CHEVRON NIGERIA LIMITED

(R.C. 6135)

Operator of the NNPC/Chevron Joint Venture

TENDER OPPORTUNITY PROVISION OF DRILLING AND COMPLETION FLUID PRODUCTS AND SERVICES OFFSHORE CHEVRON NIGERIA LIMITED

NIPEX TENDER NUMBER: CNL.00000115

INTRODUCTION:

Chevron Nigeria Limited (CNL), operator of the Nigerian National Petroleum Corporation (NNPC)/CNL Joint Venture, invites interested and prequalified companies for this tender opportunity for Provision of Drilling and Completion Fluid Products and Services offshore for 2019-2021 Drilling and Completion program to support Offshore Drilling and Completion Operations.

The proposed contract term is 2 (Two) years with an option of 1 (One) year extension

SCOPE OF WORK:

Anticipated Commencement Date: First (1st) Quarter 2019

The scope of work for the services includes but not limited to the following:

- (a.) All products for Non-Aqueous Drilling Fluid (NADF) as required by COMPANY, Such NADF may be formulated with any of the following Base Fluids; Isomerized Olefin (10), Synthetic Paraffin (SP) or Low Toxicity Mineral Oil (LTMO).
- (b.) All products for Water Based Drilling Fluids (WBDF) as required by COMPANY
- (c.) All products for Reservoir Drill-in-Fluids as required by COMPANY
- (d.) All products for Completion Brines as required by COMPANY
- (e.) All products for Well clean-up products required by COMPANY.

- (f.) A Bulk Storage & Transfer Facility in Onne Port, Warri or Port-Harcourt for provision of Barite and/or Bentonite and/or Calcium Carbonate to COMPANY'S vessels as and when required by COMPANY. Such facility shall provide a minimum storage capacity solely dedicated to COMPANY of 800 metric tons of barite and 50 metric tons of bentonite with a minimum transfer rate for Barite of 150 metric tonnes per hour.
- (g.) A Bulk Storage & Transfer Facility in Onne Port, Warri or Port-Harcourt and provision of Base Fluid to COMPANY'S vessels as and when required by COMPANY. Such facility shall provide a minimum storage capacity solely dedicated to COMPANY of 10,000 barrels with a minimum transfer rate of 500 barrels per hour.
- (h.) A Bulk Mixing & Storage Facility in Onne Port, Warri or Port-Harcourt for provision of NADF to COMPANY'S vessels as and when required by COMPANY. Such facility shall provide a minimum storage capacity solely dedicated to COMPANY of 4,000 barrels with a minimum transfer rate for a 10.0 ppg fluid of 500 barrels per hour. Such facility shall be equipped with adequate mixing equipment and adequate solids removal equipment (including a centrifuge) for mixing, treating and conditioning NADF as and when required by COMPANY.
- (i.) A Bulk Mixing & Storage Facility in Onne Port, Warri or Port-Harcourt for provision of WBDF to COMPANY'S vessels as and when required by COMPANY. Such facility shall provide a minimum storage capacity solely dedicated to COMPANY of 4,000 barrels with a minimum transfer rate for a 10.0 ppg fluid of 300 barrels per hour. Such facility shall be equipped with adequate mixing equipment for mixing and treating WBDF as and when required by COMPANY.
- (j.) A Bulk Mixing & Storage Facility in Onne Port, Warri or Port-Harcourt for provision of Completion Brine to COMPANY'S vessels as and when required by COMPANY. Such facility shall provide a minimum storage capacity solely dedicated to COMPANY of 4,000 barrels and a minimum transfer rate for a 13.0 ppg fluid of 500 barrels per hour. Such facility shall be equipped with adequate mixing equipment for mixing and treating Completion Brine as and when required by COMPANY.
- (k.) Operate COMPANY'S Bulk Storage & Transfer Facility in Escravos and provision of Barite and/or Bentonite and/or Calcium Carbonate to COMPANY'S vessels as and when required by COMPANY. Such facility shall be fully staffed and maintained by CONTRACTOR.
- (I.) Operate COMPANY'S Bulk Storage & Transfer Facility in Escravos and provision of Base Fluid to COMPANY'S vessels as and when required by COMPANY. Such facility shall be fully staffed and maintained by CONTRACTOR.
- (m.) Operate COMPANY'S Bulk Mixing & Storage Facility in Escravos and provision of NADF to COMPANY'S vessels as and when required by COMPANY. Such facility shall be fully staffed and maintained by CONTRACTOR.
- (n.) Operate COMPANY'S Bulk Mixing & Storage Facility in Onne Port for provision of WBDF to COMPANY'S vessels as and when required by COMPANY. Such facility shall be fully staffed and maintained by CONTRACTOR.

