (24) consecutive hours beginning at 06:00 hrs. and ending at 06:00 hrs;
- (j) **"Party"** shall mean either the Company or Contractor as the context so permits and, as expressed in the plural, shall mean the Company and Contractor collectively;
- (k) **"Site"** means the land and other places, on/under/ in or through which the works are to be executed by the Contractor and any other land and places provided by the Company for working space or any other purpose as designated hereinafter as forming part of the Site;
- (l) **"Work"** means each and every activity required for the successful performance of the services described in Section II, the Terms of Reference.
- (m) **"Gross Negligence"** means any act or failure to act (whether sole, joint or concurrent) by a person or entity which was intended to cause, or which was in reckless disregard of or wanton indifference to, avoidable and harmful consequences such person or entity knew, or should have known, would result from such act or failure to act. Notwithstanding the foregoing, Gross negligence

shall not include any action taken in good faith for the safeguard of life or property.

- (n) **“Wilful Misconduct”** means intentional disregard of good and prudent standards of performance or proper conduct under the Contract with knowledge that it is likely to result in any injury to any person or persons or loss or damage of property.
 - (o) **“Affiliate”** means any Person which Controls, or is Controlled by, or under common Control with a party; “Control” in this context means ownership of more than fifty percent (50%) of the shares of a Person and/or the right to appoint majority directors on Board by contract or otherwise.
 - (p) **“Co-venturers”** shall mean any co-venturers with the Company from time to time having an interest in either the PSC and/or a Joint and/or associated contracts for the purposes of exploration and production in Operating Contract the Operating Area and on whose behalf the Company would be deemed to have entered into this Contract.
- 2.0 EFFECTIVE DATE, MOBILISATION TIME, DATE OF COMMENCEMENT OF THE CONTRACT AND DURATION OF CONTRACT:
- 2.1 **EFFECTIVE DATE:** The contract shall become effective as of the date Company notifies Contractor (Successful Bidder) in writing (through Letter of Award) that it has been awarded the contract.
- 2.2 **MOBILISATION TIME:** As detailed in para 1.5 of PART-2 (BRC/BEC).
- 2.3 **COMMENCEMENT DATE OF THE CONTRACT:** The date on which the mobilization is completed in all respects is treated as date of commencement of Contract. The Commencement Date of the Contract will be reckoned from one day after the mobilization is certified by the Company to be completed as defined under Clause No. 2.2 above.
- 2.4 **DURATION / COMPLETION OF CONTRACT:** The Contract shall be initially for Drilling & Completion of 1(one) well at Rajasthan Project and 3 (three) Wells at KG-Basin Project, expected to be completed within a period of **1 (one) year** from the Date of Commencement of the Contract. The company shall have an option to extend the contract for a further period of **1 (one) year** at its discretion at the same rates, terms and conditions. The terms and conditions shall stand extended automatically until the completion /abandonment of the last well being drilled at the time of the end of the Contract. The duration of Contract, to be reckoned from the commencement date as defined in Clause 2.3 above, shall be till the date of completion of operation in the well and/ or upon issue of demobilization notice by Company.
- 3.0 **GENERAL OBLIGATIONS OF CONTRACTOR:** Contractor shall, in accordance with and subject to the terms and conditions of this Contract:
- 3.1 Provide Contractor’s items and personnel necessary to perform the services under the Contract as specified in this document. Contractor shall be liable to obtain any permits or licenses required for Contractor’s Personnel and the use of Contractor’s Items.

- 3.2 Arrange and be responsible for the maintenance and repair of all Contractors' items and will provide all spare parts, materials, consumables etc. during the entire period of the Contract at its own cost.
- 3.3 Perform the work described in the Terms of Reference (Section-II) in most economic and cost effective way.
- 3.4 Except as otherwise provided in the Terms of Reference and the special Conditions of the contract, provide all manpower as required to perform the Work.
- 3.5 Perform all other obligations, work and services which are required by the terms of this Contract or which reasonably can be implied from such terms as being necessary for the successful and timely completion of the Work.
- 3.6 Contractor shall be deemed to have satisfied himself before submitting their bid as to the correctness and sufficiency of its bid for the services required and of the rates and prices quoted, which rates and prices shall, except insofar as otherwise provided, cover all its obligations under the Contract.
- 3.7 Contractor shall give or provide all necessary supervision during the performance of the services and as long thereafter within the warranty period as Company may consider necessary for the proper fulfilling of Contractor's obligations under the contract.
- 3.8 Take all measures necessary to protect the personnel, Work and facilities; and shall observe all safety regulations in accordance with acceptable oilfield practice and applicable Indian Laws such as Mines safety rules etc. Contractor shall take all measures reasonably necessary to provide safe working conditions and shall exercise due care & caution in preventing fire, explosion and blow out.
- 4.0 **GENERAL OBLIGATIONS OF THE COMPANY:** Company shall, in accordance with and subject to the terms and conditions of this contract:
- 4.1 Pay Contractor in accordance with terms and conditions of the Contract. The period of time for which each rate shall be applicable shall be computed from and to the nearest quarter of an hour. The rates contained in the Contract shall be based on Contractor's operation being conducted on a seven (7) days week and a twenty-four (24) hours work day. Under the Contract, Contractor will be entitled to the applicable rate defined in Section III 'Schedule of Rates'. These rates are payable when the required condition has existed for a full 24 hours period. If the required condition existed for less than 24 hours then payments shall be made on pro-rata basis.
- 4.2 Allow Contractor access, subject to normal security and safety procedures, to all areas as required for orderly performance of the work.
- 4.3 Perform all other obligations required of Company by the terms of this Contract.
- 5.0 **PERSONNEL TO BE DEPLOYED BY THE CONTRACTOR:**
- 5.1 Contractor warrants that it shall provide competent, qualified and sufficiently experienced personnel as specified in the 'Terms of Reference and Technical Specifications' to perform the Work correctly and efficiently.
- 5.2 The Contractor should ensure that their personnel observe applicable Company's and statutory safety requirement. Upon Company's written request, Contractor, entirely at its own expense, shall remove immediately; any personnel of the

Contractor determined by the Company to be unsuitable and shall promptly replace such personnel with personnel acceptable to the Company.

- 5.3 Company shall provide only boarding & lodging facility at Site for **2 (two)** Contractor's personnel. The Contractor shall be solely responsible throughout the period of the Contract for providing all other requirements of their personnel including but not limited to, their transportation to & fro from Jaisalmer/ Kakinada/ field site, enroute/ local boarding, lodging & medical attention etc. Company shall have no responsibility or liability in this regard.
- 5.4 Contractor's key personnel shall be fluent in English language (both writing and speaking).

6.0 WARRANTY AND REMEDY OF DEFECTS

- 6.1 Contractor warrants that it shall perform the work in a professional manner and in accordance with their highest degree of quality, efficiency, and with the state of the art technology/inspection services and in conformity with all specifications, standards and drawings set forth or referred to in the Technical Specifications. They should comply with the instructions and guidance, which Company may give to the Contractor from time to time.
- 6.2 Should Company discover at any time during the tenure of the Contract or within 3 months from the date of Completion of Contract or till the Unit/equipment/tools are demobilised from site or base camp (if applicable) that the work does not conform to the foregoing warranty, Contractor shall after receipt of notice from Company, promptly perform any and all corrective work required to make the services conform to the Warranty. Such corrective Work shall be performed entirely at Contractor's own expenses. If such corrective Work is not performed within a reasonable time, the Company, at its option may have such remedial Work performed by others and charge the cost thereof to Contractor subject to a maximum of the contract value payable for the defective work which needs corrective action which the Contractor must pay promptly. In case Contractor fails to perform remedial work, or pay promptly in respect thereof, the performance security shall be forfeited.

7.0 CONFIDENTIALITY, USE OF CONTRACT DOCUMENTS AND INFORMATION:

- 7.1 Contractor shall not, without Company's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing pattern, sample or information furnished by or on behalf of Company in connection therewith, to any person other than a person employed by Contractor in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far, as may be necessary for purposes of such performance with prior permission from Company. However, nothing hereinabove contained shall deprive the Contractor of the right to use or disclose any information:

(a) which is possessed by the Contractor, as evidenced by the Contractor's written records, before receipt thereof from the Company which however the Contractor shall immediately inform to Company ;

or

(b) which is required to be disclosed by the Contractor pursuant to an order of a court of competent jurisdiction or other governmental agency having the power to order such disclosure, provided the Contractor uses its best efforts to

provide timely notice to Company of such order to permit Company an opportunity to contest such order subject to prior permission from Company.

- 7.2 Contractor shall not, without Company's prior written consent, make use of any document or information except for purposes of performing the contract.
- 7.3 Any document supplied to the Contractor in relation to the contract other than the Contract itself remain the property of Company and shall be returned (in all copies) to Company on completion of Contractor's performance under the Contract if so required by Company. However, the above obligation shall not extend to information which:
- i) is, at the time of disclosure, known to the public which Contractor shall immediately inform Company ;
 - ii) is lawfully becomes at a later date known to the public through no fault of Contractor subject to Contractor's undertaking that no information has been divulged by them to the public;
 - iii) is lawfully possessed by Contractor before receipt thereof from Company which should be immediately informed to Company;
 - iv) is developed by Contractor independently of the information disclosed by Company which should be shared with the Company;
 - v) Contractor is required to produce before competent authorities or by court order subject to prior permission from Company;

8.0 **TAXES:**

- 8.1 Tax levied on Contractor as per the provisions of Indian Income Tax Act and any other enactment/rules on income derived/payments received under the contract will be on Contractor's account.
- 8.2 Contractor shall be responsible for payment of personal taxes, if any, for all the personnel deployed in India by Contractor.
- 8.3 The Contractor shall furnish to the Company, if and when called upon to do so, relevant statement of accounts or any other information pertaining to work done under the contract for submitting the same to the Tax authorities, on specific request from them in accordance with provisions under the law. Other than the information provided by the Contractor, the Contractor shall not be responsible for any inaccurate information provided by the Company to the Tax authorities and the Company shall indemnify the Contractor for all claims, expenses, costs or losses of any nature arising from such inaccuracy. Contractor shall be responsible for preparing and filing the return of income etc. within the prescribed time limit to the appropriate authority.
- 8.4 Prior to start of operations under the contract, the Contractor shall furnish the Company with the necessary documents, as asked for by the Company and/ or any other information pertaining to the contract, which may be required to be submitted to the Income Tax authorities at the time of obtaining "No Objection Certificate" for releasing payments to the Contractor.

- 8.5 Corporate income tax will be deducted at source from the invoice at the specified rate of income tax as per the provisions of Indian Income Tax Act as may be in force from time to time and Company will issue TDS Certificate to the Contractor as per the provisions of Income Tax Act.
- 8.6 Corporate and personnel taxes on Contractor shall be the liability of the Contractor and the Company shall not assume any responsibility on this account.
- 8.7 All local and Central taxes, levies, R&D Cess, duties, and Octroi, etc. on purchases and sales made in India by Contractor or on the Sales made by Contractor to Company if any, shall be borne by Contractor.
- 8.8 Service Tax: The price excludes Services Tax and the service tax as applicable shall be to the Company account. The Service tax amount on the taxable part of the services provided by the Contractor shall be paid by the Company as per provisions of the Service Tax Act.
- 9.0 **INSURANCE**:
- 9.1 The Contractor shall arrange insurance to cover all risks in respect of their personnel, materials and equipment(except when tools/equipment are below Rotary Table or in the well bore) belonging to the Contractor or its subcontractor (if applicable) during the currency of the contract including the third party items/consumables. For materials/equipment belong to the Contractor or its sub-contractor, Contractor may self-insure the same.
- 9.2 Contractor shall at all time during the currency of the contract provide, pay for and maintain the following insurances amongst others except when tools/equipment are below Rotary Table or in the well bore:
- a) Workmen compensation insurance as required by the laws of the country of origin of the employee.
 - b) Employer's Liability Insurance as required by law in the country of origin of employee.
 - c) General Public Liability Insurance or Comprehensive General Liability insurance covering liabilities including contractual liability for bodily injury, including death of persons, and liabilities for damage of property. This insurance must cover all operations of Contractor required to fulfil the provisions under this contract.
 - d) Contractor's equipment used for execution of the work hereunder shall have an insurance cover with a suitable limit (as per international standards) except when tools / equipment are below Rotary Table or in the well bore or Contractor may self-insure its tools/ equipment.
 - e) Automobile Public Liability Insurance covering owned, non-owned and hired automobiles used in the performance of the work hereunder, with bodily injury limits and property damage limits as governed by Indian Insurance regulations.
 - f) Public Liability Insurance as required under Public Liability Insurance Act 1991, if applicable.

- 9.3 Any deductible set forth in any of the above insurance shall be borne by Contractor.
- 9.4 Contractor shall furnish to Company prior to commencement date, certificates of all its insurance policies covering the risks mentioned above.
- 9.5 If any of the above policies expire or are cancelled during the term of this contract and Contractor fails for any reason to renew such policies, then the Company will renew/replace same and charge the cost thereof to Contractor. Should there be a lapse in any insurance required to be carried out by the Contractor for any reason whatsoever, loss/damage claims resulting there from shall be to the sole account of Contractor.
- 9.6 Contractor shall require all of his sub-Contractor to provide such of the foregoing insurance coverage as Contractor is obliged to provide under this Contract and inform the Company about the coverage prior to the commencement of agreements with its sub-Contractors.
- 9.7 All insurance taken out by Contractor or their sub-contractor shall be endorsed to provide that the underwriters waive their rights of recourse on the Company and to the extent of the liabilities assumed by Contractor under this Contract.
- 10.0 CHANGES:
- 10.1 During the performance of the work, Company may make minor change to take care of any supplementary work within the general scope of this Contract including, but not limited to, changes in methodology, and minor additions to or deletions from the work to be performed. Contractor shall perform the work as changed. Changes of this nature will be affected by written order by the Company.
- 10.2 If any change result in an increase in compensation due to Contractor or in a credit due to Company, Contractor shall submit to Company an estimate of the amount of such compensation or credit in a form prescribed by Company. Such estimates shall be based on the rates shown in the Schedule of Rates. Upon review of Contractor's estimate, Contractor shall establish and set forth in the Change Order the amount of the compensation or credit for the change or a basis for determining a reasonable compensation or credit for the change. If Contractor disagrees with compensation or credit set forth in the Change Order, Contractor shall nevertheless perform the work as changed, and the parties will resolve the dispute in accordance with Clause 13 hereunder. Contractor's performance of the work as changed will not prejudice Contractor's request for additional compensation for work performed under the Change Order.
- 11.0 FORCE MAJEURE:
- 11.1 In the event of either party being rendered unable by 'Force Majeure' to perform any obligation required to be performed by them under the contract, the relative obligation of the party affected by such 'Force Majeure' will stand suspended for the period during which such cause lasts. The word 'Force Majeure' as employed herein shall mean acts of God, war, revolt, agitation, strikes, riot, fire, flood, sabotage, civil commotion, road barricade (but not due to interference of employment problem of the Contractor), acts of government of the two parties, which makes performance impossible or impracticable and any other cause, whether of kind herein enumerated or otherwise which are not within the control of the party to the contract and which renders performance of the contract by the said party impossible.

- 11.2 Upon occurrence of such cause and upon its termination, the party alleging that it has been rendered unable as aforesaid thereby, shall notify the other party in writing within Seventy Two (72) hours of the alleged beginning and ending thereof, giving full particulars and satisfactory evidence in support of its claim.
- 11.3 Should 'force majeure' condition as stated above occurs and should the same be notified within seventy two (72) hours after its occurrence the 'force majeure' rate shall apply for the first fifteen days. Parties will have the right to terminate the Contract if such 'force majeure' conditions continue beyond fifteen (15) days with prior written notice. Should either party decide not to terminate the Contract even under such condition, no payment would apply after expiry of fifteen (15) days force majeure period unless otherwise agreed to.
- 12.0 TERMINATION:
- 12.1 TERMINATION ON EXPIRY OF THE TERMS (DURATION): The contract shall be deemed to have been automatically terminated on the expiry of duration of the Contract or the extension period, if exercised by Company under the provision of the Contract.
- 12.2 TERMINATION ON ACCOUNT OF FORCE MAJEURE: Either party shall have the right to terminate this Contract on account of Force Majeure as set forth in Article 11.0 above.
- 12.3 TERMINATION ON ACCOUNT OF INSOLVENCY: In the event that the Contractor or its collaborator at any time during the term of the Contract, becomes insolvent or makes a voluntary assignment of its assets for the benefit of creditors or is adjudged bankrupt, then the Company shall, by a notice in writing have the right to terminate the Contract and all the Contractor's rights and privileges hereunder, shall stand terminated forthwith.
- 12.4 TERMINATION FOR UNSATISFACTORY PERFORMANCE: If the Company considers that, the performance of the Contractor is unsatisfactory, or not up to the expected standard, the Company shall notify the Contractor in writing and specify in details the cause of the dissatisfaction. The Company shall have the option to terminate the Contract by giving 15 days notice in writing to the Contractor, if Contractor fails to comply with the requisitions contained in the said written notice issued by the Company.
- 12.5 TERMINATION DUE TO CHANGE OF OWNERSHIP & ASSIGNMENT: In case the Contractor's rights and /or obligations under this Contract and/or the Contractor's rights, title and interest to the equipment/ material, are transferred or assigned without the Company's consent, the Company may at its absolute discretion, terminate this Contract.
- 12.6 If at any time during the term of this Contract, breakdown of Contractor's equipment results in Contractors being unable to perform their obligations hereunder for a period of 15 successive days, Company at its option, may terminate this Contract in its entirety without any further right or obligation on the part of the Company, except for the payment of money then due. No notice shall be served by the Company under the condition stated above.
- 12.7 Notwithstanding any provisions herein to the contrary, the Contract may be terminated at any time by the Company on giving 30 (thirty) days written notice to the Contractor due to any other reason not covered under the above clause from 12.1 to 12.6 and in the event of such termination the Company shall not be liable to pay any cost or damage to the Contractor except for payment for

services as per the Contract up to the date of termination including the De-mob cost, if any.

