

The Shell Petroleum Development Company of Nigeria Limited

Operator of the NNPC/ Shell/ EFNL/Agip Joint Venture

Tender Opportunity: The Provision of Formation Evaluation While Drilling (MWD/LWD) Services

Tender Ref: NG01011679

1. Introduction:

SHELL hereby announces to interested and prequalified companies an upcoming tendering opportunity for the **Provision Of Formation while Drilling (MWD/LWD) services** for SPDC in support of our onshore and offshore drilling operations in Shell Operating Units located in Nigeria. The proposed contract will commence in Q4 2012 and remain active for 24months duration, followed by a 12months extension option.

Please visit the Nigerian Petroleum Exchange Portal www.nipex.com.ng for further details.

2. Scope of work:

The scope of work shall comprise provision of Formation Evaluation While Drilling services on Call-off Basis to support drilling operations in Shell Operating units located in Nigeria.

The workscope for the services include the following:

- State-of-the-art 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 for trajectory plotting and MWD survey corrections.
- Accurate measurement systems for downhole annular drilling pressures as well as monitoring of downhole lateral, axial and torsional vibrations.
- Formation Evaluation While Drilling (FEWD) services to include Attenuation & Phase Shift Resistivity, Neutron Porosity, Bulk Density and Sonic measurements for various hole sizes down to slim hole applications.

- 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.
- Seismic While Drilling systems
- Gyro While Drilling systems
- Competent and adequately experienced MWD and FEWD Engineers with up to date knowledge of relevant state of the art software to support modern directional drilling and integrated measurement / evaluation systems.

3. Mandatory Requirements:

1. To be eligible for this tender exercise, interested contractor are required to be pre-qualified as essential service vendor in the Directional Drilling Services (Product Code: 30408) category in NipeX Joint Qualification System (NJQS) database. **Only successfully pre-qualified suppliers in the category will receive Invitation to Technical Tender (ITT).**
2. To determine if you are pre-qualified and view product/service category you are listed for, open www.nipexng.com and access NJQS with your login details, click on continue Joint Qualification Scheme tool, click check my supplier status and then click supplier product group.
3. If you are not listed in a product/services 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 necessary update.
4. To initiate the JQS prequalification process, access www.nipexng.com to download the application form, make necessary payments and contact NipeX office for further action.
5. To be eligible, all tenders must comply with the Nigerian Content Requirements in the NipeX system.

4. Nigerian Content Requirements:

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

Requirements:

- Demonstrate that the entity is a Nigerian Registered Company, or Nigerian Registered Company as the contracting entity in genuine alliance or joint venture with foreign company with details on scope and responsibilities of parties for this work. Such companies must show evidence of joint venture binding agreement duly signed by the CEO of both companies including evidence or plans of physical operational presence and set-up in Nigeria
- International or multinational company working through a Nigerian subsidiary must demonstrate that a minimum of 50% of equipment to be deployed for execution of work shall be owned by the Nigerian subsidiary by providing a list of equipment for this tender and indicating those that will be owned by the Nigerian subsidiary
- Furnish details of company ownership and share holding structure. Also submit clear photocopies of your CAC Forms CO2 and CO7
- Provide evidence of what percentage of your key management positions is held by Nigerians and what percentage of the total work force are Nigerians. Also, show overall percentage of work to be performed in Nigeria and those by Nigerian resources relative to total work volume.
- Provide a Nigerian Content Plan providing a detailed description of the role, work scope, man-hours and responsibilities of all Nigerian companies and personnel that would be involved in executing the work. Also provide details of Nigerian Content focal point or manager.
- State proposed total scope of work to be conducted 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,
- Specific to this work, provide detailed plan for staff training and development on equipment repairs & maintenance 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 only specific programs in place for transfer of technology and skills to indigenous businesses and Nigerians over the next five (5) years.
- Location of in-country facilities (Storage, workshops, repair & maintenance facilities and testing facilities)
- Contractor must be willing and able to provide evidence of maximization of made in Nigeria goods and services.
- Provide details on any other Nigerian Content initiative your company is involved in.

5. Closing Date

Only Tenderers who are registered in the NJQS product/category as at Monday February 27, 2012 being the advert closing date shall be invited to submit Technical bids.

6. Additional Information

- All costs incurred in preparing and processing NJQS prequalification shall be to the contractor's accounts.
- 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 and NOT through individuals or Agents.

Please visit NipeX portal at www.nipexng.com for this advert and other information.

Also note that this contract will be progressed through NipeX system.