Operator of the NNPC/SPDC/TEPNG/Agip Joint Venture

TENDER OPPORTUNITY: PROVISION OF FORMATION EVALUATION WHILE DRILLING

SERVICES The Shell Petroleum Development Company of Nigeria Limited

Tender No. NG01022763

NipeX Tender Number: SPDC.00000207

(1.0) INTRODUCTION AND PROJECT OUTLINE

The Shell Petroleum Development Company of Nigeria Limited (SPDC), Operator of NNPC/SHELL/Elf/AGIP Joint Venture is seeking qualified vendors having requisite

experience in the Provision of Formation Evaluation While Drilling Services.

(2.0) SCOPE OF WORK

The general work scope is for the provision of Formation Evaluation While Drilling, associated equipment and engineering services under a performance-based contract with a pricing

structure in cost per foot (5/ft.) drilled. As part of this, the contractor is expected to provide

the following services the minimum service requirement/scope of work;

(1) Fit for purpose MWD (probe and collar MWD) systems including gamma ray, direction

and inclination services deployable in both benign and tough drilling applications including

HPHT, with modern software and trajectory plotting and MD survey connections

(2) Accurate measurement systems for downhole annular drilling pressures as well as

monitoring of downhole lateral, axial and torsional vibrations.

(3) Formation evaluation while drilling (FEWD) services to include alternation and phase shift

resistivity, neutron porosity, bulk density and sonic measurements for various hole sizes down

to slim hole applications

(4) Third generation or latest version of rotary steerable systems (including both push the bit

and point the bit systems) and geo-steering systems deployable across various hole sizes

(5) Formation pressure evaluation while drilling systems

(6) Seismic while drilling systems

- (7) Gyro while drilling systems
- (8) Competent and adequately experienced MWD and FEWD engineers with up to date knowledge of relevant fit for purpose software to support modern directional drilling and integrated measurement/evaluation systems

(3.0) MANDATORY REQUIREMENTS

- (1) To be eligible for this tender exercise, interested contractors are required to be prequalified in 3.04.07 MWD / LWD Services in NipeX Joint Qualification System (NJQS) data base as at 11/02/2018, being the adverts close date.

 (2) To determine if you are pre-qualified and to view the product/service category you are listed for, Open http://vendors.nipexiqs.com and access NJQS with your log in details. Click on Products/Services Status tab to view your status and product codes.
- (3) 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.
- (4) To initiate the NJQS prequalification process, access <u>www.nipex-ng.com</u>, click on services tab followed by NJQS registration.
- (5) To be eligible, all tenders must comply with the Nigerian Content Requirements in the NipeX system.

(4.0) NIGERIAN CONTENT REQUIREMENTS

Vendors are to demonstrate strict compliance with the provisions of Nigerian Oil & Gas Industry Content Development Act and also provide the following requirements:

- (1) Tenderer shall be an indigenous service company having a minimum of 51 % Nigerian equity shareholding.
- (2) Tenderer shall provide evidence of CAC registration forms C02 & C07 and provide details of your corporate ownership structure in percentages showing the percentage of Nigerian shareholders including registration on the NCDMB NOGIC JQS.
- (3) Tenderer's plan describing how it shall execute all associated engineering and design in Nigeria. Tenderer to state Name and location of proposed engineering offices in Nigeria to execute the Nigerian scope of work.

- (4) Tenderer's to state location and address of proposed Project Management and Procurement Centre in Nigeria. Tender's plan to domicile a minimum of 80% man-hours of the Project Management man-hours in Nigeria, detailing scope of activities to be performed in Nigeria/man-hours, scope of support to be provided from tenderers global teams/man-hours any infrastructure to be established, the staffing and resourcing plan.
- (5) Tenderer should describe how it intends to execute ALL (100%) of the fabrication, assembly and testing WORK in-country.
- (6) Tenderer shall describe in its plan for the procurement of following project materials, equipment packages and consumables for the associated works. The Plan should include details of how Tenderer will utilize the services of Nigerian companies for this WORK. Procurement of the following materials from Nigerian vendors and manufacturers is mandatory:
- (a) Anti-corrosion coating materials
- (b) Sacrificial anodes
- (c) Valves
- (d) Steel Ropes
- (e) Pipe Fitting
- (f) Flanges
- (g) Cast Iron Products
- (h) Gaskets
- (i) Welding Electrodes
- (j) Consumable Gas
- (k) Insulation
- (7) Tenderer shall describe his plans for the provision of various logistics and third party services to support fabrication / construction activities in Nigeria, through Nigerian based companies. Tenderer's plan shall describe Name and Address of Nigerian based entity or Subcontractor (s) Scope of services to be provided. The plan shall describe the following activities:

Custom clearance and land logistics support

Heavy lift services

Loadout and see fastening

Marine transportation within Nigerian inland waterways

In-country support and coordination of marine transportation to installation site.

QA/QC inspection services

NDTs and certification of welding procedures and welders

Laboratory mechanical tests.

Plan to perform marine craft transportation of project items from Nigerian port to port or port/quayside.

- (8) Tenderer is required to develop a programme for training and development of Nigerians in identified technical disciplines specific to this WORK, in particular, project management, detailed engineering, fabrication, construction, offshore installation and pre-commissioning, commissioning and start-up. Tenderer shall describe any specific training programme in place to transfer technology and skills to staff and indigenous sub-contractors over the next five years. Tenderer shall describe how it shall achieve a minimum of 15% total project man-hours or 40,000 man-hrs (whichever is greater) for NC Human Capital Development in various technical and commercial disciplines involved in the work, spanning across all phases of the project from engineering to commissioning and start-up. The Plan shall identify and describe the training programmes relevant to the scope of work to be executed, the proposed location of the training, the number of trainees, duration of the programme and total man-hours.
- (9) Tenderer to provide evidence of a valid category A & Nigerian Content Equipment Certificate (NCEC) issued by the Nigerian Content Development & Monitoring Board in respect of any components, spares, equipment, systems and packages to be used on the project.

(5.0) CLOSING DATE

Only Tenderers who are registered in the NJQS product/category 3.04.07 – MWD / LWD Services as at **11/02/2018**, being the advert close date shall be invited to submit Technical bids.

(6.0) ADDITIONAL INFORMATION

All costs incurred in preparing and processing NJQS prequalification shall be to the contractor's accounts.

The contract shall be awarded to five (5) successful contractors on call-off basis and contract value to be awarded to each in inverse proportion of the bids.

This advertisement shall neither be construed as any form of commitment on the part of SPDC 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 SPDC and or any of its partners by virtue of such companies having been prequalified in NJQS.

SPDC will communicate only with authorized officers of the pre-qualifying companies ond NOT through individuals or Agents.

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