- (o.) Operate COMPANY'S Bulk Mixing & Storage Facility in Escravos and provision of Completion Brine to COMPANY'S vessels as and when required by COMPANY. Such facility shall be fully staffed and maintained by CONTRACTOR.
- (p.) Rig site Testing Equipment conforming to API RP13B Standards for Testing Drilling Fluids specifications at all of COMPANY'S rig sites. CONTRACTOR shall provide a detailed list of all testing equipment in country and/or readily available and a written guarantee that testing equipment not in country will be available within one (1) calendar month of contract award.
- (q.) An Onshore Testing Laboratory of adequate size and condition including; Testing Equipment conforming to API RP138 Standards for Testing Drilling Fluids specifications and a Malvern Mastersizer "Micro" including consumables, a Permeability Plug Tester including consumables and a Fann 70 LT / HT-HP Rheometer. CONTRACTOR shall provide a detailed list of testing equipment in country and/or readily available and a written guarantee that testing equipment not in country will be available within one (1) calendar month of contract award.
- (r.) Rig site personnel including Junior Drilling Fluid Engineers and Senior Drilling Fluids Engineers as required for the operation.
- (s.) Onshore personnel including an Operations Coordinator and a Technical Manager: Such personnel shall be based in Lagos and shall be available on a 24/7 basis as and when required by COMPANY. Such personnel shall provide all reports and documentation including but not limited to Daily Hydraulics Reports, Weekly Inventory Reports, End of Well Reports, Fluids Testing Reports, Regulatory Environmental Reports, as required by COMPANY.
- (t.) Computers & software for all of COMPANY'S rig sites: Such software shall include but shall not be limited to Daily Fluids Report, Daily Inventory Report, Daily Hydraulics Report, End of Well Report.

MANDATORY TENDER REQUIREMENTS:

To be eligible for this tender exercise, interested contractors are required to be pre -qualified in the 3.04.13 (Drilling Fluids / Mud Services) category in the NipeX Joint Qualification System (NJQS) database. All successfully pre- qualified suppliers in this category by the bid close date will receive Invitation to Technical Tender (ITT).

To determine if you are pre-qualified and view the product/service category you are listed for: Open http://vendors.nipexjqs.com and access NJQS with your log in details. Click on Products/Services tab to view your status and product codes.

If you are not listed in a product/service category but you are registered with DPR to do business, contact NipeX office at 8-10, Bayo Kuku Street, Ikoyi Lagos with your DPR certificate as evidence for verification and necessary update.

To initiate the JQS prequalification process, access www.nipex-ng.com click on services tab followed by NJQS registration.

To be eligible, all tenders must comply with the Nigerian Content requirements in the NipeX system.

NIGERIAN CONTENT REQUIREMENTS:

Chevron Nigeria Limited is committed to the development of the Nigerian Oil and Gas business in accordance with the Nigerian Oil and Gas Industry Content Development Act 2010 (NOGICD Act) enacted by the Federal Government of Nigeria in April 2010.

Pursuant to enactment of the NOGICD Act, the minimum Nigerian Content in any project, service or product specification to be executed in the Nigerian Oil and Gas Industry shall be consistent with the level set in the schedule of the Act and any other target as may be directed by the Nigerian Content Development and Monitoring Board (NCDMB).