12.8 CONSEQUENCES OF TERMINATION: In all cases of termination herein set forth, the relative obligations of the parties to the Contract shall be limited to the period up to the date of termination. Notwithstanding the termination of this Contract, the parties shall continue to be bound by the provisions of this Contract that reasonably require some action or forbearance after such termination.

12.9 Upon termination of this Contract, Contractor shall return to Company all of Company's items, which are at the time in Contractor's possession.

12.10 In the event of termination of contract, Company will issue Notice of termination of the contract with date or event after which the contract will be terminated. The contract shall then stand terminated and the Contractor shall demobilize their personnel & materials.

13.0 SETTLEMENT OF DISPUTES AND ARBITRATION:

13.1 Arbitration (Applicable for Suppliers/Contractors other than PSU):

Except as otherwise provided elsewhere in the contract, if any dispute, difference, question or disagreement arises between the parties hereto or their respective representatives or assignees, in connection with construction, meaning, operation, effect, interpretation of the contract or breach thereof which parties are unable to settle mutually, the same shall be referred to Arbitration as provided hereunder :

1. A party wishing to commence arbitration proceeding shall invoke Arbitration Clause by giving 30 days notice to the other party. The notice invoking arbitration shall specify all the points of dispute with details of the amount claimed to be referred to arbitration at the time of invocation of arbitration and not thereafter. If the claim is in foreign currency, the claimant shall indicate its value in Indian Rupee for the purpose of constitution of the arbitral tribunal.

2. The number of arbitrators and the appointing authority will be as under:

Claim amount (excluding claim for interest and counter claim, if any)	Number of Arbitrator	Appointing Authority
Up to INR 5 Crore	Sole Arbitrator	OIL
Above INR 5 Crore	3 Arbitrators	One Arbitrator by each party and the 3 rd Arbitrator, who shall be the presiding Arbitrator, by the two Arbitrators.

3. The parties agree that they shall appoint only those persons as arbitrators who accept the conditions of the arbitration clause. No person shall be appointed as Arbitrator or Presiding Arbitrator who does not accept the conditions of the arbitration clause.

4. Parties agree that there will be no objection if the Arbitrator appointed holds equity shares of OIL and/or is a retired officer of OIL/any PSU. However, neither party shall appoint its serving employees as arbitrator.

5. If any of the Arbitrators so appointed dies, resigns, becomes incapacitated or withdraws for any reason from the proceedings, it shall be lawful for the concerned party/arbitrators to appoint another person in his place in the same manner as aforesaid. Such person shall proceed with the reference from the stage where his predecessor had left if both parties consent for the same ; otherwise, he shall proceed de novo.

6. Parties agree that neither shall be entitled for any pre-reference or pendent-lite interest on its claims. Parties agree that any claim for such interest made by any party shall be void.

7. The arbitral tribunal shall make and publish the award within time stipulated as under:

Amount of Claims and counter claims(excluding interest)	Period for making and publishing of the award(counted from the date of first meeting of the Arbitrators)
Up to INR 5 Crore	Within 8 months
Above INR 5 Crore	Within 12 months

The above time limit can be extended by Arbitrator, for reasons to be recorded in writing, with the consent of the other parties.

8. If after commencement of the arbitration proceedings, the parties agree to settle the dispute mutually or refer the dispute to conciliation, the arbitrators shall put the proceedings in abeyance until such period as requested by the parties.

9. Each party shall be responsible to make arrangements for the travel and stay etc. of the arbitrator pointed by it. Claimant shall also be responsible for making arrangements for travel/stay arrangements of the Presiding Arbitrator and the expenses incurred shall be shared equally by the parties.

In case of sole arbitrator, OIL shall make all necessary arrangements for his travel, stay and the expenses incurred shall be shared equally by the parties.

10. The Arbitration shall be held at the place from where the contract has been awarded. However, parties to the contract can agree for a different place for the convenience of all concerned.

11. The Arbitrator(s) shall give reasoned and speaking award and it shall be final and binding on the parties.

12. Subject to aforesaid, provisions of the Arbitration and Conciliation Act, 1996 and any statutory modifications or re-enactment thereof shall apply to the arbitration proceedings under this clause.

13.2 Arbitration (applicable in case of Contract awarded on Public Sector Enterprise):

In the event of any dispute or difference relating to, arising from or connected with the Contract, such dispute or difference shall be referred by either party to the arbitration of one of the Arbitrators in the Department of Public Enterprises, to be nominated by the Secretary to the Government of India, In-Charge of the Bureau of Public Enterprises. The Arbitration and Conciliation Act 1996 shall not be applicable to the Arbitration under this clause. The award of the Arbitrator shall be binding upon the parties to the dispute, provided however; any party aggrieved by such award may make a further reference for setting aside or revision of the award to the Law Secretary, Department of Legal Affairs, Ministry of Law and Justice, Government of India. Upon such reference, the dispute shall be decided by the Law Secretary or the Special Secretary/Additional Secretary, whose decision shall bind the parties finally and conclusively. The parties in the dispute will share equally the cost of the arbitration as intimated by the Arbitrator.

The venue of all arbitrations under both 13.1 & 13.2 will be Jodhpur, Rajasthan. The award made in pursuance thereof shall be binding on the parties.

14.0 NOTICES:

- 14.1 Any notice given by one party to other, pursuant to this Contract shall be sent in writing or by telex or Fax and confirmed in writing to the applicable address specified below:

Company:		Contractor:
For contractual matters Chief Manager (M&C) OIL INDIA LIMITED Rajasthan Project Jodhpur-342005	For technical matters Chief Chemist OIL INDIA LIMITED Rajasthan Project Jodhpur-342005	Fax No.: Tel. No.: E-mail:

- 14.2 A notice shall be effective when delivered or on the notice's effective date, whichever is later.

15.0 SUBCONTRACTING/ASSIGNMENT:

- 15.1 Contractor shall not subcontract, transfer or assign the contract, in full or any part under this contract, to any third party (ies). Except for the main services under this contract, Contractor may sub-contract the petty support services subject to Company's prior approval. However, Contractor shall be fully responsible for complete execution and performance of the services under the Contract.

16.0 MISCELLANEOUS PROVISIONS:

- 16.1 Contractor shall give notices and pay all fees at their own cost required to be given or paid by any National or State Statute, Ordinance, or other Law or any regulation, or bye-law of any local or other duly constituted authority as may be in force from time to time in India, in relation to the performance of the services and by the rules & regulations of all public bodies and companies whose property or rights are affected or may be affected in any way by the services.

- 16.2 Contractor shall conform in all respects with the provisions of any Statute, Ordinance of Law as aforesaid and the regulations or bye-law of any local or other duly constituted authority which may be applicable to the services and with such rules and regulation public bodies and Companies as aforesaid and shall keep Company indemnified against all penalties and liability of every kind for breach of any such Statute, Ordinance or Law, regulation or bye-law.
- 16.3 During the tenure of the Contract, Contractor shall keep the site where the services are being performed reasonably free from all unnecessary obstruction and shall store or dispose of any equipment and surplus materials and clear away and remove from the site any wreckage, rubbish or temporary works no longer required. On the completion of the services, Contractor shall clear away and remove from the site any surplus materials, rubbish or temporary works of every kind and leave the whole of the site clean and in workmanlike condition to the satisfaction of the Company.
- 16.4 Key personnel cannot be changed during the tenure of the Contract except due to sickness/death/resignation of the personnel in which case the replaced person should have equal experience and qualification, which will be again subject to approval, by the Company.

17.0 LIQUIDATED DAMAGES CUM PENALTY:

- 17.1 Time is the essence of this Contract. In the event of the Contractor's default in timely mobilization for commencement of operations within the period stipulated in Clause 2.2 of 'General Conditions of Contract', the Contractor shall be liable to pay liquidated damages at the rate of 1/2% of the estimated total Contract value per week or part thereof of delay subject to maximum of 7.5%. Liquidated Damages will be reckoned from the date after expiry of the scheduled mobilization period till the date of commencement of Contract as defined in Clause No. 2.0 of 'Section-I'.
- 17.2 In addition, the Company also reserves the right to cancel the Contract without any compensation whatsoever in case of failure to mobilize and commence operation within the stipulated period.
- 17.3 If the Contractor delays to mobilise / deploy the Unit and commence the operations within the stipulated mobilization period, it may request Operator for extension of time with unconditionally agreeing for payment of Liquidated Damages. Upon receipt of such requests, Operator may, at its discretion, extend the period of mobilization and as its sole remedy can recover from Contractor as ascertained and agreed Liquidated Damages and not by way of penalty a sum equivalent to 1/2 % of annual contract value (i.e. Effective Day Rate based on which bids were evaluated x 365 days) for each week of delay or part thereof subject to maximum of 10% of annual contract value.
- 17.4 Applicable L/D will be recovered from Mobilisation Bill. However, to avoid adverse impact on execution of Contract due to resource crunch on account of deduction of L/D in one go, OIL may consider deduction of LD in Installments on monthly basis on request from the party.
- 18.0 **PERFORMANCE SECURITY:** The Contractor has to furnish to Company a Bank Guarantee/LC for 7.1/2% of one year Contract Value valid till 6 months beyond the Contract Expiry/ Termination date towards Performance Security. The

performance security shall be payable to Company as compensation for any loss resulting from Contractor's failure to fulfill their obligations under the Contract. In the event of extension of the Contract period, the validity of the Bank Guarantee shall be suitably extended by the Contractor. The Bank Guarantee will be discharged by Company not later than 30 days following its expiry.

- 19.0 **ASSOCIATION OF COMPANY'S PERSONNEL:** Company's Engineer will be associated with the work throughout the operations. The Contractor shall execute the work with professional competence and in an efficient and workman like manner and provide Company with a standard of work customarily provided by reputed IP Survey Contractors to major International Oil Companies in the petroleum industry.
- 20.0 **LABOUR:** The recruitment of the labour shall be met from the areas of operation and wages will be according to the rates prevalent at the time which can be obtained from the District Authorities of the area. The facilities to be given to the labourers should conform to the provisions of labour laws as per contract Labour (Regulation and Abolition) Act, 1970.
- 21.0 **LIABILITY:**
- 21.1 Except as otherwise expressly provided, neither Company nor its servants, agents, nominees, Contractors, or sub-contractors shall have any liability or responsibility whatsoever to whomsoever for loss of or damage to the equipment and/or loss of or damage to the property of the Contractor and/or their Contractors or sub-contractors, irrespective of how such loss or damage is caused and even if caused by the negligence of Company and/or its servants, agent, nominees, assignees, contractors and sub-Contractors. The Contractor shall protect, defend, indemnify and hold harmless Company from and against such loss or damage and any suit, claim or expense resulting there from.
- 21.2 Neither Company nor its servants, agents, nominees, assignees, Contractors, sub-contractors shall have any liability or responsibility whatsoever for injury to, illness, or death of any employee of the Contractor and/or of its Contractors or sub-contractor irrespective of how such injury, illness or death is caused and even if caused by the negligence of Company and/or its servants, agents nominees, assignees, Contractors and sub-contractors. Contractor shall protect, defend, indemnify and hold harmless Company from and against such liabilities and any suit, claim or expense resulting there from.
- 21.3 The Contractor hereby agrees to waive its right of recourse and further agrees to cause its underwriters to waive their right of subrogation against Company and/or its underwriters, servants, agents, nominees, assignees, Contractors and sub-contractors for loss or damage to the equipment of the Contractor and/or its sub-contractors and/or their employees when such loss or damage or liabilities arises out of or in connection with the performance of the contract limited to the Contractor's liabilities agreed to under this Contract.
- 21.4 The Contractor hereby further agrees to waive its right of recourse and agrees to cause its underwriters to waive their right of subrogation against Company and/or its underwriters, servants, agents, nominees, assignees, Contractors and sub-contractors for injury to, illness or death of any employee of the Contractor and of its contractors, sub-contractors and/or their employees when such injury, illness or death arises out of or in connection with the performance of the contract limited to the Contractor's liabilities agreed to under this Contract.

- 21.5 Except as otherwise expressly provided, neither Contractor nor its servants, agents, nominees, Contractors or sub-contractors shall have any liability or responsibility whatsoever to whomsoever for loss of or damage to the equipment and/or loss or damage to the property of the Company and/or their Contractors or sub-contractors, irrespective of how such loss or damage is caused and even if caused by the negligence of Contractor and/or its servants, agents, nominees, assignees, Contractors and sub-contractors. The Company shall protect, defend, indemnify and hold harmless Contractor from and against such loss or damage and any suit, claim or expense resulting there from.
- 21.6 Neither Contractor nor its servants, agents, nominees, assignees, Contractors, sub-contractors shall have any liability or responsibility whatsoever to whomsoever for injury or illness, or death of any employee of the Company and/or of its Contractors or sub-contractors irrespective of how such injury, illness or death is caused and even if caused by the negligence of Contractor and/or its servants, agents, nominees, assignees, Contractors and sub-contractors. Company shall protect, defend indemnify and hold harmless Contractor from and against such liabilities and any suit, claim or expense resulting there from.
- 21.7 The Company agrees to waive its right of recourse and further agrees to cause its underwriters to waive their right of subrogation against Contractor and/or its underwriters, servants, agents, nominees, assignees, Contractors and sub-contractors for loss or damage to the equipment of Company and/or its contractors or sub-contractors when such loss or damage or liabilities arises out of or in connection with the performance of the contract.
- 21.8 The Company hereby further agrees to waive its right of recourse and agrees to cause it underwriters to waive their right of subrogation against Contractor and/or its underwriters, servants, agents, nominees, assignees, Contractors and sub-contractors for injury to, illness or death of any employee of the Company and of its Contractors, sub-contractors and/or their employees when such injury, illness or death arises out of or in connection with the performance of the Contract.
- 22.0 INDEMNITY AGREEMENT:
- 22.1 Except as provided hereof Contractor agrees to protect, defend, indemnify and hold Company harmless from and against all claims, suits, demands and causes of action, liabilities, expenses, cost, liens and judgments of every kind and character, without limit, which may arise in favour of Contractor's employees, agents, contractors and sub-contractors or their employees on account of bodily injury or death, or damage to personnel/properly as a result of the operations contemplated hereby, regardless of whether or not said claims, demands or causes of action arise out of the negligence or otherwise, in whole or in part or other faults.
- 22.2 Except as provided hereof Company agrees to protect, defend, indemnify and hold Contractor harmless from and against all claims, suits, demands and causes of action, liabilities, expenses, cost, liens and judgments of every kind and character, without limit, which may arise in favour of Company's employees, agents, contractors and sub-contractors or their employees on account of bodily injury or death, or damage to personnel/properly as a result of the operations contemplated hereby, regardless of whether or not said claims, demands or

causes of action arise out of the negligence or otherwise, in whole or in part or other faults.

