Star Deep Water Petroleum Limited
A Chevron Company

Operator of the Agbami Unit (OML 127/128)

Tender Opportunity: Provision of Mud Logging Services to Support Deepwater Oil and Gas

Well Drilling and Completion Operations

NipeX Tender No: 2200124

Introduction

Star Deep Water Petroleum Limited (Star), a Chevron company and operator of the Agbami field on behalf of its co-venturers (FAMFA Oil Limited, Statoil Nigeria Limited, Petro Brasileiro Nigeria Limited and Nigerian National Petroleum Corporation (NNPC)), invites interested companies with relevant experience to apply for pre-qualification for the provision of Mud Logging services to support Company's Deepwater Oil and Gas Well Drilling and Completion Operations. The contract is proposed to commence in the 4th quarter of 2016 for two (2) years plus a possible optional term of one (1) year duration.

Scope of Work/Service Requirements

Interested Applicants must be able to provide the following as required for Deepwater Mud logging Services.

- Contractor must provide Compact Computerized Metal Mud logging unit with in-built type IDRM gas alarm automatic, explosion proof CAN BUS data transmission shutdown system. Mud log unit must have Electromagnetic interference-resistance ability for digital communication, and transmission distance not less than 500m. The data acquisition software package and data processing software package must have Windows 2000 operation system. Adopting Client-Server mode, modularized design structure and SQL database. The mud logging unit must have twin-computer data-backup storage system, preventing real-time data from being lost and ensuring the running system security. Fully equipped with Power transformer/regulator 380V, 440V, 480V 50 or 60 Hz three phases. Min power required=15 kVA9, Electrical equipment (IEC & ATEX standard), digital binocular, CCTV system with LCD screens, Noise filter, Pressurized and Purged to meet all safety requirements. Safety circuit breaker, Air conditioned, Escape Hatch with panic bar (3.6'x 1.9'), Purged rig floor monitor, Data acquisition and Application computers-586pc/20mghz/64MRam/5 gigabtyes HarDisk, 3 Viewlog work stations-586pc/mghz/64MB RAM 32 Analog and 5 digital channels; 3 Viewlog digital channels; 3 Viewlog workstation Acquisition interface with LWD/MWD. All workstations and PCs must be industrial.
- Contractor shall have sufficient quantity of sensors, Sensors isolation modules and Sensor interface with rig sensor.

- Contractor must have Advanced Logging Data Acquisition Systems with Patent Mud logging software .Gas acquisition system (Chromatography and Gas detector) complete cycle time for full gas analysis must be less than 40 seconds and capable of analyzing C1 C8 plus aromatics including backups.
- Contractor must have both chromatography and gas detector backup systems and must possess a Gas trap(degasser).
- Differential chromatographic analysis technique, enhancing the identification ability of hydrocarbon reservoirs under complicated drilling conditions, such as the pollution from drilling fluid additives.
- Non-paper data recording system, replaying and reprinting historical data at any time as often as required.
- Open database structure design and WITS data standard interface, and capable of integrating mudlog data with wire-line logging data to form an information center on well site.
- Various communication models, GPRS, CDMA or satellite, exchanging data between the well site and the command center.
- Flexible multi-functional drawing software package, combining various information sources, outputting various logs and multi-wells comparison graphs.
- Interpretation charts, capable of identifying hydrocarbon reservoirs real time.
- Facilities for Well kick/killing and formation pressure monitoring in real time in order to reduce operational risk.

