

OIL & GAS DEVELOPMENT COMPANY LIMITED



TENDER ENQUIRY NO. PROC-SERVICES/CB/DO-3229/2018

**HIRING OF DRILLING RIGS SERVICES ON AS & WHEN REQUIRED
BASIS**



OIL & GAS DEVELOPMENT COMPANY LIMITED
SUPPLY CHAIN MANAGEMENT DEPARTMENT
SERVICES SECTION

OGDC HOUSE
JINNAH AVENUE,
ISLAMABAD – PAKISTAN

PHONE :+92-51- 92002 3780
EMAIL: ejaz_rizvi@ogdcl.com
POST CODE : 44000

SUBJECT: LETTER FOR INVITATION TO BID FOR HIRING OF DRILLING RIGS SERVICES ON AS & WHEN REQUIRED BASIS AGAINST TENDER ENQUIRY NO: PROC-SERVICES/CB/DO-3229/2018

1. INTRODUCTION

Oil and Gas Development Company Ltd (OGDCL) is Pakistan's leading E&P sector company, having operations at about 50 locations and fields in all the four provinces. The Company is listed and traded on all three stock exchanges of the country with highest market capitalization. Recently the Company, through GDR process, has also been listed on London Stock Exchange. More details about the Company can be obtained from its website www.ogdcl.com.

2. OBJECTIVE

OGDCL Intends to hire subject Services as per Annexure-A. Interested bidders are required to submit their bids strictly as per Terms of Reference (TOR) / scope of work (Annexure-A) and instructions to bidders given in this tender document.

3. Sealed bids are hereby invited under Competitive Bidding (CB) procedure from eligible bidders from the countries maintaining bilateral trade relations with Pakistan for Services as listed in the Terms of Reference (TOR) "Annexure-A" of the attached Tender Documents. **The prices may be quoted as per details mentioned in TOR "Annexure-A".**

4. PROSPECTIVE BIDDERS SHOULD PARTICULARLY NOTE THAT:

4.1 Bids will be accepted only if the materials / services and supplies being offered are produced and manufactured in the country(s) maintaining bilateral relations with Pakistan. Bidder (s) participating in bidding process for provision of service (s) to OGDCL should invariably be registered with Provincial Revenue Authority at the time of submission of its bid to OGDCL.

4.2 Each bid valid for minimum 180 days from the date of opening of the bids must be accompanied by a Bid Bond in the form of a cash deposit receipt (CDR), a Bank Draft or a Bank Guarantee issued by scheduled Bank of Pakistan or a branch of foreign bank operating in Pakistan, except NIB Bank, for an amount mentioned in clause#31 and valid for 210 days from the date of opening of bids. The Bank Guarantee will be issued by a scheduled Bank, except NIB Bank, in accordance with the format as per Annexure-B of the tender Documents.

4.3 Bid Bond through telex / fax shall not be acceptable.

4.4 On acceptance of the bid by the Purchaser the successful bidder shall be required to furnish Performance Bond / Bank Guarantee for an amount equivalent to 10 % of the Contract value for the required Services in US Dollars or in currency of Bidder or equivalent in Pakistan Currency as per Annexure-C.

5. The Purchaser does not take any responsibility for collecting the bids from any Agency. Your authorized representative may attend the Tender opening if desired. The request for extension of closing date and time shall not be entertained and tender received after closing time or date shall be returned to Bidder unopened.
6. The Purchaser reserves the right to increase or decrease the quantities / Scope of Work and accept or reject any or all bids or cancel any or all items at anytime without assigning any reasons thereof.
7. The Purchaser reserves the right to have the items inspected by its own representatives or through third party, wherever applicable.
8. It must be indicated in the offer that the quotation fully conforms to Technical Specifications and Terms & Conditions of the Tender Enquiry.
9. **TIME AND PLACE FOR SUBMISSION FO BIDS.**

Bids must be delivered / dropped in the tender box / OGDCL reception at time & date mentioned in Press Tender Notice” at the following address:-

Manager (SCM) Services

Oil & Gas Development Company Limited
Supply Chain Management Department
OGDCL House, Plot No. 3 (New No. 3013) F-6/G-6,
Jinnah Avenue, Islamabad (Pakistan)
Phone No. 92-51-920023780/ 3652
Email: ejaz_rizvi@ogdcl.com

10. OPENING OF BIDS

Bids will be opened at the time and date mentioned in Press Tender Notice on the place noted above.

11. Any company registered at places e.g. Vigin, Cayman, Nausa, Jersy and Bohaman Islands shall not be entertained and bids if submitted shall be rejected.