Contractors shall comply with the provisions of the NOGICD Act and all applicable regulations. Bidders that do not meet the Nigerian Content criterion will not be allowed to participate in next Tender Stage.

The following are the Nigerian Content requirements bidders are expected to comply with in their technical bid submission.

- (a.) Bidder shall demonstrate that bidding entity is a Nigerian Company through the Nigerian equity holding within the shareholding structure as defined by the NOGICD Act.
- (b.) Furnish details of company ownership and shareholding structure. Also submit clear photocopies of your CAC Forms C02 and C07
- (c.) Provide evidence of the percentage of 1) key management positions that are held by Nigerians and 2) total work force that are Nigerians. Also, show overall percentage of work to be performed by Nigerian resources relative to total work volume.
- (d.) Provide a Nigerian Content Execution Plan with a detailed description of the role, work scope, man-hours and responsibilities of all Nigerian companies and personnel that will be involved in executing the work. Also provide details of Nigerian Content contact or manager.
- (e.) Provide evidence of any Memorandum of Understanding (MOU) with Oil and Gas Trainers Association of Nigeria (OGTAN) registered trainer to conduct classroom module of training and on the job attachment.

- (f.) Provide human capacity building development plan including budget which must be a minimum of 3% of cost. Training must be targeted at developing capacity other than bidder's personnel. Trainees will be nominated from a database maintained by NCDMB and the services of OGTAN registered trainers utilized to cover classroom modules
- (g.) Demonstrate in-country sourcing of the basic additives/base chemical (Barite and Bentonite etc.).
- (h.) Provide evidence of registration with umbrella association (for manufacturer's in-country) and/or trade/professional bodies e.g. MANUFACTURERS ASSOCIATION OF NIGERIA (MAN) and evidence of regulatory, operating/practicing licenses and govt, authorities permits, certification and standard authorities e.g. DPR
- (i.) Provide detailed description of the location of in-country committed facilities & infrastructure (assets, equipment, technical office, and administrative space, storage, workshop, laboratory, blending plants,) in Nigeria to support this contract.

Non-Compliance with Nigerian Content requirements is a Fatal Flaw

CLOSING DATE:

Only tenderers who are pre-qualified and Live with NJQS Product/Category 3.04.13 (Drilling Fluids / Mud Services) by **16:00 hours, July 30, 2018**, being the advert close date shall be invited to submit Technical Bids.

Additional Information:

- (a.) Suppliers eligible for this tender opportunity are expected to be prequalified in NJQS under this product/Service Category
- (b.) The Invitation to Tender (ITT) and any further progression of this tender shall be via NipeX.
- (c.) All costs incurred by interested bidders in preparing and processing NJQS prequalification shall be solely for the interested bidders' accounts.
- (d.) This advertisement shall neither be construed as any form of commitment on the part of Chevron Nigeria Limited to award any contract to any company and or associated companies, sub-contractors or agents, nor shall it entitle prequalified companies to make any claims whatsoever, and/or seek any indemnity from Chevron Nigeria Limited and or any of its partners or affiliates by virtue of such companies having been pregualified in NJQS.

- (e.) The tendering process shall be the NNPC contracting process requiring pre-qualified companies to submit technical tenders first. Following a technical review, only technically and financially qualified bidders will be requested to submit commercial tenders.
- (f.) Chevron Nigeria Limited will communicate only with authorized officers of the pre-qualifying companies and NOT through individuals or Agents.

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

Management

Chevron Nigeria Limited, 2 Chevron Drive, Lekki Peninsula, P.M.B. 12825, Lagos.

ES/NCDMB/CERT/CNL-ADVERT/2505/1800-MMD/PROVISION OF DRILLING AND COMPLETION FLUIDS PRODUCTS AND SERVICES-OFFSHORE- DRL- 2017- CW1531554