Mandatory Tender Requirements:

- (A) To be eligible for this tender exercise, interested bidders are required to be pre-qualified in the 3.04.07 (Mud Logging Services) category A, B, C & D in NipeX Joint Qualification System (NJQS) database. All successfully pre-qualified bidders in both categories by the bid close date will receive Invitation to Technical Tender (ITT).
- (B) Please note that bidders including their proposed sub-contractor(s) shall be required to:
- (i) Meet all JQS mandatory requirements to be listed as "Prequalified" for a category in the JQS database.
- (ii) Meet all Nigerian Content requirements stated in this advert in their responses to the ITT. Failure to meet the Nigerian Content requirements is a "Fatal Flaw".
- (C) To determine if you are pre-qualified and view the product/service category you are listed for: Open www.nipexng.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.
- (D) If you are not listed in these product/service categories, and you are registered with DPR to do business in both these categories, please contact NipeX office at 30, Oyinkan Abayomi Drive, Ikoyi Lagos with your DPR certificate as evidence for review and necessary update.

(E) To initiate and complete the JQS prequalification process, access <u>www.nipex-ng.com</u> to download the application form, make necessary payments and contact NipeX office for Further action.

Nigerian Content Requirements:

Star 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).

Interested bidders 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) Demonstrate that the entity is a Nigerian registered company, or a Nigerian registered company in genuine alliance or joint venture with a foreign company with details of the scope of the alliance or joint venture and responsibilities of the parties for services covered by this tender opportunity provided. Such companies must show evidence of a binding joint venture agreement duly signed by the CEO of both companies including evidence or plans for physical operational presence and set-up in Nigeria
- (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 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) State proposed total scope of work to be performed by Nigerian personnel (whether contracted directly or under subcontract agreements) with names and addresses including evidences of well-equipped offices and workshop; attach past experience of such patronage.

- (F) Specific to this tender opportunity, provide a detailed plan for staff training and development on engineering, project management and procurement (including all software to be used, number of personnel, name of organization providing such training and evidence of past training record) for Nigerian personnel including description of any specific programs in place for transfer of technology and skills to indigenous businesses and Nigerians over the next five (5) years.
- (G) Provide evidence of domiciliation of project management and procurement centers in Nigeria with physical addresses (not P.O. Box).
- (H) Location of in-country facilities, (equipment, storage, workshops, repair and maintenance facilities and, testing facilities).
- (I) Interested bidders must be willing and able to provide evidence of maximization of made in Nigeria goods and services.
- (J) Provide details on any other Nigerian Content initiative your company is involved in.
- (K) 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
- (L) Provide human capacity building development plan including budget which must be minimum 10% of project man-hours or cost. Training will 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.
- (M) Provide evidence of at least 50% Nigerian ownership of equipment to be deployed.
- (N) Interested bidders are required to present Nigerian Content Equipment Certificate (NCEC) issued by NCDMB (or evidence of application for the certificate) in respect of any components, spares, equipment's, systems and packages to be used in the proposed project under tender.
- (O) All interested bidders are required to submit as part of the Nigerian Content requirement, a signed Memorandum of Agreement (MOA) between it and one of the research and development (R&D) Clusters established by the NCDMB. The MOA shall be relevant to the project and shall indicate how the Bidder intends to use the relevant R&D clusters during project execution.

Close Date

Only bidders who are registered with NJQS 3.04.07 (Mud Logging Services) Categories A, B, C & D by 4:00 pm, on 29th April, 2016 being the advert close date shall be invited to submit technical bid. Please note the following;

- (1) Suppliers eligible for this tender opportunity are expected to be prequalified in NJQS under this product/service category.
- (2) The ITT and any further progression of this tender shall be via NipeX.
- (3) All costs incurred by the interested bidder in preparing and processing NJQS prequalification shall be solely for the interested bidder's accounts.
- (4) This advertisement shall neither be construed as any form of commitment on the part of Star 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 Star and or any of its co-venturers by virtue of such companies having been prequalified in NJQS.
- (5) 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.
- (6) Star 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.

Star Deep Water (a Chevron Corporation affiliate) is the operator of the Agbami Field, Other participants are Famfa Oil Limited, Nigerian National Petroleum Corporation (NNPC), Texaco Nigeria Outer shelf Inc. (a Chevron Corporation affiliate), Statoil Nigeria Limited, and Petroleo Brasileiro Nigeria Limited.

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