- 23.0 INDEMNITY APPLICATION: The indemnities given herein above, whether given by Company or Contractor shall be without regard to fault or to the negligence of either party even though said loss, damage, liability, claim, demand, expense, cost or cause of action may be caused, occasioned by or contributed to by the negligence, either sole or concurrent of either party.
- 24.0 **PAYMENTS, MANNER OF PAYMENT, RATES OF PAYMENT, INVOICING PROCEDURE, SET-OFF:**
- 24.1 Full payment will be released after adjusting the recoveries/deductions, if any, against Contractor's invoice after completion of jobs in each well. Contractor must submit their invoice in triplicate to Chief Chemist of Company, payment against which will be released by Company by way of cheque/electronic transfer within thirty (30) days of receipt, if undisputed. Dispute, if any, will be intimated to the Contractor within twenty (20) days of submission of invoice and the payment will be released only after such problem/anomalies are settled.
- 24.2 Company shall pay to the Contractor during the term of the Contract the amount due from time to time calculated according to the rates of payment set and in accordance with other provisions hereof. No. other payments shall be due from Company unless specifically provided for in the Contract. Payment to the third party supplier(s) of the items/ consumables shall be made after receipt of goods at site duly certified by authorized personnel of the Company. All payments will be made in accordance with the terms hereinafter described.
- 24.3 Manner of Payment: All payments due by Company to Contractor hereunder shall be made at Contractor's designated bank. Bank charges, if any will be on account of the Contractor.
- 24.4 Payment of any invoices shall not prejudice the right of Company to question the validity of any charges therein, provided Company within one year after the date of payment shall make and deliver to Contractor written notice of objection to any item or items the validity of which Company questions.
- 24.5 **Invoices:** Mobilization charges will be invoiced only upon completion of mobilization when the entire equipment, chemicals and personnel are ready at site for starting the job as certified by Company Representative. Payment of mobilization charges shall be made within forty five (45) days following the date of receipt of undisputed invoices by Company.
- 24.6 Contractor shall send invoice to Company on the day following the end of each month for all daily or monthly charges due to the Contractor.
- 24.7 Contractor will submit three (3) sets of all invoices duly super scribed 'Original' and 'Copy' as applicable to the Company for processing payment. Separate invoices for the charges payable under the contract shall be submitted by the Contractor for foreign currency and Indian currency.
- 24.8 Payment of monthly invoices, if undisputed, shall be made within thirty (30) days following the date of receipt of invoice by Company.

- 24.9 Company shall within thirty (30) days of receipt of the invoice notify the Contractor of any item under dispute, specifying the reasons thereof, in which event, payment of the disputed amount may be withheld until settlement of the dispute, but payment shall be made of any undisputed portion on or before the due date. This will not prejudice the Company's right to question the validity of the payment at a later date as envisaged in Clause 24.7 above.
- 24.10 The acceptance by Contractor of part payment on any billing not paid on or before the due date shall not be deemed a waiver of Contractor's rights in any other billing, the payment of which may then or thereafter be due.
- 24.11 Payment of demobilization charges shall be made when applicable within forty five (45) days following receipt of invoice by Company accompanied by the following documents from the Contractor:
- a) Audited account up to completion of the Contract.
 - b) Tax audit report for the above period as required under the Indian Tax Laws.
 - c) Documentary evidence regarding the submission of returns and payment to taxes for the expatriate personnel engaged by the Contractor or by its sub-Contractor.
 - d) Proof of re-export of all items including the unutilized spares and consumables (excepting consumables consumed during the contract period) and also cancellation of re-export bond if any.
 - e) Any other documents as required by applicable Indian Laws.

In case, no demobilization charges are payable, the documents mentioned above will have to be submitted by the Contractor before release of the final payment by the Company. A certificate from Chartered Accountant on (a), (b) & (c) above will suffice

- 24.12 Contractor shall maintain complete and correct records of all information on which Contractor's invoice are based up to 2 (two) years from the date of last invoice. Such records shall be required for making appropriate adjustments or payments by either party in case of subsequent audit query/objection. Any audit conducted by Company of Contractor's records, as provided herein, shall be limited to Company's verification (i) of the accuracy of all charges made by Contractor to Company and (ii) that Contractor is otherwise in compliance with the terms and conditions of this Contract.
- 24.13 **SET-OFF:** Any sum of money due and payable to the Contractor(including Performance Security refundable to them) under this or any other Contract may be appropriated by OIL and set-off against any claim of OIL(or such other person or persons contracting through OIL) for payment of a sum of money arising out of this contract or under any other contract made by the Contractor with OIL(or such other person or persons contracting through OIL).
- 25.0 **WITHHOLDING:** Company may withhold or nullify the whole or any part of the amount due to Contractor, after informing the Contractor of the reasons in writing, on account of subsequently discovered evidence in order to protect Company from loss on account of :-
- a) For non-completion of jobs assigned as per Section-III.
 - b) Contractor's indebtedness arising out of execution of this Contract.
 - c) Defective work not remedied by Contractor.

- d) Claims by sub-Contractor of Contractor or others filed or on the basis of reasonable evidence indicating probable filing of such claims against Contractor.
- e) Failure of Contractor to pay or provide for the payment of salaries/ wages, contributions, unemployment compensation, taxes or enforced savings with-held from wages etc.
- f) Failure of Contractor to pay the cost of removal of unnecessary debris, materials, tools, or machinery.
- g) Damage to another Contractor of Company.
- h) All claims against Contractor for damages and injuries, and/or for non-payment of bills etc.
- i) Any failure by Contractor to fully reimburse Company under any of the indemnification provisions of this Contract. If, during the progress of the work Contractor shall allow any indebtedness to accrue for which Company, under any circumstances in the opinion of Company may be primarily or contingently liable or ultimately responsible and Contractor shall, within five days after demand is made by Company, fail to pay and discharge such indebtedness, then Company may during the period for which such indebtedness shall remain unpaid, with-hold from the amounts due to Contractor, a sum equal to the amount of such unpaid indebtedness.

Withholding will also be effected on account of the following:-

- i) Order issued by a Court of Law in India.
- ii) Income-tax deductible at source according to law prevalent from time to time in the country.
- iii) Any obligation of Contractor which by any law prevalent from time to time to be discharged by Company in the event of Contractor's failure to adhere to such laws.
- iv) Any payment due from Contractor in respect of unauthorised imports.

When all the above grounds for withholding payments shall be removed, payment shall thereafter be made for amounts so withhold.

Notwithstanding the foregoing, the right of Company to withhold shall be limited to damages, claims and failure on the part of Contractor, which is directly/indirectly related to some negligent act or omission on the part of Contractor.

26.0 APPLICABLE LAW:

- 26.1 The Contract shall be deemed to be a Contract made under, governed by and construed in accordance with the laws of India for the time being in force and shall be subject to the exclusive jurisdiction of Courts situated in Jodhpur.
- 26.2 The Contractor shall ensure full compliance of various Indian Laws and Statutory Regulations, to the extent applicable, as stated below, but not limited to, in force from time to time and obtain necessary permits/ licenses etc. from appropriate authorities for conducting operations under the Contract:

- a) The Mines Act 1952- as applicable to safety and employment conditions
- b) The Minimum Wages Act, 1948
- c) The Oil Mines Regulations, 1984
- d) The Workmen's Compensation Act, 1923
- e) The Payment of Wages Act, 1963
- f) The Payment of Bonus Act, 1965
- g) The Contract Labour (Regulation & Abolition) Act, 1970 and the rules framed there under

- h) The Employees Pension Scheme, 1995
- i) The Interstate Migrant Workmen Act., 1979 (Regulation of employment and conditions of service)
- j) The Employees Provident Fund and Miscellaneous Provisions Act, 1952
- k) The RST Act
- l) Service Tax Act
- m) Customs & Excise Act & Rules
- n) HSE Guidelines
- o) Labour License under Contract Labour (R&A) Act, 1970 & Central Rules-1971

26.3 If any expatriate personnel are engaged by the Contractor to perform the services required under the contract, securing permission from Ministry of External Affairs (MEA), Ministry of Home Affairs (MOHA), Ministry of Defense (MOD) Govt. of India and Local Authorities on time shall rest on the Contractor. OIL will only assist the contractor by providing introductory letter / recommendatory letter required if any for securing the above permissions.

27.0 **RECORDS, REPORTS AND INSPECTION:** The Contractor shall, at all times, permit the Company and its authorised employees and representatives to inspect all the Work performed and to witness and check all the measurements and tests made in connection with the said work. The Contractor shall keep an authentic, accurate history and logs including safety records of each IP survey section with major items consumed, which shall be open at all reasonable times for inspection by the Company designated representatives and its authorised employees and representatives. The Contractor shall provide the Company designated representatives with a daily written report, on form prescribed by the Company showing details of operations during the preceding 24 hours and any other information related to the said IP survey requested by the Company whenever so requested. The Contractor shall not, without Company's written consent allow any third person(s) access to the said survey, or give out to any third person information in connection therewith.

28.0 **SUBSEQUENTLY ENACTED LAWS:** Subsequent to the date of issue of letter of award if there is a change in or enactment of any law or change in application or enforcement or interpretation of existing law by any governmental authority or public body, which results in addition/ reduction in cost to Contractor on account of the operation contemplated under the Contract, the Company/Contractor shall reimburse the Contractor/pay Company for such additional/reduced costs actually incurred/saved by Contractor, subject to the submission of documentary evidence by Contractor/Company.

29.0 **ROYALTY AND PATENTS:** Each party shall hold harmless and indemnify the other from and against all claim and proceedings for or on account of any patent rights, design, trade mark or other protected rights arising from any use of materials, equipment, processes, inventions and methods which have not been imposed on the attending party by the terms of the contract or the specifications or drawings forming part thereof.

30.0 **LIMITATION OF LIABILITY:** Notwithstanding any other provisions herein to the contrary, except only in cases of wilful misconduct and / or criminal acts,

- (a) Neither the Contractor nor the Company (OIL) shall be liable to the other, whether in Contract, tort, or otherwise, for any consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs.

- (b) Notwithstanding any other provisions incorporated elsewhere in the contract, the aggregate liability of the Contractor in respect of this contract, whether under Contract, in tort or otherwise, shall not exceed 50% of the Annualized Contract Price, provided however that this limitation shall not apply to the cost of repairing or replacing defective equipment by the Contractor, or to any obligation of the Contractor to indemnify the Company with respect to Intellectual Property Rights.
 - (c) Company shall indemnify and keep indemnified Contractor harmless from and against any and all claims, costs, losses and liabilities in excess of the aggregate liability amount in terms of clause (b) above.
- 31.0 **WAIVER**: Any delay in exercising and any omission to exercise any right, power or remedy exercisable by the Company under this contract shall not impair such right, power or remedy nor shall any waiver by the Company of any breach by the Contractor of any provision of this contract prevent the subsequent enforcement of that provision by the Company or be deemed a waiver by the Company of any subsequent breach by the Contractor.

*******END OF SECTON-I*******

PART-3

SECTION-II

SPECIAL TERMS AND CONDITIONS

1.0 ASSOCIATION OF COMPANY'S PERSONNEL:

- 1.1 Company's nominated Chemists will be associated with supervision & guidance of the work to be carried out by the Contractor throughout the operations. The Contractor shall execute the Mud Engineering and Drilling Waste Management(DWM) services in a cost effective way with professional competence and in an efficient workman-like manner and provide Company with a standard of work customarily provided by reputed Mud Engineering/DWM Contractors to major international oil companies in the petroleum industry.

2.0 PROVISION OF PERSONNEL AND FACILITIES:

- 2.1 The Contractor shall provide the Mud Engineers and other personnel as may be required for job execution at site including testing/handling of Mud laboratory, supplying & storing of Mud Chemicals, formulation, preparation & monitoring of mud system etc. to ensure uninterrupted drilling of wells.
- 2.2 The Contractor shall provide the Drilling Waste Management (DWM) services personnel as may be required for job execution at site including testing/handling of DWM facilities, supplying & storing of Chemicals & monitoring of the system etc. to ensure uninterrupted treatment of Drilling Wastes.
- 2.3 The Mud Engineers/DWM personnel to be deployed by the Contractor for job execution at site must have the requisite experience & qualifications as detailed herein and should be fluent in English language. On Company's request, Contractor shall remove and replace at their own expenses any of their personnel whose presence is considered undesirable in the opinion of the Company.
- 2.4 The Contractor shall be responsible for, and shall provide for all requirements of his personnel and of their sub-contractor, if any, including but not limited to their insurance, transportation (both air and land transportation), vacation, salaries and all amenities, termination payment and all immigration requirement and taxes, if any, payable in India or outside at no extra charge to the Company.
- 2.5 Company will provide the Mud Engineers and DWM personnel's accommodation and preliminary first-aid services at well site free of charge. Company shall provide only boarding & lodging facility at Site for **5 (five)** Contractor's personnel.
- 2.6 **OIL shall not buy any leftover chemicals brought in by the Contractor after completion of the project/expiry of the contract under any circumstances.**
- 2.7 Bidder shall furnish the list of Equipments with type, make, and year of manufacture with supporting documents as per scope of work along with their offer.
- 3.0 **LABOUR:** The recruitment of the labour shall be met from the areas of operation and wages will be according to the rates prevalent at the time which can be obtained from the District Authorities of the area. The facilities to be given to the

labourers should conform to the provisions of labour laws as per Contract Labour (Regulation & Abolition) Act, 1970.

- 3.1 **SAFETY:** Contractor shall follow all safety norms as prevalent in the petroleum industry globally and also observe such safety regulations in accordance with acceptable oilfield practice and applicable Indian laws such as Mines safety rules etc. Contractor shall take all measures reasonably necessary to provide safe working conditions and shall exercise due care & caution in preventing fire, explosion and safe handling of chemicals at all times.
- 3.2 Contractor shall provide the Personal Protective Equipment (PPE) to their personnel.
- 3.3 **PROTECTION OF ENVIRONMENT:** In performance of the Contract, the Contractor shall carry out the services with due regard to concerns with respect to protection of the environment and conservation of natural resources and shall in particular comply with the requirements of applicable laws and the reasonable requirements of the Government from time to time.
- 4.0 **CONFIDENTIALITY OF INFORMATION:** All information obtained by Contractor in the conduct of operations and the information/maps provided by the Company to the Contractor shall be considered confidential and shall not be divulged by Contractor or its employees to any one other than the Company's personnel. This obligation of Contractor shall be in force even after termination of the Contract.
- 5.0 **OBLIGATION OF THE CONTRACTOR:**
- 5.1 Contractor at their cost shall arrange the clearance of all Chemicals, Equipment, spare parts, consumable, etc. from customs and port authorities in India. Company will provide all reasonable assistance but the responsibility for clearance will rest with the Contractor. Any demurrage in this process will be at Contractor's cost.
- 5.2 For clearance of imported items on concessional/nil rate of customs duty as prevailing now, Company will issue recommendatory letters for Contractor to obtain Essentiality Certificates (EC) from the DGH (India), provided proper commercial invoice(s) & request letter is received by Company in 20 days (min.) advance. Delay in submission of such documents or submission of improper/inadequate documents to Company in this regard will be at sole risk and liability of Contractor.
- 5.3 Contractor shall arrange for inland transportation of all chemicals, equipment, related spares & consumables from the port to the place of work and back at the end of the work at their own expense. Contractor shall carry sufficient stocks of these items for uninterrupted operation throughout the contractual period.
- 5.4 Contractor shall maintain proper account of the consumption of chemicals/spares and shall submit daily, weekly and monthly consumption/stock statements to the Company.
- 5.5 Contractor shall keep their equipments in good working order all throughout.
- 5.6 In case the Contractor imports the equipment etc. on re-export basis, the Contractor shall ensure for re-export of the equipment and all consumables and spares (except those consumed during the Contract period) and complete all documentation required. Company will issue necessary certificates etc. as required.

- 5.7 Any other works required for efficient and successful execution of work shall be carried out by the Contractor except those enumerated under the obligations of the Company defined below.
- 5.8 The Contractor shall furnish the list with Bio-data of key personnel proposed to be deployed prior to the commencement of work. The bio-data shall include the name, nationality, qualification, experience and passport details of the person.
- 5.9 The Contractor's personnel must be sound enough to provide the above services in international standard, failing which Company reserves the right to ask for removal of any Contractor's Personnel with 24 hours notice.
- 5.10 Contractor shall comply with Indian Laws and regulations of Government of India but not limited to laws in respect of inland travel, use of wireless sets, maps and charts, entry regulations, security restrictions, foreign exchange, work permits, import of equipment, employment of Indian nationals etc. Any other work required for the efficient and successful execution of work shall be carried out by the Contractor except those enumerated under the obligation of the Company defined in para 6.0 below.
- 5.11 In case of foreign nationals engaged for execution of the contract, the Contractor shall arrange for necessary permit, security clearance from Ministry of Defence, Ministry of External Affairs, Ministry of Home Affairs and concerned District Authorities. The Company shall only forward required introductory letter /recommendations for the same.
- 5.12 Inter location movement (ILM) of tools / equipment / accessories from first location to subsequent locations (at **East Godavari District, Andhra Pradesh, India**) shall be the responsibility of the Contractor.
- 5.13 The Contractor to demobilize all tools/equipment/accessories after completion of jobs at the fourth location (at KG-Basin, Andhra Pradesh) on receipt of Demobilization notice from the Company.
- 5.14 The Contractor shall evaluate the final effluents of DWM at a reputed laboratory recognised by State/Central Pollution Control Board at regular interval (weekly) and submit the report to the Company.