12. TWO ENVELOPE BIDDINGS

1. Bids against this tender are invited on **Single Stage Two Envelope Bidding Procedure;** therefore, the bidders shall submit original and copy of their Technical and one original financial bid.
 2. Tender Annexure to be added in both the bids; UN-Priced with technical Bids & Priced with Commercial Bids.
 3. Both the bids shall be submitted simultaneously in separate sealed inner and outer envelopes. The envelope containing Technical Bid must be marked clearly **“Technical Bid”** and containing Financial Bid must be marked clearly **“Financial Bid”** along with indication on the envelopes as **“ORIGINAL”** and **“COPY”**.
13. The Technical Bid will be opened at first and evaluated. The Financial Bid of only those bidders will be opened who are declared technically Responsive.
 14. The Financial Bid must be complete in all aspects and comparable. Conditional Prices and/or Prices mentioned other than Rate Format/Financial Evaluation Criteria, may not be accepted. In case, the Bidder is not charging any rate and/or the rates are not applicable, Zero (0) must be clearly mentioned.

15. The contract / service order will remain valid till completion of job / period specified in Terms of Reference (TOR) at Annexure "A". Any extension in validity of contract / service order will be subject to written mutual consent of both the parties.
16. The interested bidders may confirm their willingness to submit bid proposals at least ten (10) working days before the last date for bid submission, giving complete mailing address, email etc.
17. No alternation in OGDCL's uploaded tender documents is allowed. Any attempt for alteration/amendment in the tender documents may lead to disqualification of the bidder.
18. The Bank Guarantee, in any form, issued by NIB Bank shall not be accepted.

A/MANAGER (SCM) SERVICES
OIL & GAS DEVELOPMENT COMPANY LIMITED
PHONE: 0092-51-92002 3780
Email: ejaz_rizvi@ogdcl.com

INSTRUCTIONS TO BIDDER

1. PROSPECTIVE BIDDERS SHOULD PARTICULARLY NOTE THAT

- 1.1 Bids valid for minimum of 180 days from the date of opening of bids, must be accompanied by Bid Bond (to be attached with **Technical Proposal**) in the form of a Bank Guarantee for an amount of USD(*mentioned at Clause-31*) and valid for 210 days from the date of opening of bids. The Bank Guarantee should be issued by a Pakistani Scheduled Bank or branch of a foreign bank operating in Pakistan, except NIB Bank, in accordance with the Format at **Annexure-“B”**.
- 1.2 Bid Bonds through fax shall not be acceptable.
- 1.3 On acceptance of Bid by the purchaser, the successful Bidder shall, within 15 days of the receipt of Letter of Intent (LOI) furnish an acceptable performance Bond/Bank Guarantee for an amount equivalent to 10% of the total contract value in US\$ or equivalent in Pak Rupees, issued by Pakistani Scheduled Bank or Branch of a Foreign Bank operating in Pakistan, except NIB Bank, in accordance with the Format at Annexure-C.
- 1.4 The Terms and Conditions form an integral part of Tender Enquiry and must be taken into consideration before submitting your quotation.
- 1.5 The Purchaser does not take any responsibility for collecting the Bids from any Agency. Your authorized representative may attend the Tender Opening if desired. The requests for extension of closing date and time shall not be entertained and tender received after closing time or date, shall not be accepted and returned to Bidders unopened.
- 1.6 The purchaser reserves the right to increase or decrease the quantities /scope of work to a reasonable percentage and accept or reject any or all bids or may cancel any or all items at any time without assigning any reasons therefore.

2. THE BIDDING DOCUMENTS COMPRISE OF THE FOLLOWING

- a) Instructions to Bidders
- b) Terms of Reference / Scope of Work, (Annexure-**A**)
- c) Format of Bid Bond (Annexure-**B**).
- d) Format of Performance Bond/ Bank Guarantee (Annexure-**C**)
- e) Format of Bidding Form(Annexure-**D**)
- f) Format of Integrity and Ethics undertaking (Annexure-**E**)
- g) Affidavit for Not Black Listing (Annexure-**F**)
- h) Date Summary Sheet to be attached with technical bid (Annexure-**G**)
- i) Date Summary Sheet to be attached with financial bid (Annexure-**H**)
- j) Draft Contract /Draft Service Order (Annexure-**I**)

3. TIME AND PLACE FOR SUBMISSION OF BIDS

Sealed Bids in duplicate as per clause-18 of Instructions to bidders given in this document must be delivered / dropped in the office detailed as per time and date given in Press Tender Notice.

