NIGERIAN AGIP OIL COMPANY LIMITED

OPERATOR OF NNPC/NAOC/OOL JOINT VENTURE

RC 2974

ADVERT FOR TENDER OPPORTUNITY: PROVISION OF DIRECTIONAL DRILLING (DD) SERVICES FOR NAOC LAND AND SWAMP OPERATIONS

NIPEX NO. 10000001961

(1.0) INTRODUCTION

Nigerian Agip Oil Company Limited (NAOC), intends to put in place a contract for the provision of DIRECTIONAL DRILLING (DD) Services for NAOC Land and Swamp Operations, for two (2) years firm period plus one (1) year optional extension, starting from first quarter of 2017.

NAOC therefore uses this medium to inform suitable and reputable Nigerian Companies having requisite experience and resources for the execution of project of this magnitude to register or update their registration with NipeX for consideration in the subject opportunity

(2.0) SCOPE OF WORK/SERVICE REQUIREMENT

The Scope of Work, includes but is not limited to the provision of Directional Drilling services for NAOC Land/Swamp/Offshore operations on Call-off Basis to support drilling operations. The work consists of planning, direction, supervising and control of operations performed with Directional Drilling tools. Holes sizes for services are typically 26", 16" 12 ¼ ", 8 ½ " 6" however variations are expected in line with industry standards. Consequently Contractor shall provide:

- Accurate measurement systems for downhole annular drilling pressures as well as monitoring of downhole lateral, axial and torsional vibrations;
- Tools and all required accessories to support 3rd party North seeking Gyro While Drilling (GWD) services;
- Competent and adequately experienced DD Engineers with up to date knowledge of relevant state of the art software to support modern directional drilling and integrated measurement / evaluation systems;
- Directional Drilling Services Tools (rotary steerable tools push and point the bit technology, adjustable mud motors, geosteering tools, etc. in various sizes;
- Geosteering Services;
- Real-Time Drilling Operations Monitoring and transmission services including satellite internet connectivity provisions;
- Geomechanical modeling services;
- Well Planning services:
- All necessary consumables and spare parts; and
- All other related equipment, tools and experienced personnel necessary to satisfactorily perform the above services.

(3.0) MANDATORY REQUIREMENTS

- (a) To be eligible for this tender exercise, interested contractors are required to be prequalified in the 3.04.08- Turbine Drilling / Downhole Motor Services and 3.04.21- Directional Surveying Services Inertial Systems in NipeX Joint Qualification System (NJQS) database. All successfully pre-qualified Suppliers in this category will receive Invitation to Technical Tender (ITT).
- (b) To determine if you are pre-qualified and view the product/service category you are listed for: Open www.nipex-ng.com and access NJQS with your log in details, click on continue Joint Qualification Scheme tool, click check my supplier status and then click supplier product group.
- (c) If you are not listed in a product/service category you are registered with DPR to do business, contact NipeX office at 30, Oyinkan Abayomi Street, Ikoyi, Lagos with your DPR certificate as evidence for verification and necessary update.
- (d) To initiate the JQS pre-qualification process, access <u>www.nipex-ng.com</u> to download the application form, make necessary payments and contact NipeX office for further action.
- (e) To be eligible, all tenders must comply with the Nigerian Content requirements in the NipeX system

(4.0) NIGERIAN CONTENT

Bidders are invited to express complete understanding and willingness to develop in-country capability and capacity for related work packages in compliance with the Nigerian Oil and Gas Industry Content Development Act (NOGICD, 2010) and other extant laws.

Pursuant to the above, bidders' submissions shall be evaluated strictly with the minimum evaluation criteria defined in the NOGICD Act, only bidders' whose submissions are in compliance shall proceed to the next stage of the tender process.

The information/documentation that will be required to be submitted by bidders at the ITT stage among others are as follows:

(1) Nigerian Content Plan that addresses utilization of Nigerian Labour, Services, Materials and Equipment for this service in order to achieve the minimum targets as set out in line with the requirements of the NOGICD ACT.

- (2) Provision of evidence that 50% of the equipment deployed is owned by the Nigerian subsidiary if applying entity is a multinational (Clause 41 (2) of the NOGICD Act). If not the case provision of concrete plan to comply in the next 3 years.
- (3) Provision of detailed description of the role, work scope, man-hours and responsibilities bidders will accomplish using Nigerian Resources (Labour, Material & Services)
- (4) Detail past experience/present commitment to staff training and development of its Nigerian personnel. Furnish details of specific training plans that will be provided for Nigerians specific to this scope of work.
- (5) Demonstration that entity is a Nigerian company as defined in Clause 3(2) of the Act which gives Exclusive consideration to Nigerian Indigenous service companies which demonstrate ownership of equipment, Nigerian personnel and capacity to execute such work to bid on land and swamp area of the Nigerian oil and gas industry
- (6) A Nigerian Registered Company as the contracting entity and lead contractor in executing scope of work can form genuine alliance or joint venture partnership with foreign company showing details of scope and responsibilities of parties for this work.
- (7) Such companies must show evidence of joint venture binding agreement duly signed by the CEO of both companies which must be governed by the laws of the Federal Republic of Nigeria including evidence or plans of physical operational presence and set-up in Nigeria
- (8) Provision of company ownership details, shareholding structure and copies of CAC forms C02 and C07, including company memorandum & article of association.
- (9) Innovative proposals that would enhance the Nigerian Content for the project and other associated activities in-country.

NOTE: Bidders shall be requested to provide evidences to show their compliance with the above listed requirements at the ITT stage. Failure to meet the Nigerian Content requirements is a "FATAL FLAW."

(5.0) CLOSING DATE

Only tenderers who are registered with NJQS Product/Category 3.04.08- Turbine Drilling / Downhole Motor Services and 3.04.21- Directional Surveying Services Inertial Systems Categories as at 4th May, 2017, being the advert close date shall be invited to submit Technical Bids.

(6.0) ADDITIONAL INFORMATION

This advertisement of "Tender Opportunity" shall not be construed as a commitment on part of NAOC, nor shall it entitle Applicants to make any claims whatsoever and/or seek any indemnity from NAOC and/or any of its Partners by virtue of such Applicants having responded to this Advert. All costs incurred in preparing and processing NJQS prequalification shall be to the contractor's accounts. NAOC will communicate only with authorized officers of the pre-qualifying companies and NOT through individuals or Agents.

Please visit the NipeX portal at www.nipex-ng.com for this advert and other information.

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