6.0 OBLIGATIONS OF COMPANY:

- 6.1 Company shall be responsible for Petroleum Exploration License (PEL) and consent to operate from appropriate authorities for carrying out the drilling operation. Administrative help will be provided by Company towards obtaining permits for the expatriates required for the operations. However, the Contractor shall make available the required details of the expatriates, for their permits, well in time.
- 6.2 Company shall organize all possible help from local Government/ Administration to Contractor's personnel and equipment in case of natural disasters, civil disturbances and epidemics.
- 6.3 **CUSTOMS DUTY:** *The Services under this Contract shall be carried out in NELP Block and therefore, imports under the Contract are presently exempted from customs duty.* Company shall provide recommendatory letters to Directorate General of Hydrocarbons, New Delhi (DGH) for issuance of Essentiality Certificate (EC) to enable Contractor to import goods for providing services under this Contract at concessional (Nil) customs duty. Contractor should provide the list of items to be imported under this Contract in the format specified in

Proforma-E for issuance of recommendatory letter to DGH. On shipment of goods as per **Proforma-E**, the Contractor shall intimate Company along with all shipping documents (with clear 15-20 working days notice) for arranging Recommendatory Letter provided all the documents submitted by the Contractor are in order. However, securing EC from DGH in time shall rest on the Contractor.

- 6.3.1 However, in the event customs duty is leviable during the course of contract arising out of a change in the policy of the Government, Company shall be liable for payment of the customs duties leviable in India on Contractor's items as provided in **Proforma-E** or the actual whichever is less, provided Contractor furnishes all necessary documents indicating the estimated customs duty at least 10 days in advance. Such payment of customs duty shall be arranged by Company and made available to the representatives of Contractor at Calcutta within 3 working days after Contractor submits the undisputed and clear necessary documents/duty assessment papers at Company's office at Calcutta. Contractor would be responsible for passing such payment to customs authorities at the port of entry. Company's obligation for customs duty payment shall be limited/restricted to the tariff rates as assessed by the customs on the day of clearance, or as on the last day of the stipulated mobilization period in case of clearance thereafter, on the CIF value of items in **Proforma-E** will be frozen and any increase in customs duty on account of increase in value on these will be to the Contractor's account. Furthermore, in case the above CIF value is not acceptable to assessing customs officer and as a result any excess customs duty becomes payable, it shall be to Contractors account. Before filing Bill of entry, the Contractor must consult the Company to avoid payment of excess customs duty.
- 6.3.2 Contractor shall, however, arrange clearance of such items from customs and port authorities in India and shall pay all requisite demurrages, if any, clearance fees/ charges, port fees, clearing and forwarding agent fees/charges, inland transport charges etc. Company shall provide all assistance by issuance of necessary letter of authority or other relevant documents and necessary help.
- 6.4 The Company shall provide, if required, all necessary documents for clearance from Govt. of India or States or their departments or undertakings and will extend all assistance and necessary help to the Contractor. The Contractor will give the Company forty five (45) days advance intimation for providing Import License, if any, provided all the documents submitted by the Contractor are in order.

- 7.0 COMPLETION OF DEMOBILIZATION:** Demobilization shall be completed by Contractor within 30 days of expiry/termination of the contract. After the completion of work, all equipment, accessories etc. brought into India on re-export basis shall be re-exported by Contractor except consumables and spares, which were consumed during the course of job execution under the contract. In case of failure to do so in the allotted time hereof except under circumstances relating to Force Majeure, Company reserves the right to withhold the estimated amount equivalent to the customs duty and/or penalty leviable by customs on such default in re-export from Contractor's final settlement of bills. In the event all/part of the equipment etc. are transferred by Contractor within the country to an area where no nil customs duty is applicable and/or sold to a third party after obtaining permission from Company and other appropriate government clearance in India, then Contractor shall be fully liable for payment of the custom duty.

-END OF SECTION - II-

PART-3
SECTION-III
BID FORM AND PRICE SCHEDULE

(A) BID FORM

Date :
Tender No. : CJG-8146-P16

Sis/Madam

Having examined the General and Special Conditions of Contract and the Terms of Reference including all attachments thereto, the receipt of which is hereby duly acknowledged, we the undersigned offer to perform the services in conformity with the said conditions of Contract and Scope of Work for the sum (Total Bid amount in words and figures) or such other sums as may be ascertained in accordance with the Schedule of Prices attached herewith and forms part of this bid.

We undertake, if our bid is accepted, to commence the work as per the mobilization stipulated in Para 1.5 of BRC/BEC.

If our bid is accepted, we will submit the **Bank Guarantee** not exceeding **7.5% of one year. Contract Value** for the due performance of the Contract.

We agree to abide by this bid for a period of 120 days from the date fixed for bid opening and it shall remain binding upon us and may be accepted at any time before the expiry of that period.

Until a formal Contract is prepared and executed, this bid, together with your written acceptance thereof in your notification of award shall constitute a binding Contract between us.

We understand that you are not bound to accept the lowest or any bid you may receive.

Dated thisday of 2015.

Signature:
(in the capacity of)
Bidder's Name:
Bidder's Full Address:

(B) **SCHEDULE OF RATES**

The bidder shall quote the rates in their **price bid** as per the format Proforma-II (details of price schedule is given below). **The payment shall, however, be made for the actual work done.** The payment shall be made for the actual work done and all "DAY RATE" charges shall be payable after prorating to nearest hour.

A. MOBILIZATION CHARGES:
[FOR TOOLS / EQUIPMENT WITH ALL ACCESSORIES / CONSUMABLES]

- a) Mobilization charges shall be one time **lump sum** charge which shall covers all local and foreign costs (if any) of the Contractor to mobilize the tools & equipment and Consumables as specified in the Contract, to the location and also includes all duties, any other local and foreign taxes, service tax, port fees, inland transportation and any other costs if applicable etc.
- b) **Mobilization Charges** as LUMP SUM amount shall be payable on the completion of **Mobilization** as defined in Clause 2.2 of Section I 'General Conditions of Contract'.
- c) Total Mobilization Charges quoted should not exceed 7.5% of the total Contract value.
- d) Company at its discretion may allow operations to start without completed mobilization. However, the shortfall items must be mobilized by the Contractor immediately thereafter. If Company permits the Contractor operations without completed mobilization, only 80% of Mobilization charges will become payable to the Contractor and the remaining 20% of mobilization charges will be deducted as penalty over and above the liquidated damages as set out in the Contract, which will not be paid by Company even after the shortfall items are made available. However, notwithstanding this provision for partial mobilization, Contractor must make all efforts for mobilization of Contractor's equipment, tools and accessories etc. as per the contractual provisions.

B. MOBILIZATION CHARGES FOR PERSONNEL:

- a) **Mobilization Charges** shall be **"LUMP SUM"** amount and shall cover all costs of Contractor include but not limited to travel expenses, in-transit accommodation charges, personal insurance etc. for Contractor's Personnel to reach the Company designated Site on receipt of the mobilization notice from Company.
- b) **Mobilization Charges** shall be payable to the Contractor after the completion of **Mobilization** of Contractor's Personnel as defined in Clause 2.2 of Section I 'General Conditions of Contract'.

C. DEMOBILIZATION CHARGES
[FOR TOOLS / EQUIPMENT WITH ALL ACCESSORIES / CONSUMABLES]

- a) The Demobilization Charges shall be payable one time on lump sum basis which include all charges towards demobilization of Contractor's tools, equipment along with all accessories from the drilling location to Contractor's base upon completion/termination of Contract.
- b) All charges connected with demobilization including all fees, duties and taxes in relation thereto, insurance and freight within India or on export/re-export outside India will be to Contractor's account.
- c) The Company shall give notice to the Contractor to commence demobilization. The Contractor will ensure that demobilization is completed within 30 (thirty) days from the date of notice from the Company.
- d) No charges, whatsoever, shall be payable to the Contractor from the date notice for demobilize is issued to the Contractor by the Company.
- e) Pursuant to Clause 24.11 and Clause 28.0 of 'General Conditions of Contract', Demobilization charges shall be paid to the Contractor for complete package of Tools/ Equipment/ Spare/ Accessories etc. after completion of the contractual period/ termination of the Contract.
- f) The Contractor will ensure that demobilization is completed and Company's work-site is cleared-off Contractor's property within 30 (thirty) days of notice from the Company. Penalty will be imposed "@10% per day" of De-Mobilization Charges for every additional day consumed by Contractor beyond stipulated 30 (thirty) days to complete De-Mobilization.
- g) Total Demobilization Charges quoted should not exceed 5% of the total Contract value.

D. DE-MOBILIZATION CHARGES :
[ALL PERSONNEL]

De-Mobilization Charges shall be payable to the Contractor as "**LUMP SUM**" amount for the Contractor's personnel after their departure from the well site on receipt of de-mobilization notice from the Company.

E. RENTAL CHARGES FOR ALL EQUIPMENT PER DAY
[FOR TOOLS / EQUIPMENT WITH ALL ACCESSORIES]

- a) Rental Charges for Contractor's tools & equipment (as specified in **Section-II**) shall be payable with effect from the date of completion of Mobilization.
- b) The Rental Charges includes the use of equipment, supply of spares and consumables, replacement/ maintenance cost and other operational requirement (if any) during the Contract period. The Contractor must maintain adequate stock of such regularly required items/spares at the drilling site under their possession to ensure uninterrupted service.

G. STANDBY DAY RATE FOR PERSONNEL (SDRP)

- a) **SDRP** shall be payable for the following Contractor's Personnel:

For Mud Engineering Services:

Lead Mud Engineer 1 (one) no.

Second Mud Engineer 1 (one) no.

For Drilling Waste Management Services:

Waste Management Supervisor: 1 (one) no.

Waste Management Operators: 2 (two) no.

- b) **SDRP** shall be payable to Contractor's Personnel for the period; operations are halt due to rig repair/standby/shutdown etc. leading to suspension of Mud Engineering/ Drilling Waste Management services continuously for more than 48 hours. However, for the initial consecutive 48 hours of suspension of Mud Engineering / Drilling Waste Management services under such condition, the **ODRP** as per **Clause 'C'** above shall be payable. The SDRP shall apply beyond the initial 48 hours till resumption of the services.
- c) **SDRP** shall not be payable to the Contractor for the period **ODRP** is being paid.

**H. INTERIM DEMOBILIZATION & REMOBILIZATION CHARGES
(TOOLS / EQUIPMENT / CONSUMABLES WITH ALL ACCESSORIES)**

- a) The bidder is required to quote **Interim Demobilization & Remobilization Charges** in LUMP SUM to any well **covering** rental Tools/ Equipment with accessories. The company retains the right to De-Mobilize Contractor's Equipment & Tools temporarily from any well and Re-Mobilize the consignment to same well or another well in case of, but not limited to, need for temporary suspension of Company's activity for operational reasons, or any other reason as deemed fit to the company. In such an event these charges in LUMP SUM amount are payable.
- b) No Charges, whatsoever, shall be payable from the time the Interim De-Mobilization notice is issued till Re-Mobilization is completed under Company's advice and duly certified by Company's representative.
- c) The total period of interim demobilization and remobilization during the Contract duration for equipment/ tools and accessories shall not exceed 3 (three) months. However, beyond said period, the interim demobilization and remobilization period may be extended by the parties at mutually agreed rates, terms and conditions. The Company, at its discretion, may add back such interim demobilization and remobilization period to the original Contract duration at the same rates, terms and conditions by giving 30 (thirty) days notice to the Contractor before the expiry of the Contract.

**I. INTER - LOCATION MOVEMENT (ILM) CHARGES :
(TOOLS / EQUIPMENT / CONSUMABLES WITH ALL ACCESSORIES)**

- i) Depending on the distance between locations, separate rates will be applicable as mentioned below
- a. Fixed Charge (Lump sum) per ILM up to 50 km

- b. Kilometer Charges for ILM in excess of 50 km. This will be in addition to lump sum rate for ILM up to 50 km as mentioned in (a) above.
- ii) The Contractor shall carry out inter-location movement of Contractor's items on completion of operation at one well & after receipt of notice from the Company. ILM Charges shall be payable after mobilization of Contractor's items to Company designated next location, only when all the tools/ equipment/ consumables are received and tools/ equipment are tested/ calibrated to its rated specifications to the satisfaction of the Company. The Contractor shall complete the Inter-location Movement within 15 (fifteen) days from the date of ILM notice issued by the Company if the distance between locations is up to 50KM. If ILM is more than 50 kilometer the time allowed shall be in proportion of 1 (one) day for each 50 km or part thereof. Day Rate Charges (Rental) shall start after the completion of ILM.
- iii) The Contractor shall be solely responsible for executing Inter-Location Movement that covers shifting of all tools / equipment / consumables / Accessories. However, the Company shall provide the crane at loading & unloading points only. Supervision, safety of the tools/ equipment/ consumables/ accessories during loading, transportation & unloading will be responsibility of the Contractor.
- iv) The Contractor is required to complete Inter-location movement inclusive of Dismantling of Contractor's facility in one well, Re-Installation and Re-Commissioning of same in next well as per operational requirement.
- v) No Day Rate Charges (RENTAL) for Tools / Equipment shall be payable during the period of inter location movement [from one well to next well] inclusive of Re-Installation & Re-Commissioning at next well. However, if the Contractor is not able to complete the ILM within the stipulated period due to the reasons not attributable to the Contractor, the Contractor shall be paid Day Rate Charges (Rental) for Tools/ Equipment on expiry of the stipulated period.

J. ZERO RATES:

Notwithstanding any provision in the Contract, no charges shall be payable for the period, the job or activity assigned to the Contractor is halted due to breakdown of Contractor's tools/equipment, non-availability of key personnel or for any other reason whatsoever attributable to the Contractor.

K. DAY RATE FOR TOOLS/ EQUIPMENT / PERSONNEL DURING FORCE MAJEURE:

- i) All rates quoted by the Bidder shall be restricted to 50% of respective charges under above circumstances.

This will be considered as **FORCE MAJEURE RATE**.

- ii) The **Force Majeure Rate** shall be payable during the first 10 (ten) days period of force majeure condition. No payment shall accrue to the Contractor beyond the first 10 (ten) days period unless mutually agreed upon.

L. GENERAL NOTES:

- i) Bidders should indicate name and address of their Indian agent if any and also should specify the percentage of commission if any involved and it should be included in the quoted rates. In case no Indian agent commission is involved, then the same should be shown as "NIL".
- ii) Bidder should submit the list of items with CIF value to be imported into India in connection with execution of this contract as per **Proforma-E**, enclosed.

- iii) From the **Proforma-E**, bidder should identify the items of re-exportable in nature (i.e. items which will not be consumed during the execution of the contract and required to be exported outside India after completion of the contract). Total CIF value of such items should be shown in the “PRICE BID FORMAT” as CIF (RE-EX).
- iv) Similarly from the **Proforma-E**, bidder should identify the items of consumable in nature (i.e. items which will be consumed during the execution of the contract). Total CIF value of such items should be shown in the “PRICE BID FORMAT” as CIF (CONSUMABLES).

-END OF SECTION-III-

PART-3

SECTION - IV

TERMS OF REFERENCE AND TECHNICAL SCOPE OF WORK

A. PREAMBLE:

1.0 DRILLING PROGRAM:

The program includes drilling and testing of 1 (one) well in Rajasthan Project and 3 (three) wells in KG Basin Project, Andhra Pradesh. All wells are designated as exploratory wells, vertical and / or deviated with @ 1000 m horizontal displacement. The maximum TVD is 3800 m.

2.0 BLOCK AREA

The Work is to be performed in Western India (Rajasthan Project) and in Eastern India (KG Basin Project) herein after referred to as the Contract Area in accordance with the drilling program.

2.1.0 WESTERN INDIA (RAJASTHAN PROJECT)

The onshore Block **RJ-ONN-2005/2** within the Jaisalmer Basin, Western Rajasthan was awarded to the consortium of Oil India Limited (OIL), Hindustan Oil Exploration Co. Ltd (HOEC) & HPCL-Mittal Energy Ltd. (HMEL) in NELP-VII round of bidding. The block has an area of 1517 Km² and located in the South-East of OIL's Tanot-Dandewala-Bagitibba Gas fields. OIL as operator holds 60% participating interest (PI), while JV partners HOEC & HMEL have participating interest (PI) of 20% each. As per committed MWP to the Govt. of India, Oil India Ltd. (OIL), being the Operator in the above-mentioned NELP block, has a commitment to drill nine (09) exploratory wells within the stipulated time frame in the great Thar Desert covered with sand dunes in western part of Jaisalmer District in the state of Rajasthan, India.