4. OPENING OF BIDS

Bids will be opened at OGDCL House, Islamabad, as per time and date given in Press Tender Notice.

5. PREPARATION OF PROPOSAL

Contractors will prepare their bids in two parts i.e. Technical Proposal (Part-I) and Financial Proposal (Part-II). Technical bid shall consist of one original and one copy whereas financial bid shall consist of original only and both the bids should be sealed in separate envelopes.

TECHNICAL PROPOSAL

Technical Proposal should demonstrate firm's capability to provide the required Services and its understanding of the requisite tasks set forth in the Tender Document. Availability of the following information / documents in the technical proposal must be ensured for proper evaluation of the bid.

(i). Requested information/ sheets, in full with reference to the instructions given in **Terms of Reference/ Scope of Work** at Annexure-**"A"**.

(ii). Background, organization and experience of bidding firm and of any firm that would be associating with for the purpose of providing the services for this project/contract. A list of past and present major work(s) of similar nature / type i.e carried out, or being carried out, by bidding and associate firm, if any with evidence in shape of work completion certificate or duly signed contract.

(iii). General approach or methodology proposed for carrying out job including all detailed information, as may be deemed relevant.

(iv). Unpriced draft agreement.

(v). Unpriced copy of financial bid.

If the bid is submitted by a joint venture of two or more companies, then the portion(s) of the project work to be carried out by each joint venture partner shall be very clearly identified.

Name, qualification, employment record and detailed professional experience of each expert, to be assigned for providing the proposed services, with particular reference regarding similar assignments undertaken by the bidder should also be provided in the bid. In proposing the personnel for this work, it will be encouraged to associate with domestic contractor(s) who are qualified to provide part of the services required.

Association agreement shall be provided by the joint venture partners with the technical bid accepting responsibility for the successful completion of the project separately and jointly.

FINANCIAL PROPOSAL: Financial Proposal should contain:

- (i) This tender document duly signed and stamped by the bidder.
- (ii) Duly filled in "Format For Rates" in accordance with instructions given in **Terms of Reference / Scope of work (TOR)** at (Annexure-"A").

All pages of the bid proposal shall be signed and stamped by duly authorized representatives of the bidder. Proof of authorization shall be furnished in the form of valid written power of attorney, which shall accompany the bid. The person signing the bid shall initial all pages of the bid where entries are made.

BID PRICE:

- a. Bid price shall be inclusive of all taxes (except Provincial Sales Tax/ ICT Tax on services), duties, levies, charges etc.

- b. The prices should be quoted in USD. However payment to all Pakistan based companies will be made upon completion of the project through cross cheque in 100% Pak Rupees, at actual, against verified invoices at official exchange rate prevalent on the date of payment.
- c. To Foreign based Companies, the payment will be made in US\$ at actual against verified invoices through Irrevocable Letter of Credit (LC) upon completion of the project.
- d. The prices charged by the successful bidder (contractor) for required services shall not vary from the prices quoted by the service company.

6. COST OF BIDDING.

The bidder shall bear all costs associated with the preparation and submission of his bid and OGDCL will in no case be responsible or liable for those costs, regardless of the outcome of the bidding process.

7. ADDITIONAL SERVICES

Contract price will be subject to adjustment as a result of addition/reduction in scope of work. However, unit price quoted for such work shall be used as base price for computation of final invoice. Contractor should take approval for such changes in writing from OGDCL. Rates and quantum of any additional job, not covered in the scope of work shall be subject to approval of OGDCL.

8. UNSKILLED LABOUR

Unskilled labor for handling tools and equipment's will be on account of bidder.

9. LANGUAGE OF BIDDING

The bid must be prepared and submitted in the English language. Supporting documents and printed literature furnished by the bidder with the bid may be in another language as long as they are accompanied by an English translation of the pertinent passages. For the purpose of interpretation of the Bid, the English language shall prevail.

10. BID VALIDITY

- 10.1. The Bid shall remain valid and open for acceptance for a period of 180 days from the specified date of tender opening.
- 10.2. In exceptional circumstances prior to expiry of the original bid validity period, the bidder may be requested in writing for an extension of the period of validity. A bidder agreeing to such request will not be permitted to modify his bid.