LOCATION OF THE BLOCK

The block: RJ-ONN-2005/2 is situated in the Rajasthan state and covers an area of 1517 sq km. Jaipur is the Capital city of Rajasthan and is well connected to other places in India by air, road and railways. The nearest international airport is located in New Delhi, the Capital city of India. The proposed area lies in between the following broad co-ordinates:

Coordinates of Block: RJ-ONN-2005/2

Points	Latitude (N)			Longitude (E)		
	Deg.	Min.	Sec.	Deg.	Min.	Sec.
A	27	39	30	70	10	0
B	27	39	00	70	47	0
C	27	36	00	70	50	00
D	27	33	30	70	44	24
E	27	28	00	70	49	50.9
F	27	24	00	70	54	0
G	27	24	00	70	18	0
H	27	26	45	70	20	15
A	27	39	30	70	10	0

MAP OF THE BLOCK RJ-ONN-2005/2

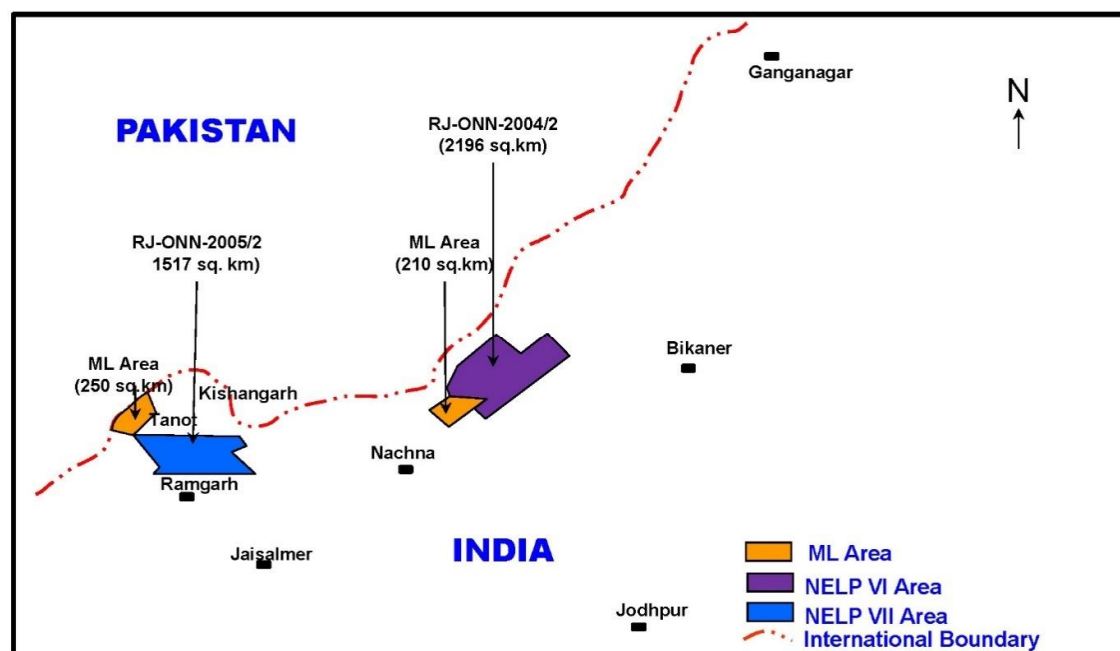


Figure: The location of the Block RJ-ONN-2005/2

GENERAL DESCRIPTION OF THE AREA

- i) Topography of site: The site is a part of Thar Desert.
- ii) Presence of sand dunes: Common occurrence in the vicinity.
- iii) Nature of top soil: Usually wind-blown sand.
- iv) Highest recorded wind velocity: 128 km/h.
- v) Frequency of sand storm: Frequent from March to September and occasional during the remaining period of the year.
- vi) Maximum recorded ambient temperature: 54 deg. C
- vii) Minimum recorded ambient temperature: (-5) deg. C
- viii) Average rain fall: 1" (25 mm)
- ix) Humidity: Maximum 40 %

2.1.1 COMMUNICATION TO THE BLOCK

The communication to the block RJ-ONN-2005/2 can be made through air, water, rail and road

- i) Nearest city: Jaisalmer
- ii) Nearest airport: Jodhpur.
- iii) Nearest Railway Station: Jaisalmer

2.1.2 Proposed Casing Program (subject to change): (Rajasthan Project)

Casing			Hole Size(inches)	Shoe Depth(meters)
Size(Inch)	Grade	Wt (ppf)		
20	J-55	94	26	200
13 5/8	N-80	68	17 1/2	1000
9 5/8	N-80	47	12 1/4	2200
5 1/2	N-80 / P-110	20	8 1/2	3800

2.1.3 Mud System: (Rajasthan Project)

Mud design is proposed to be water based as per below table:

Hole size (Inch) Drill	Estimate mud density section TD (PPG)	Tentative Mud System
26	ALAP	Water based Spud Mud
17 1/2	8.8 – 9.0	Lightly treated WBM
12 1/4	9 – 9.6	KCl-KOH-PHPA WBM
8 1/2	9.6 – 10.5	KCl-KOH-Polymer WBM

2.1.4 GEOLOGY OF THE AREA:

Block RJ-ONN-2005/2 is located within the Jaisalmer Basin, which forms part of a hydrocarbon province and comprises major part of the Western Rajasthan Shelf. The Western Rajasthan Shelf forms the eastern flank of the Indus Geosyncline and is divided into three basins, namely the Jaisalmer, Bikaner-Nagaur and Barmer-Sanchor basins. The Barmer-Sanchor Basin (about 11,000 Km²), is an elongated narrow graben and is separated from Jaisalmer Basin by the Devikot-Nachna uplift. The Bikaner-Nagaur Basin (about 70,000 Km²) is essentially a Palaeozoic Basin located to the East of Pokhran-Nachna High and is relatively shallow and represents the southern flank of the Indus Basin. The Bikaner-Nagaur Basin therefore, represents a vast sedimentary tract from the Aravalli to the Salt Range. The Jaisalmer Basin (about 45,000 Km²), represents the westerly dipping eastern flank of the Indus Shelf. It extends to the Mari region of Pakistan and forms part of the Indus Basin. The Jaisalmer Basin is differentiated from North to South into four tectonic blocks. The Kishangarh Sub-basin is part of a North-westerly homoclinally gentle dipping shelf with NE-SW depositional strike. The Jaisalmer-Mari High feature is located along the shoulder zone of Kanoi Fault and is attributed to the up-thrusting and wrench faulting; it is a zone of uplifted blocks. The Shahgarh Sub-basin is the deepest depression and is less disturbed having NNW-SSE trending faults, while the structurally simpler Miajlar Sub-basin is located in southern part of the basin. The area of operation falls in the Thar Desert covered with sand dunes of Western Rajasthan.

The sedimentary cycle in the region started with the deposition of Permian shallow-marine Karampur Formation. The Triassic and Early Jurassic phase indicated a major regression and deposition of predominantly fluvial to brackish deltaic clastics represented by Shumarwali and Lathi Formations. During middle Jurassic a stable shelf came into existence and deposition of thick carbonate (over 1200 m) took place followed by clastics of Baisakhi and Bedesir Formations under shallow marine conditions. With further regression, Pariwar Formation (coastal plain to marginal marine) of the Early Cretaceous age was deposited. The next phase of sedimentation started with the deposition of shallow marine Habur and marine Goru Formations. During Upper Cretaceous to Lower Paleocene, a major uplift took place resulting in the erosion of Cretaceous sequence along the axial high and basin margin. In the Early Paleocene to Middle Eocene, transgression continued and deposition of Sanu, Khuiala and Bandah Formations took place. Subsequently, the axial zone experienced intense compressive tectonics causing folding, faulting and uplift.

Generalized Stratigraphy/Lithology:

Expected stratigraphy for the well is shown in the table below:

Location 9 (RJCA):

Formation	Age	Formation Top (in meter)	Lithology
Alluvium/ Shumar	Quaternary	Surface	Unconsolidated sand

Bandah	Middle Eocene	Absent/ Minor Development	Mixture of fragmental and foraminiferal limestones, pyritic clays, marls and carbonaceous shales.
Khuiala	Early Eocene	290.00	Sandstone and orthoquartzite, siliceous, chalky algal limestones.
Sanu	Palaeocene	300.00	Reddish brown to dirty yellow, current bedded sandstones of freshwater origin, Variegated claystones with interbedded ferruginous shales.
Parh	Late Cretaceous	325.00	Olive-green to grey Marl, poorly consolidated, silty in part and grading to a moderately hard, yellowish grey, carbonaceous wackestone
Goru	Middle Cretaceous	Absent/ Minor Development	Upper Goru: Olive-green to grey Marl/ Carbonaceous Wackestone Lower Goru: very fine-grained, glauconitic, pyritic and micaceous sandstones and are interbedded with dark greenish-grey calcareous, micromicaceous and carbonaceous claystones and marls interpreted as outer shelf tide-dominated environment/Glauconitic sandstone/silty sandstone. The lower part of Lower Goru comprises of silty sandstones of coastal / lagoonal origin
Pariwar	Early Cretaceous	Absent/ Minor Development	Medium grained quartzitic sandstone with shales
Baisakhi+Bedesir	Late Jurassic to Early Cretaceous	750.00	Bedesir: Medium grained, calcareous and occasionally glauconitic sandstones with intercalations of siltstone, shale and minor claystone. Baisakhi: A basal claystone followed by sand bodies, which is overlain by sandstones and silty sandstones.
Jaisalmer	Middle Jurassic	1200.00	Cream and buff, oolitic, fossiliferous limestones and grey brown sandstones
Lathi	Early Jurassic	1370.00	Lower Lathi: Fresh-water, coarse-grained clastics, current-bedded sandstones and conglomerates, arkose and lithic arenites. Upper Lathi: Fine-grained sandstones, siltstones and shales with abundant fossil wood.
Shumarwali	Triassic	2170.00	Ferruginous sandstone, clayey sandstone, feldspathic sandstone, chert, claystone and shale. Sandstone is poorly sorted, varying from fine to coarse or very coarse grained
Karampur	Permian	2370.00	Upper Karampur: Fine grained, clayey sandstone to very coarse grained feldspathic sandstone with intermittent thin beds of claystone and shale. Lower Karampur: Alternations of Claystone / shale and sandstones.

Horizon 1/Upper Carbonate (?)	Infra Cambrian	3530.00	Dolostone /dolomite (?)
Basement	Pre-Cambrian	-	Volcanic-granitic basement (?)
Target Depth		3800.00	

Note: This is only Tentative Policy. The exact depth of Top of formation may vary.

2.1.5 Temperature v/s Depth Profile:

Geothermal gradient for OIL's gas producing Jaisalmer Field area is in the range of 20-22 deg. C/km. The surface temperature varies from 0 - 54 deg. C.

2.1.6 Sub-Surface Pressure:

Anticipated sub-surface pressure in the reservoir and TD down to the Jurassic reservoirs is expected to be hydrostatic.

2.1.7 Anticipated Well Hazards:

(i) **Mud Loss:** Although there was no mud loss history in the nearest well Ramgarh-1. However, as the well is relatively in an unexplored area with no drilled well in close vicinity. Care must be taken during drilling.

(ii) **H₂S Gas:** H₂S gas is not expected in the wells.

(iii) **Shallow Gas:** Shallow gas is expected in Khuiala, Sanu Formations. In the nearby well Ramgarh-1, wire line log interpretation showed positive indication of the presence of gas in four zones between 140-500m. Also during drilling, leakage of hydrocarbon gas through the 20 inchX30 inch casing annulus was observed.

2.2.0 EASTERN INDIA (KG BASIN PROJECT)

The Block KG-ONN-2004/1 of 549 SqKm area has been awarded by the Ministry of Petroleum & Natural Gas (MOP&NG), Govt. of India, under its New Exploration Licensing Policy (NELP) round VI, to the consortium of Oil India Limited (OIL), A Govt. of India Enterprise (with 90% stake as the Operator) & GeoGlobal Resources (GGR: Barbados) with 10% stake as the partner for the Block, for carrying out extensive & expeditious exploration for Petroleum & Natural Gas in the region. This 549 SqKm comprises of 511 Sq Km on land area in the district of East Godavari, Andhra Pradesh (AP) and that of 38 Sq.Kms. in the district of Yanam, Puducherry (UT).

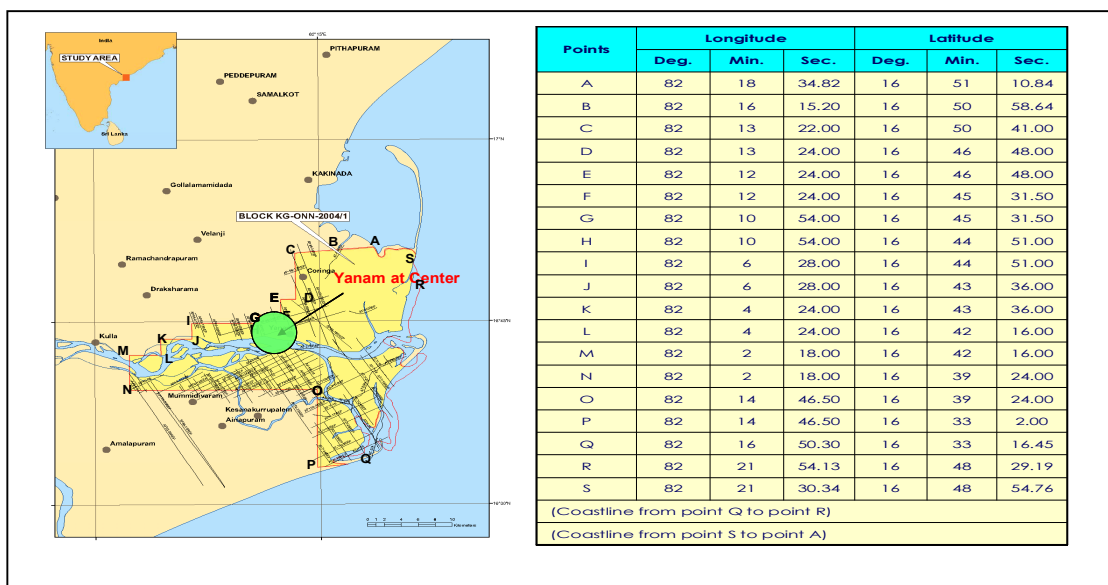


Figure-1a: The location of the Block KG-ONN-2004/1 in KG basin

2.2.1 COMMUNICATION TO THE BLOCK:

The communication to the Block KG-ONN-2004/1 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
3. Nearest Railway Junction
 - Samalkot : 20 Km
 - Kakinada : 05 Km
4. National Highway: : NH-5

2.2.2 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)
20	J-55	94	26	200	200	200
13 3/8	N-80	68	17 ½	900	1000	1300
9 5/8	N-80	47	12 1/4	1500	1900	2450
5 ½/7	N-80 / P-110	20/29	8 1/2	2700	2850	3650

2.2.3 Mud System:

Mud design is proposed to be water based as per below table:

Hole size (Inch) Drill	Estimate mud density section TD (PPG)	Tentative Mud System
26	ALAP	Water based Spud Mud
17 ½	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

2.2.4 Brief on Geology:

The Krishna-Godavari basin is a pericratonic basin with areal extent of approximately 45,000 km² (both onshore & offshore), located in the central part of the eastern passive continental margin of India. However, the basin extends into deeper water and covers a much larger area. Krishna and Godavari are the two major river systems, which drain the area and discharge in the Bay of Bengal and covers the deltaic and inter-deltaic areas of Krishna and Godavari rivers and extends into the offshore. This stretch of sedimentary tract contains a vast range of geologic settings, such as costal basin, delta, shelf-slope apron, deep-sea channel, and deep water fan complex.

Exploratory drilling of more than 350 wells in more than 160 structures has resulted in the discovery of 42 oil and gas bearing structures. Good source rocks are known from sequences ranging in age from Permian-Carboniferous to early Miocene. Because the reservoir sand bodies have limited lateral variation, understanding the stratigraphy and depositional sub environments in different sequences is essential to decipher the favourable locales for reservoir sands. Tilted fault blocks, growth faults, and related rollover anticlines provide the structural traps. Commercial accumulation of hydrocarbons occurs in sediments from the Permian to as young as the Pliocene. Estimated resources in the basin are around 2000 million tons of oil and oil-equivalent gas. The reservoirs are in sediments of all ages, Permian to Pliocene.

Generalized Stratigraphy/Lithology:

Block lies in the Gouthami- Godavari Delta and falling between Chintalapudi and Pithapuram cross trends. Tectonically majority of the area is within the NE-SW trending basin margin fault area. Expected stratigraphy for the block is shown in the table below:

Lithology Prognosis:

Well-1:

Formation top (mTVD)	Age	Formation	Lithological Description
Surface	Miocene to Recent	Rajahamundry Sand stone + Narsapur Clay & Younger.	Sand and Clay
630	Oligocene to Miocene	Matyapuri Sand stone	Sand stone with Clay inter beds
920	Mid. Miocene	Bhimanapalli Lime stone	Mainly Lime stone with claystone
1530	Lower Eocene to Late paleocene	Pasarlapudi & Palakollu	Sand/ S.St at Top and Clay/Clay stone below
2350	Upper Cretaceous	Tirupati S.St / Chintalapalli shale	Sandstone & Shale
T.D: 2700			

Well-2:

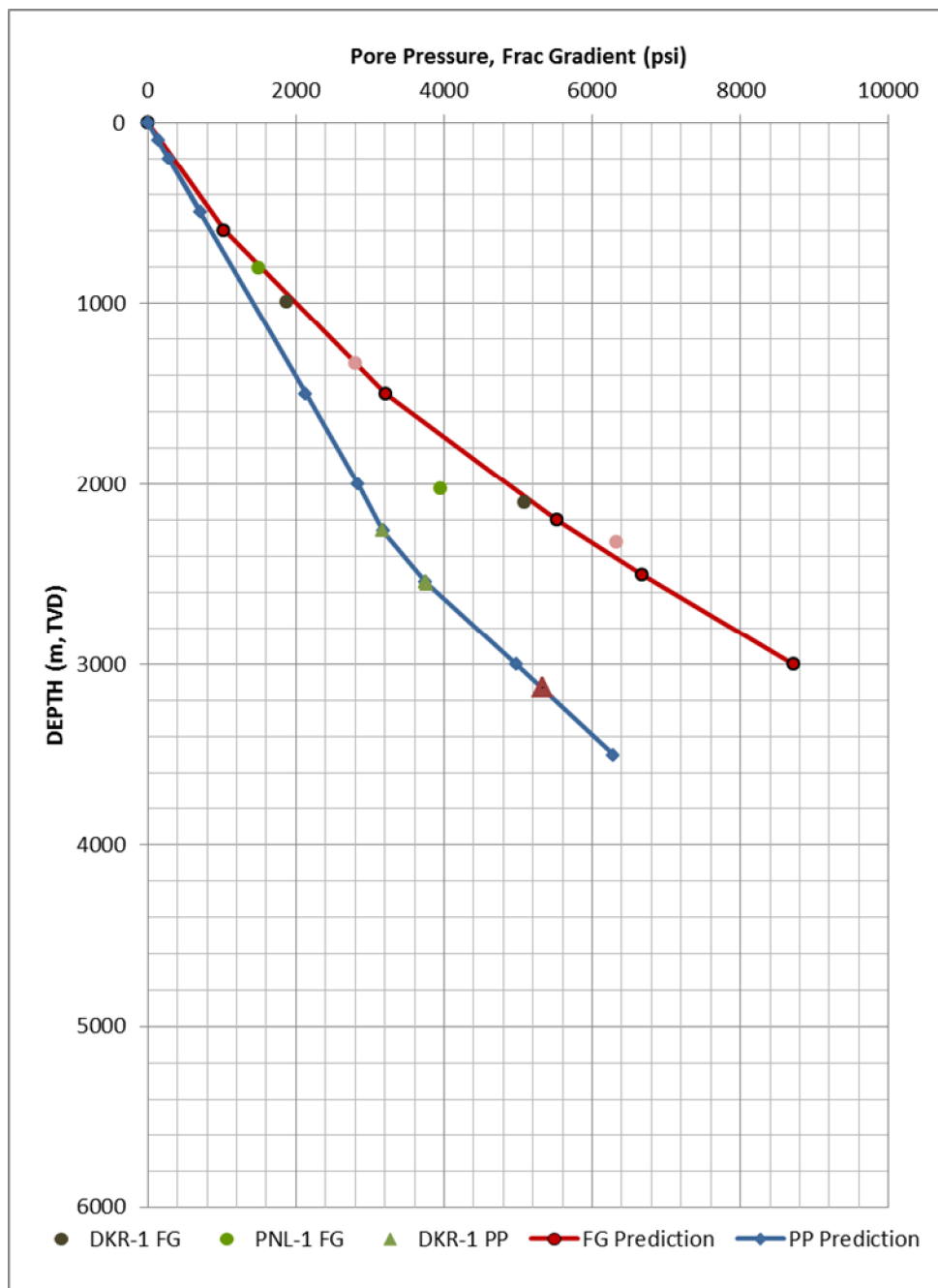
Formation top m TVD	Age	Formation	Lithological Description
Surface	Miocene to Recent	Rajahmundry sandstone + Narsapur clay stone & Younger rocks	Brick colored ferruginous sandstone, claystone
500	Oligocene - Miocene	Matsyapuri sandstone	Sandstone with clay inter beds
720	Mid. Miocene	Bhimanapalli limestone	Mainly limestone with claystone.
820	Lr. Eocene to Lt. Paleocene	Pasarlupudi formation/ Pallakollu shale	Sand/ S.St at Top and Clay/Clay stone below
1020	Palaeocene	Razole formation	Basalt with intertrappeans
1240	Upper Cretaceous	Tirupati sand Stone	Mainly Sand stone with thin Clay stone
1950	Lower Cretaceous	Raghavapuram Shale	Mainly Shale with thin sand stones
2300	Permo-Triassic	Kommugudem-Draksharama	Mainly Coal-shale with Sand stone
2800	Archeans	Metamorphic rock	Quartzitic Basement rocks.
TD: 2850			

Well -3:

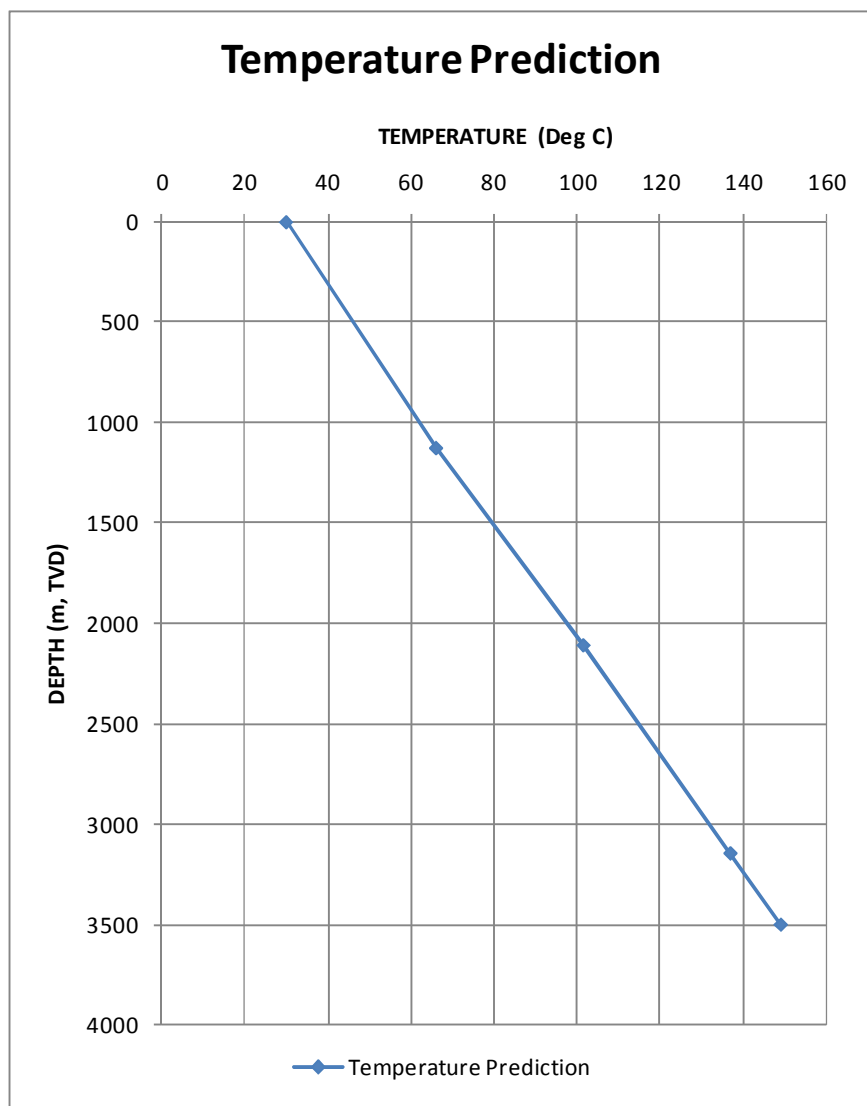
Formation top m TVD (mMD)	Age	Formation	Lithological Description
Surface	Miocene to Recent	Rajahmundry sandstone + Narsapur clay stone & Younger rocks	Mainly sand and clay

525	Oligocene-Miocene	Matsyapuri sandstone	Sandstone with shale/clay interbeds
780	Mid. Eocene	Bhimanapalli limestone	Mainly limestone
880	Lr. Eocene to Lt. Paleocene	Pasarlapudi formation	Sandstone with claystone
		Pallakollu shale	Mostly shale
1165	Paleocene	Razole formation	Basaltic flow with intertrappean
1380 (1390m)	Upper Cretaceous	Tirupati sand Stone	Sand Stone at top with shale at bottom
2620 (2770m)	Lower Cretaceous	Raghavapuram	Mainly shale with thin sand stone
2710 (2860m)	Permo-Triassic	Kommugudem Formation	Coal-Shale-Sandstone
3300 (3450m)	Pemian (?)	Draksharama Fm (?)	Basal sand-shale
TD: 3500mTVD (3650mMD)			

2.2.5 Anticipated Pressure Profile



2.2.6 Anticipated Temperature Profile



2.2.7 Anticipated Well Hazards:

Loss circulation is common in Bhimanapalli limestone formation, partial to sometime total loss is reported in nearby wells.

12-13% of CO₂ has been reported during testing of Kommugudem formation in nearby wells. H₂S is not expected in the wells. Anticipated maximum temperature at 3500 TVD is 150 deg. C

DIRECTINAL REQUIREMENTS

The tentative directional drilling plan is as under:

WELL	TVD (m)	Casing Policy	KOP (m)	Max Inclination	Deviated Hole Sections	Horizontal Displacement required (m)	Profile (J/S)	'Tentative' Additional Requirements
Well-3	3500	As per 4.0 above	1000 - 1200	35 deg	12 ¼", 8 ½"	800-1000m	S	Vertical profile in reservoir section

The above plan may change depending on the well design approved during execution

B. SCOPE OF WORK

1.0 MUD ENGINEERING

1.1 DESIGNING OF MUD PROGRAMME:

1.1.1 Based on the Geological Data and Depth Data & Drilling Policy of the wells, the Contractor shall design a phase wise mud program including detail mud formulation, mud weight and other important mud parameters, requirement of mud chemicals and anticipated volume usage for each phase of the well. The contractor is required to submit the same to company at least one week prior to spudding of the well.

1.1.2. Suggested mud policy is provided in **Annexure – 1**, SECTION- IV

1.1.3 The bidder shall indicate his laboratory formulation for both (a) KCl-PHPA mud system and (b) CH3COOK-Polymer-Asphasol semi-dispersed mud in **Table-1B(a)**, **Table-1B(b)**, and mud parameters in **Table-1C(a)**, **Table-1C(b)**.

1.1.4 The Contractor shall keep provision for addressing down hole complications including but not limited to cement contamination, mud loss, stuck pipe, caving, high pressure kick etc. and have back-up chemicals readily available.

1.1.5 The bidder is required to submit their internal standard operating procedures for operational situations including stuck pipe, loss circulation, high pressure etc. along with the bid.

1.2 MUD ENGINEERING SERVICE:

1.2.1 Contractor shall provide two (2) on-site Mud Engineers (Lead Engineer & Second Engineer) on 12 hrs shift duty basis.

1.2.2 The Lead Mud Engineer should have minimum five (5) years of experience out of which at least three (3) years in handling mud system independently in deep

exploratory wells. The Second Mud Engineer must have at least three (3) years of experience in exploratory wells. The Mud Engineers should have adequate / appropriate knowledge in working with contractor's materials, equipment and procedures for the services provided by the contractor. The Mud Engineers should be competent enough / should have sufficient experience in solving down hole complications such as in clause **1.1.4**, Section-IV. The Lead Mud Engineers shall work in close coordination with OIL Chemist/ Company's Representative and discusses/communicate all work plan related to operation and also guide the Second Engineer accordingly.

- 1.2.3 The on-site Mud Engineers are required to test mud samples for all parameters at least twice a day or as per operational requirement and submit daily operational report in standard format as per international practice including but not limited to hydraulics, mud parameters, material consumption, downhole complication etc. to OIL Chemist/Company representative. The daily report should also include volume of mud prepared and consumed, consumption of chemicals and other additives, status of solid control equipment etc.
- 1.2.4 The on-site Mud Engineers shall collect all relevant operational data from driller or any other data gathering system (MLU) and record it for taking operational decisions as well as for final well completion report (Mud Recap). The contractor shall submit the well completion report within fifteen days of completion of each well in standard format as per international practice.
- 1.2.5 The contractor shall submit bio-data / resume of 2-3 Mud Engineers in each category (Lead & Second engineer) for OIL's approval. The resume should specifically include but not limited to the following:
 - Length of experience in exploratory wells
 - Area / Field where and for whom worked
 - Type of mud system(s) worked with
 - Experience in solving down hole problems.
- 1.2.6 In case of foreign nationals engaged for execution of the contract, the Contractor shall arrange for necessary permit, security clearance from Ministry of Defence, Ministry of External Affairs, Ministry of Home Affairs and concerned District Authorities. The Company shall only forward required introductory letter /recommendations for the same.

1.3 **SUPPLY OF MUD AND COMPLETION CHEMICALS AND ADDITIVES:**

- 1.3.1 The contractor shall supply complete line of mud chemicals and additives conforming to relevant API / BIS specifications, required for preparation and maintenance of mud and completion fluid. The contractor shall maintain adequate stock of all chemicals including insurance chemicals / back-up chemicals and ensure timely supply as per operational requirement of the well. However, the payment will be made on actual consumption basis duly certified by OIL Chemist/ Company's Representative. OIL will provide adequate storage space at site to store chemicals for about a week's use only at a time. OIL shall

provide adequate space for barite in well site **BHP** (Bulk Handling Plant of 100 MT approx. capacity). **The contractor is required to maintain his warehouse for chemicals at a suitable place nearby and bring in chemicals to site on routine basis as per requirement.**

- 1.3.2 The contractor shall provide product data for each chemical including but not limited to brand name, unit of packing, country of origin, specification and Material Safety Data Sheet (MSDS). The contractor shall provide information on complete list of chemicals as per Table-2, Section-IV.
- 1.3.3 All the chemicals should be in their original packing. The chemicals should conform to API/BIS-specifications whichever is applicable to the particular chemical. Contractor shall provide the test report from a recognized laboratory for quality of chemicals, on request. However, OIL reserves the right to inspect and draw samples of drilling fluid and completion fluid chemicals for testing. If any chemical is found to be not conforming to the specifications, contractor shall replace the defective material within reasonable time with products of approved quality at his own cost without affecting operations.
- 1.3.4 OIL reserves the right to terminate the contract if the services, chemicals and additives are found to be of substandard quality and the contractor is unable to rectify / replace the same in reasonable time without affecting operations.
- 1.3.5 OIL shall not buy any leftover chemicals brought in by the Contractor after completion of the project/expiry of the contract under any circumstances.**

NOTE: Barite of API / BIS specifications (min 4.15 sp.gr) shall be supplied by the contractor. It is mandatory that the mercury and cadmium contents of barites should be less than 1mg/kg and 3mg/kg respectively. Barite failing to meet this standard will not be accepted.

1.4. **WELL SITE LABORATORY AND MUD TESTING KIT:**

- 1.4.1 The contractor shall provide a suitable well site laboratory complete with all regular mud checking equipment including but not limited to mud balance, MF Viscometer, API Filter press, HP-HT filter press, 6- speed viscometer equivalent to Fann model 35 SA, retort kit, blender, magnetic stirrer, hot plate, pH meter etc (Annexure-2)
- 1.4.2 The contractor shall provide all consumables, glass wares, reagents etc. required for mud checking.
- 1.4.3. The Contractor shall submit the detail list of lab equipment and consumables reagents etc. for testing of mud as per API Specifications along with offer.

1.5 **SAFETY, HEALTH AND ENVIRONMENT** :-

- 1.5.1 Contractor shall comply with applicable environmental laws, statutory regulations and mines act applicable to oil mines etc.

1.5.2. The mud engineers should have approved PPE as per international practice and perform duty in accordance with Contractor's own SHE policy. In addition to above, the mud engineers and other contractor personnel at well site must comply with OIL's internal SHE policy.

ANNEXURE-1

Suggested Mud Policy for KG-BASIN project

Hole/Casing size (inch)	Shoe depth (m)	Mud type	Planned mud wt (ppg)	Remarks
26 / 20	150	<i>Bentonite gel Spud mud</i>	ALAP	<ul style="list-style-type: none"> The recent top alluvium sand and clay formations may cause seepage losses.
17 ½ / 13 ⅜	1100	Lightly treated water based system	9-10	<ul style="list-style-type: none"> The primary lithology of this section is expected to be alluvium sand and clay, sandstone with clay-shale inter-bed, limestone and fractured basalt. Initially the drilling is resumed with Bentonite-Gel system. With progress of drilling the water loss of mud system is moderately controlled and system is kept non-dispersed. However, at deeper depth while drilling shale and clay, which may need some degree of dispersion, the mud system is to be partially dispersed with Lignite. CMC is to be used to control filter loss. ** This section may encounter partial to total mud loss.
12 ¼ / 9 ⅝	2300	CH ₃ COOK-KOH-PHPA-Polymer-Asphasol semi dispersed mud system	10-11	<ul style="list-style-type: none"> The lithology of this interval is expected to be dominantly clay, claystone, shale and sandstone. Hole cleaning, rheology, torque and drag related to shale and clay are main concerns in this stage. Providing inhibition to formation is the main thrust area in this stage Successful lowering of 9-5/8" casing to is prime objective.
8 ½ / 5 ½	3500	CH ₃ COOK - KOH-Polymer-semi dispersed mud system	11-12	<ul style="list-style-type: none"> The lithology of this section is mainly sandstone with minor shale inter-beds. During the course of drilling changes in mud parameter and hydraulic program may be made based on well requirement. This section will be cased with 5.1/2" casing.

TABLE - I

(A) TENTATIVE MUD POLICY :

MUD POLICY FOR RAJASTHAN PROJECT:

Hole Size	Mud System
26"	Bentonite gel Spud mud
17 1/2"	Lightly treated water based system
12 ¼"	KCl -KOH-PHPA-Polymer-Asphasol semi dispersed mud system
8 ½"	KCl -KOH-Polymer- semi dispersed mud system

MUD POLICY FOR KG BASIN PROJECT:

Hole Size	Mud System
26"	Bentonite gel Spud mud
17 1/2"	Lightly treated water based system
12 ¼"	CH3COOK -KOH-PHPA-Polymer-Asphasol semi dispersed mud system
8 ½"	CH3COOK -KOH-Polymer- semi dispersed mud system

- A. **MUD FORMULATION**: To be suggested by the contractor for 12 ¼ inch and 8 ½ inch hole sections for both (a) KCl-PHPA mud system and (b) CH3COOK-Polymer-Asphasol semi-dispersed mud in **Table-1B(a), Table-1B(b)**.

Table-1B(a) Rajasthan Project

Hole Size	Mud System
26"	
17 1/2"	
12 ¼"	
8 ½"	

Table-1B(b) KG Basin Project

Hole Size	Mud System
26"	
17 1/2"	
12 ¼"	
8 ½"	

C. **MUD PROPERTIES AND PARAMETERS:**

(To be indicated by the Bidder as per their formulation for 12 ¼ inch and 8 ½ inch hole sections both (a) KCl-PHPA mud system and (b) CH₃COOK-Polymer-Asphasol semi-dispersed mud in **Table-1C(a), Table-1C(b)**)

Table-1C(a)

Sl. No.	Mud property	Unit	Laboratory Testing		Remarks
			Before Hot roll	After Hot Roll at 180F	
1	Mud weight				
2	Plastic Viscosity				
3	Yield Point				
4	10s Gel.				
5	10m Gel				
6	API filtration loss/Cake				
7	HP-HT filter loss				
8	pH				
9	Lubricity Coefficient				
10	Solids uncorrected				
11	KCl concentration				
12	PHPA concentration				
13	Any other properties				

Table-1C(b)

Sl. No.	Mud property	Unit	Laboratory Testing		Remarks
			Before Hot roll	After Hot Roll at 180F	
1	Mud weight				
2	Plastic Viscosity				
3	Yield Point				
4	10s Gel.				
5	10m Gel				
6	API filtration loss/Cake				
7	HP-HT filter loss				
8	pH				
9	Lubricity Coefficient				
10	Solids uncorrected				
11	CH ₃ COOK concentration				
12	Any other properties				

Note:

1. Hot rolling temperature-220°F
2. Time for hot rolling- 16hrs

TABLE 2
FULL LIST OF PRODUCTS AND PRICES (Prices in Price Bid only)

Sl . No.	Name Of chemical	Brand name	Country of origin	Unit of supply	Unit cost	Specs enclosed Yes/No	MSDS enclosed Yes/No
A	Regular Chemicals						
1	Barite						
2	Bentonite						
3	Caustic Soda						
4	CMC(H)						
5	CMC(L)						
6	CFLS						
7	CL						
8	PAC (R)						
9	PAC (L)						
10	XC-Polymer						
11	Asphasol						
12	PHPA						
13	Resinex						
14	Linseed oil						
15	EP-Lube						
16	CH3COOK						
17	KCl						
18	KOH						

TABLE 2 (CONTD.)

Sl . No.	Name Of chemical	Brand name	Country of origin	Unit of supply	Unit cost	Specs enclosed Yes/No	MSDS enclosed Yes/No
B	Contingency/ Specialty Chemicals						
1	Drilling Detergent						
2	Pipe free Agent (NW)						
5	Mica (F/M/C)						
6	Rice Husk						
7	Saw Dust						
8	Jel Flake						
9	CaCO ₃ (F/M/C)						
10	Walnut shell (F/M/C)						
11	Defoamer for mud						
12	Soda Ash						
13	Sodium bicarbonate						
14	Biocide						
15	Teepol						
16	SAPP						
17	Lime						
	Any other Chemical						
C	Completion chemicals						
1	KCl						
2	CaCl ₂ (82-85%)						
3	Corrosion inhibitor for brine						

Note: Barytes: Barytes of API/BIS specifications (min 4.15 sp.gr) shall be supplied by the contractor. It is mandatory that the mercury and cadmium contents of barites should **be less than 1mg/kg and 3mg/kg** respectively. Barite failing to this standard will not be accepted.

ANNEXURE-2**LABORATORY EQUIPMENT**

Sl No.	Items	Qty
1	Fann VG Meter 6 speed	1
2	API Filter Press	1
3	Marsh Funnel with Cup	3
4	API Mud Balance	3
5	API Sand Content Apparatus	1
6	Hamilton Beach Mixer	1
7	Oil Water Retort Kit	1
8	Mud Filtrate Test Kit	1
9	Methylene Blue Test Kit	1
10	Thermometer	1
11	Hot Plate	1
12	pH Meter	1
13	HP-HT Filter Press	1
14	Pressurized Mud Balance	1
15	Glassware, Reagents	As per Requirement

2.0 DRILLING WASTE MANAGEMENT(DWM)

2.1 The Company intends to treat the waste water/drill-cuttings generated from the drill site. Treated water generated has to meet the on-shore waste disposal standards on various parameters as prescribed by State / Central Pollution Control Boards (**Annexure-4, Section-IV**).

2.1.2 The Contractor is required to mobilise complete DWM package, manpower and services along with Mud Engineering services. The Contractor shall state existing similar commitments and warrant the availability of the equipment, materials and services being proposed.

2.2 GENERAL SCOPE OF OPERATIONS

2.2.1 The Contractor will supply complete DWM package plus the supervision required to rig up, run and maintain the package in an operable condition at all times.

The Scope of Work will include but not be limited to:

- Mobilization of processing equipment package from Contractor's base to the first well location as notified by the Company.
 - Maintain an adequate inventory of spares to support operation of the Drilling Waste Management Services.
 - Provide sufficient experienced effluent treatment personnel, conversant with this type of operation and equipment on a twenty-four hour basis and or as and when required.
 - Continuously monitor the parameters of the waste water and treated water to ensure environmental limits for disposal are not exceeded
 - Interlocation movement of complete DWM package, manpower and services to next location as and when required.
 - Upon completion of the project, Contractor to demobilize contractor's equipment left over chemicals etc.
- 2.2.2 The Contractor shall provide all equipment, skilled manpower, labour, materials, and services as specified in **Annexure-3, Section-IV**. The Contractor shall be solely responsible for the operation of Contractor's Equipment including but not limited to the rigging up, testing, running and rigging down thereof.
- 2.2.3 The Contractor shall submit the **Operating Handbooks and guidelines** to The Company for Approval prior to the Commencement of operation.
- 2.2.4 The Contractor shall evaluate the final effluents of DWM at a reputed laboratory recognised by State/Central Pollution Control Board at regular interval (weekly) and submit the report to the Company.

2.3. EQUIPMENT

- 2.3.1 Provision of effluent treatment package that will ensure treatment of all wastewater / drill-cuttings generated from the drill site to the prescribed limits. Contractor to provide sufficient pumps and flow lines to rig the package up for efficient operation & sufficient chemicals stocks to support effluent treatment.

Bidders to include complete technical details and specifications of the contractor's effluent treatment package equipments in the bid. A minimum requirement is listed in **Annexure-3, Section-IV**. (This is by no means a comprehensive list; bidder to provide a list and specification of all equipment proposed);

Bidder is required to propose an equipment package that will ensure proper treatment to achieve the prescribed limits. An equipment layout and flow diagram should also be included in the submission.

Bidder to submit a test report of his laboratory indicating the specifications of untreated water as well as treated water along with the dosages of chemicals required to arrive at the water quality prescribed by state pollution control board (Annexure-4, Section-IV).

- 2.3.2 Upon request by Company, Contractor shall provide proof of maintenance and service history of all items of equipment supplied. Contractor shall maintain all equipment in a fit for purpose condition and shall supply all relevant certification on request. Contractor shall maintain adequate stock of consumables and accessories to manage the operation of the Work in a remote location.
- 2.3.3 Contractor shall ensure that the equipment is maintained in a condition so as to prevent any downtime or waiting on equipment time during operations. Contractor is to make Chemist / Company's representative immediately aware of any equipment malfunctions, questionable job operating procedures, or inventory deficiencies.
- 2.3.4 Contractor will maintain a base in nearby area to adequately supply the material in a timely fashion and to provide support for the effluent treatment equipment while it is operating for the company on the drilling project.

- 2.4 **STANDARD OF PERFORMANCE:** The Company expects contractor's representatives to be knowledgeable in the treatment of wastewater generated from drill sites and to operate and maintain the equipment in a safe and efficient manner at all times.

Contractor's technical proposal submitted with the bid should include but not limited to the following:

- Effluent Treatment System / process proposed.
- List of proposed chemicals and Contractor's recommended concentration of chemicals for the proposed effluent treatment system for each section.

- The requirement of total quantity of water treatment chemicals to drill the wells including a 50% back-up as contingency.
- In addition, the following details shall be provided:

Contractor shall indicate their proposed chemicals in addition to or in lieu of the attached list based on their proposed treatment system. Contractor is encouraged to propose appropriate additional surface solutions for disposal of treated wastewater. Contractor shall submit detailed technical specifications of each chemical including the MSDS sheets, quality test reports from manufacturer and standards with which they comply. The minimum applicable standard is API/ BIS.

- The Contractor shall provide a suitable testing laboratory with adequate testing equipment, chemicals and reagents to carry out a full check of untreated and treated water.
- A complete list of equipment and materials that Contractor can provide should be annexed to the Tender. The standard price table for the materials and equipment shall be attached with the Price Bid with applicable discounts.
- The Contractor shall comply fully with applicable environmental international and local laws, regulations and practices.
- The Contractor shall be able to provide all equipment, labour and materials and services specified herein or in the compensation schedule. Contractor shall be solely responsible for the operation of Contractor's equipment including but not limited to the rigging up, testing, running and rigging down thereof.

2.5 PERSONNEL

Contractor shall provide the following personnel for running and maintenance of the DWM system.

Waste Management Supervisor: 1 (one)

Waste Management Operators: 2 (two)

Unskilled personnel: 4 (four) (At Contractor's Cost)

2.5.1 One qualified, skilled and experienced Waste Management Supervisor, who must have 5 (five) years of experience in effluent treatment process and running all types of effluent treatment systems. The Waste Management Operators should have minimum of 3(three) years of experience in similar system, shall be required to work back to back on a suitable rotational on-off basis. The Waste Management Operators shall be responsible for, but not be limited to the following:

- Optimise chemical dosage required for effluent treatment process.
- Perform daily checks of treated water, at least thrice a day and more often as required by operations and report them in a standard format as mutually agreed by the Company and the Contractor.

- Run, maintain and manage the DWM system
- Prepare daily reports and submit to the OIL Chemist / Company representative
- Maintain a stock of inventory of DWM related chemicals on the rig site and ensure that adequate stock is available to maintain and run the DWM system as per operational requirement.
- Shall be able to run the filtration units if required during well completion operations/ production testing.
- Contractor will remove and replace in a reasonable time at the Contractors expense any of the Contractors personnel if Company so requests in writing setting out grounds for its requirement.

2.5.4 Career résumés of Contractor's proposed Supervisor / Engineer as a minimum, full details of qualifications, years of relevant experience, previous employment and responsibilities.

2.5.5 In case of foreign nationals engaged for execution of the contract, the contractor shall arrange for necessary permit, security clearance from Ministry of Defence, Ministry of External Affairs, Ministry of Home Affairs and concerned District Authorities. The Company shall forward required introductory letter /recommendations for the same.

2.6 REPORTING

2.6.1 DWM Supervisor / Operator is required to submit daily operations reports to the onsite Chemist / Company's Representative indicating 24 hours operation details, volume of effluent processed, chemical consumption etc.

2.6.2 A detailed end of well report should be prepared and submitted to the OIL Chemist / Company's Representative no later than 15 days after the end of the well. This recap should include a minimum of the following for each hole section:

- services performed;
- Performance of equipment;
- Chemicals/Consumables used;
- Downtime occurred;
- Conclusions and recommendations;

2.7 TECHNICAL SUPPORT

2.7.1 The technical support shall include but not be limited to:

- To provide effluent testing facilities in a laboratory near by the operational area.
- Pilot test and optimise chemical dosage in de-watering process based on suggestions from the Company and contractor personnel.

- The Contractor should supply details and location of their supply base facilities.
- The Contractor shall make available to the Company in as much as it is not constrained by agreements of confidentiality, details of any ongoing research and development activities that it is undertaking and which may be relevant to the companies operation.

2.7.2 The Contractor is required to mobilise all its equipment and manpower to the company's first well site as indicated by the Company in LOA. Contractor will arrange appropriate logistics for the supply of consumable items required over the course of the project.

2.7.3 All lifting and load bearing equipment of the Contractor shall be certified prior to use and all relevant certification shall be available for inspection. All toolboxes and containers must be sent with certified slings and a copy of the certification should be sent with the equipment. The slings should be clearly identifiable as belonging to the Contractor.

2.8.1 SAFETY, HEALTH AND ENVIRONMENT

2.8.1 The Contractor shall comply with applicable environmental laws, statutory regulations and mines act applicable to oil mines etc.

2.8.2 The contractors personnel should have approved PPE as per international practice and perform duty in accordance with Contractor's own SHE policy. In addition to above, the contractor personnel at well site must comply with OIL's internal SHE policy.

2.8.3 All electrical equipment should be certified by DGMS for use in hazardous area

2.8.4 Over pressure protection devices shall be fitted to any pressure containing equipment that may be subject to pressures exceeding their maximum allowable design pressure. All protective devices shall carry valid and current certification

DWM PACKAGE AND SERVICES

	Item	Description	Unit	Qty
UNIT-1	I	Floating Oil Skimmer Unit Recovery Rate 20 GPM (4.5 ton/h) Complete with Polypropylene Frame, 1" Discharge Pump (double diaphragm) and Control Valves with Oil Filter Kit.	No	1
	II	Pump to lift effluent from pit	No	1
	III	Storage tank with agitator (Cap:150 bbl)	No	1
	IV	Centrifuge Fully Hydraulic drive centrifuge complete with Mono-pump with required drive. The unit is capable of speed up to 2500 RPM and utilizes a 14" bowl	No	1
	V	Skid mounted flocculation unit complete with an agitated flocculants mixing tank with fish eye removal device, adjustable rate dosing pump, Static mixer for blending injected fluids and explosion proof control panel for controlling all the equipment.	No	1
	VI	Chemical Dosing Tanks with agitators and dosing pumps	Set	1
	VII	Suitable Diesel generator set/sets sufficient to run all the DWM equipment independent of rig power supply.	No	1
UNIT-2 (ON CALL OUT BASIS)	VI	Dual pod filter unit. Each pod can utilize 63 absolute cartridge filters or Oil Clog Cartridges for solids or oil removal. This unit is to be provided as a final "polishing" filter.	No	1
	VII	Centrifugal pump to feed the dual pod filter unit.	No	1

Item	Consumables	UNIT	QTY
1	10 micron absolute Cartridges		
2	5 micron absolute Cartridges		
3	25 micron bag filters		
4	40 micron bag filters		
5	Chemicals for flocculation (Indicate cost / kg; imported or Indian) Flocculant Coagulant-1 Coagulant-2		

These are the general equipments required for Drilling Waste Management Service. Vendor / bidder has to optimise the chemicals treatment and process system of the client based on lab studies in his laboratory (India / abroad) based on actual effluent encountered at well site.

TABLE -3

Contractor to provide the following information of proposed centrifuge:

Centrifuge Data	Response
Overall Height (in)	
Overall Length (in)	
Overall Width (in)	
Weight (lbs)	
Bowl Size (in)	
Minimum Differential Conveyor Speed (rpm)	
Maximum Differential Conveyor Speed (rpm)	
Minimum speed (rpm)	
Maximum bowl speed (rpm)	
Maximums G's	
Motor HP and power requirements	
Separate speed control for bowl and conveyor?	

(Yes/No)	
Pressure relief valves on hydraulic system? (Yes/No)	
Automatic shut-down for excessive torque? (Yes/No)	
Automatic shut-down for high vibration? (Yes/No)	
Automatic shut-down for low hydraulic fluid?(Yes/No)	
Automatic shut-down for overheated hydraulic fluid? (Yes/No)	
RPM readout on Bowl? (Yes/No)	
RPM readout on Conveyor? (Yes/No)	
Torque monitoring device (i.e., gauge)? (Yes/No)	
Type of overtorque protection (shear pins or détente)	
Emergency shut-down? (Yes/No)	
Pack off protection (i.e, automatically adjusts feed pump if torque is excessive, automatically boosts conveyor speed before shutting down on high torque)? (Yes/No)	
Feed pump running indicator light? (Yes/No)	
Field replaceable wear inserts in high erosion areas? (Yes/No)	

ANNEXURE-4

Oil and gas drilling and processing facilities, situated on land and away from saline water sink, may opt either for disposal of treated water by onshore disposal or by re-injection in abandoned well, which is allowed only below a depth of 1000 m from the ground level. In case of re- injection in abandoned well the effluent have to comply only with respect to suspended solids and oil & grease at 100 mg/l and 10 mg/l, respectively. For on-shore disposal, the permissible limits are given below:

S.No	Parameter	On-shore discharge (Not to exceed)
1	pH	5.5 -9.0
2	Temperature	40°C
3	Suspended solids	100 mg/l
4	Zinc	2 mg/l
5	BOD at 27oC for 3 days	30 mg/l
6	COD	100 mg/l
7	Chlorides	600 mg/l
8	Sulphates	1000 mg/l
9	Total Dissolved Solids	2100 mg/
10	% Sodium	60 mg/l
11	Oil & grease	10 mg/l
12	Phenolics	1.2 mg/l
13	Cyanides	0.2 mg/l
14	Flourides	1.5 mg/l
15	Sulphides	2.0 mg/l
16	Chromium (hexavalent)	0.1 mg/l
17	Chromium (Total)	1.0 mg/l
18	Copper	0.2 mg/l
19	Lead	0.1 mg/l
20	Mercury	0.01 mg/l
21	Nickel	3.0 mg/l

3.0 MOBILIZATION SCHEDULE

Particulars	Mobilization Time
Mobilization of tools, equipment, accessories, consumables & associated Services as per Scope of Work	Within 90 days from date of mobilization notice issued by the Company
Mobilization of Contractor's Personnel	Within 7 days from date of mobilization notice issued by the Company
Mobilization of tools, equipment, accessories, consumables & associated Services as per Scope of Work on Call-Out	Within 30 days from date of mobilization notice issued by the Company
Interim remobilization of tools, equipment, accessories, consumables & associated Services as per Scope of Work	Within 30 days from date of mobilization notice issued by the Company

4.0 INSTALLATION/ DISMANTLING/ INTER LOCATION MOVEMENT/ DEMOBILISATION:

- All tools/ equipment/ accessories/consumables shall be mobilized to **first designated location in Jaisalmer District, Rajasthan, India**. The equipment will be installed and made operational for carrying out assigned jobs.
- Entire set-up will be dismantled at the first well at the end of operation there.
- Inter location movement (ILM) of tools / equipment / accessories from first location to subsequent locations (at **East Godavari District, Andhra Pradesh, India**) shall be the responsibility of the Contractor.
- The Contractor to demobilize all tools/equipment/accessories after completion of jobs at the fourth location (at KG-Basin, Andhra Pradesh) on receipt of Demobilization notice from the Company.

END OF SECTION – IV

-END OF PART-3-

&&&&&&&

PART - 4

Proforma-A

FORM OF BID SECURITY (BANK GUARANTEE)

WHEREAS, (Name of Bidder)_____ (hereinafter called "the Bidder") has submitted his bid dated (Date) _____ for the provision of certain oilfield services (hereinafter called "the Bid").

WE KNOW ALL MEN by these presents that We (Name of Bank) _____ of (Name of Country) _____ having our registered office at _____ (hereinafter called "the Bank") are bound unto Oil India Ltd (hereinafter called "Company" in the sum of (_____) * for which payment well and truly to be made to Company, the Bank binds itself, its successors and assignees by these presents. SEALED with the common seal of the Bank this _____ day of _____, 2015.

THE CONDITIONS of this obligation are :

- (1) If the Bidder withdraws his Bid during the period of bid validity specified by the bidder.
- (2) If the Bidder, having been notified of the acceptance of his Bid by the Company during the period of Bid validity:
 - (a) Fails or refuses to execute the Form of Contract in accordance with the Instructions to Bidders in the tender document;

OR

 - (b) Fails or refuses to furnish the Performance Bank Guarantee in accordance with the Instructions to Bidders in the tender documents.
- (3) If the bidder furnishes fraudulent document/information in their bid.

We undertake to pay to the Company up to the above amount upon receipt of its first written demand, (by way of letter/fax/e-mail) without Company having to substantiate its demand, provided that in its demand Company will note that the amount claimed by it is due to it owing to the occurrence of one or both of the two conditions specifying the occurred condition or conditions.

This guarantee will remain in force up-to and including the date (date of expiry of bank guarantee should be minimum 30 days beyond the validity of the bid) any demands in respect thereof should not reach the bank not later than the above date.

The bank should insert the amount of guarantee in words and figures

Date:

Signature of issuing authority of Bank with
designation seal and seal of the bank.

FORM OF PERFORMANCE BANK GUARANTEE (UNCONDITIONAL)*

To: (Name of Company
.....)
(Address of Company
.....)

WHEREAS (Name and address of Contractor) (hereinafter called "Contractor") had undertaken, in pursuance of Contract No..... dated to execute (Name of Contract and brief description of the work) (hereinafter called "the Contract"), AND WHEREAS it has been stipulated by you in the said Contract that the Contractor shall furnish you with a bank guarantee by a recognised bank for the sum specified therein as security for compliance with his obligations in accordance with the Contract;

AND WHEREAS we have agreed to give the Contractor such a Bank Guarantee, now THEREFORE we hereby affirm that we are the Guarantor and responsible to you, on behalf of the Contractor, up to a total of (Amount of Guarantee)** (in words) such sum being payable in the type and proportions of currencies in which the Contract Price is payable, and we undertake to pay you, upon your first written demand and without cavil or argument, any sum or sums within the limits of the guarantee sum as aforesaid without your needing to prove or to show grounds or reasons for your demand for the sum specified therein.

We hereby waive the necessity of your demanding the said debt from the Contractor before presenting us with the demand.

We further agree that no change or addition to or other modifications of the terms of the Contract or of the work to be performed there under or of any of the Contract documents which may be made between you and the Contractor shall in any way release us from any liability under this guarantee, and we hereby waive notice of any such change, addition or modification.

This guarantee is valid until the date (.....)** four months after Contract Completion.

SIGNATURE & SEAL OF THE CONTRACTOR :.....
Name of Bank :.....
Address :.....
:.....

Date :.....

* Bidders are NOT required to complete this form while submitting the bid.

** An amount is to be inserted by the Guarantor, representing the percentage of the Contract price specified in the forwarding letter, and denominated in the currency of the Contract.

SAMPLE FORM OF CONTRACT' *

THIS AGGREEMENT is made on the day of..... 2015, between (Name of Company)_____ of (Mailing address of Company) _____, hereinafter called "the Company", of the one part and (Name of Service Provider) _____ (hereinafter called "the Service Provider") of the other part.

WHEREAS the Company is desirous that certain works should be executed viz. (Brief description of works)_____ and has, by Letter of acceptance dated (Date of Letter of Acceptance)_____, accepted a Bid by the Service Provider for the execution, completion and maintenance of such works.

NOW THIS CONTRACT WITNESSETH as follows:

1. In this Contract words and expressions shall have the same meanings as are respectively assigned to them in the conditions of Contract hereinafter referred to.
2. The following documents shall be deemed to form and be read and construed as part of this Contract, viz.:
 - a) This form of Contract,
 - b) The Letter of Acceptance,
 - c) The said Bid and Appendix,
 - d) The Technical Specifications and
 - e) The Priced Bid and Quantities,
 - f) The Drawings,
 - g) The Schedules of Supplementary Information,
 - h) The Special Conditions of Contract and
 - i) The General Conditions of Contract
3. The aforesaid documents shall be taken as complementary and mutually explanatory of one another, but in the case of ambiguities or discrepancies they shall take precedence in the order set out above.
4. In consideration of the payment to be made by the Company to the Service Provider as hereinafter mentioned, the Service Provider hereby covenants with the Company to execute, complete and maintain the works in conformity in all respects with the provisions of the contract.
5. The Company hereby covenants to pay the Service Provider in consideration of the execution, completion and maintenance of the works the Contract price at the times and in the manner prescribed by the Contract.

IN WITNESS WHEREOF the parties hereto have set their respective hands and seals to this Contract on the day, year first written above.

SIGNED, SEALED AND DELIVERED.

By the said Name_____

On behalf of the Service Provider in the presence of:

AUTHORISATION FOR ATTENDING BID OPENING

Date: _____

TO

CHIEF MANAGER (M&C)

Materials & Contracts Department
Oil India Ltd., Rajasthan Project
Jodhpur-342005
Rajasthan, India

Sir,

Sub: OIL's e-Tender No. CJG-8146-P16

We hereby authorise Mr. /Ms. _____ (Name and address) to be present at the time of Pre-Bid Meeting / Un-priced Bid Opening / Price Bid Opening and for any subsequent correspondence / communication of the above Tender due on _____ on our behalf.

Yours Faithfully,

Authorised Person's Signature: _____

Name: _____

Designation: _____

Seal of the Bidder:

Note: This letter of authority shall be on printed letter head of the Bidder and shall be signed by a person who signs the bid.

PROFORMA - E

**LIST OF ITEMS (EQUIPMENT, TOOLS, ACCESSORIES, SPARES & CONSUMABLE)
TO BE IMPORTED IN CONNECTION WITH EXECUTION OF THE CONTRACT
SHOWING CIF VALUE.**

Sl No	Item Descrip tion	Qty /Un it	Rate	Total	Freight & Insuran ce	CIF Value	Port & other charge	Landed Cost	Is it re- export- table? YES or PARTLY	Year of Mfg.	HSN Code
A	B	C	D	E = C x D	F	G = F +E	H	I = G+H	J	K	L

(1) The items which are not of consumable in nature and required to be re-exported outside India after completion of the Contract should be indicated as "YES" in column "J".

(2) The items which are of consumable in nature should be indicated as "PARTLY" in column "J".

(3) For estimation of applicable customs duty, the bidders are required to indicate customs tariff code (i.e. HSN Code) of each item in column "L".

Authorised Person's Signature: _____

Name: _____

Seal of the Bidder:

APPENDIX-A

GENERAL HSE POINTS

1.0 It will be solely the Contractor's responsibility to fulfill all the legal formalities with respect in the Health, Safety & Environmental aspects of the entire job (namely, the persons employed by him, the equipment, the environment etc.) under the jurisdiction of the district of that state where it is operating. Ensure that all sub Contractors hired by him comply with the same requirement as the Contractor himself and shall be liable for ensuring compliance all HSE laws by the sub or sub Contractors.

2.0 Every person deployed by the Contractor in a mine must wear safety gadgets to be provided by the Contractor. The Contractor shall provide proper Personnel Protective Equipment as per the hazard identified and risk assessed for the job and conforming to statutory requirement and the Company PPE schedule. Safety appliances like protect footwear, safety helmet and full body harness has to be DGMS approved. Necessary supportive document shall have to be submitted as proof. If the Contractor fails to provide the safety items as mentioned above to the working personnel, the Contractor may apply to the Company (OIL) for providing the same. OIL will provide the safety items, if available, but in turn. OIL will recover the actual cost of the items by deducting from Contractor's bill. However, it will be the Contractor's sole responsibility to ensure that the persons engaged by him in the mines use the proper PPE while at work. All the safety gears mentioned above are to be provided to the working personnel before commencement of the work.

3.0 The Contractor shall prepare written Safe Operating Procedure (SOP) for the work to be carried out, including as assessment of risk, wherever possible and safe methods to deal with it/them. The SOP should clearly state the risk arising to men, machineries and materials from the mining operation/operations to be done by the Contractor and how it is to be managed.

4.0 The Contractor shall provide a copy of SOP to the person designated the Mine Owner who shall be supervising the Contractor's work.

5.0 Keep an up to date SOP and provide a copy to changes to a person designed by the Mine Owner/Agent/Manager

6.0 The Contractor has to ensure that all work is carried out in accordance with the Statute and SOP and for the purpose he may deploy adequate qualified and competent personnel for the purpose of carrying out the job in a safe manner. For work of a specified scope/nature, he should develop and provide to the Mine Owner a site

7.0 All persons deployed by the Contractor for working in mine must undergo Mines Vocational Training, initial medical examination, PME. They should be

issued cards stating the name of the Contractor and the work and its validity period, indicating status of MVT, IME & PME.

8.0 The Contractor shall submit to DGMS indicating – name of his firm Registration Number, name & Address of person heading the firm, nature of work, type of deployment of work persons, No. of work persons deployed, how many work persons hold VT Certificate, how many work persons undergone IME and type of medical coverage given to the work persons.

9.0 The return shall be submitted quarterly (by 10th of April, July, October & January) for contracts of more than one year. However, for contracts of less than one year, returns shall be submitted monthly.

10.0 It will be entirely the responsibility of the Contractor/ his Supervisor/Representative to ensure strict adherence to all HSE measures and statutory rules during operation in Oil's installations and safety of workers engaged by him. The crew members will not refuse to follow any instruction given by the Company's Installation Manager/Safety Officer/Engineer/Official/Supervisor/Junior Engineer for safe operation.

11.0 Any compensation arising out of the job carried out by the Contractor whether related to pollution, Safety or Health will be paid by the Contractor only.

12.0 Any compensation arising due to accident of the Contractor's personnel while carrying out the job, will be payable by the Contractor.

13.0 The Contractor shall have to report all incidents including near miss to installation manager/Departmental Representative of concerned department of OIL.

14.0 The Contractor has to keep a register of the persons employed by him/her. The Contractor's supervisor shall take and maintain attendance of his men every day for the work, punctuality.

15.0 If the Company arranges any safety class/training for the working personnel at site (Company employees, Contractor worker etc.) the Contractor will not have any objection to any such training.

16.0 The health check up of Contractor's personnel is to be done by the Contractor in authorized Health Centers as per Oil's requirement & proof of such test(s) is to be submitted to OIL. The frequency of periodic medical examinations should be every five years for the employees below 45 years of age and every three years for employees of 45 years of age and above.

17.0 To arrange daily tool box meeting and regular site safety meeting and maintain records.

18.0 Records of daily attendance, accident report etc. are to be maintained in Form B.EJ (as per Mines Rules 1955) by the Contractor

19.0 A Contractor employee must, while at work, take reasonable care for the health and safety of people who are all the employee's place of work and who may be affected by the employee's act or omissions at work.

20.0 A Contractor employee must, while at work, co-operate with his or her employer or other persons so far as is necessary to enable compliance with any requirement under the act or the regulations that is imposed in the interest of health, safety and welfare of the employee or any other person.

21.0 Contractor's arrangements for health for health and safety management shall be consistent with those for the mine owner.

22.0 In case Contractor is found non-compliant of HSE laws as required the Company will have the right for directing the Contractor to take action comply with the requirements, and for further non-compliance, the Contractor

23.0 When there is a significant risk to health, environment or safety of a persons or pace arising because of a non-compliance of HSE measure the Company will have the right to direct the Contractor to cease work until the non-compliance is corrected.

24.0 The Contractor should prevent the frequent change of his contractual employees as far as practicable.

25.0 The Contractor should frame a mutually agreed bridging document between OIL and the Contractor with roles and responsibilities clearly defined.

26.0 For any HSE matters not specified in the Contract document, the Contractor will abide the relevant and prevailing Acts/Rules/Regulations pertaining to Health, Safety and Environment.

Procedure for obtaining Labour License under Contract Labour (R&A) Act, 1970 & Central Rules-1971

Every Contractor to whom this Act applies shall execute any work through Contract Labour only after obtaining valid license from Licensing Officer. To obtain license contractor is required to submit:

- i) Application in Form IV in triplicate duly filled (Name of the Proprietor/Partner or the Directors/Responsible person in case of firm/company, complete postal address including Pin Code number, Telephone Number, Fax Number & E-mail address, if any), correct details of PE and work to be executed etc. correctly against all columns;
- ii) In case contractor is registered under the Companies Act and applicant is other than Director then he should be holding valid Power of Attorney.
- iii) Original Form-V issued by PE
- iv) Demand Draft for license fees and security deposit payable in favour of Regional Labour Commissioner (Central), Ajmer along with duly filled central challan (in TR-6) duly signed by applicant in quadruplicate for each demand draft;
- v) Copy of Work Order;
- vi) Copy of Partnership Deed and in case of Company, the application should be accompanied with Memorandum of Association/Article of Association;

Note: 1. Application form complete in all respect shall be either personally delivered to the Licensing Officer or can be sent by Registered A.D. Post.

2. Contractors, may intimate Dy. Chief Labour Commissioner (Central), Ajmer for expediting/suitable action if they do not receive license nor any communication within a week.

3. Contractors are not required to visit office of Licensing Officer unnecessarily for obtaining license until and unless they have been specifically advised to appear in person. Appearance of contractors in the office of licensing officer for obtaining license by persuasion will be viewed seriously.

END OF PART - 4