11. ALTERNATIVE BIDS

- 11.1 In the event that the bidders submit an Alternative bid(s) whether in whole or against any of the items, a group of sub group, in addition to its Main Bid, the bids must be marked as "**Main Bid**" and "**Alternative Bid**". Alternative Bids which don't conform to the specifications may be submitted. However, only the Alternative bid of the Bidder whose Main Bid is the lowest evaluated bid will be considered.
- 11.2 A Bidder, who wishes to have its Alternative bid(s) considered on an equal basis with all other (Main) bids, must submit a **Bid Bond** for each Alternative bid. An Alternative bid must be submitted in a sealed envelope clearly marked "**Alternative Bid**", separate from the Main bid.

12. BID BOND

- 12.1 The bidder shall furnish with the **Technical bid proposal**, as part of his bid, a bid bond for an amount of US\$ /Pak Rupees (*mentioned at Clause-31*).
- 12.2 The Bid Bond in the form of a cash deposit receipt (CDR), a Bank Draft, CDR or a Bank Guarantee issued by scheduled Bank of Pakistan or a branch of foreign bank operating in Pakistan, except NIB Bank, for an amount mentioned in Clause#31 and valid for 210 days from the date of opening of bids. The Bank Guarantee will be issued by a scheduled Bank in accordance with the format as per Annexure-B of the tender Documents.
- 12.3 Any bid not accompanied by the requisite Bid Bond is likely to be declared non-responsive. The bid bond of unsuccessful bidders will be returned. The bid bond of the successful bidder shall be discharged after he has executed the contract.
- 12.4 The bid bond may be forfeited if a bidder withdraws his bid during the period of bid validity or if the Bidder, having been notified of the acceptance of his bid by the Company during the period of bid validity:
- 12.4.1 Fails, refuses or delays to execute the Contract in accordance with the instruction to Bidders, or
- 12.4.2 Fails, refuses or delays to furnish Performance Bond in accordance with the instruction to Bidders.

Note:

“As regards to the requirement of Bid Bond, PPRA rule does not distinguish between any private or public entity, therefore, bidders are required to submit bid bond irrespective of their status as private bidder or public sector bidder”.

Non submission of bid bond of required value by the bidders shall summarily result in disqualification of their bid.

13. AMENDMENT OF BIDDING DOCUMENTS

- 13.1** At any time prior to the deadline for submission of Bids, OGDCL may, for any reason, whether at its own initiative or in response to a clarification requested by
- 13.2** a prospective Bidder, modify the Bidding Documents by amendment.
- 13.3** The amendment shall be part of the Bidding Documents, and will be notified to all the prospective bidders by uploading the same on OGDCL website.
- 13.4** Any clarification / Amendment issued shall be posted on OGDCL website or through press corrigendum.

14. CLARIFICATION(s) / QUERIES OF TENDER

The bidders are expected to carefully examine all instructions, forms and specifications in the Bidding Documents. Any bidder in doubt as to the exact meaning or interpretation of any part of the Bidding Documents should immediately seek clarification in writing from;

**A/Manager (SCM) Local/Services
Oil and Gas Development Company Ltd,
Jinnah Avenue, Islamabad, Pakistan
Phone #. 0092-51-920023780/ 3652
Email: ejaz_rizvi@ogdcl.com**

For requests of all clarifications in regard to the information contained in Tender Documents made over the telephone shall not be entertained. All inquiries about the tender made to OGDCL and OGDCL's response will be made known all the bidders by posting on OGDCL website without disclosing identity of the bidder who made the enquiry.

15. CONTRADICTIONS, OBSCURITIES AND OMISSIONS

The Bidder should likewise notify the above of any contradictions, obscurities and omissions in the Bidding Documents if clarification of these is necessary for the clear understanding of the documents and for preparation of the bid. Such enquiries, clarifications, queries with reference to clause - 14 above must reach the above named not later than two weeks before the bid submission date otherwise the same will not be responded by OGDCL.

16. DEADLINE FOR SUBMISSION OF BIDS

- 16.1 The original bid, together with the required copies must be delivered to OGDCL at the address specified in clause-18, not later than the time and date specified *in Press Tender Notice*.
- 16.2 OGDCL may, at its discretion, extend the deadline for the submission of Bids by amending the Bidding Documents in accordance with Clause-13, in which case all rights and obligations of OGDCL and bidders previously subject to the deadline will thereafter be subject to the deadline as extended.
- 16.3 Bids will be opened in presence of the bidder's representative who chooses to attend the bid opening at the time and date mentioned in the Tender Notice or on the extended date with reference to clause - 16.2.
- 16.4 The envelopes shall indicate the name and address of the bidder to enable the bid to be returned unopened in case it is declared "LATE".
- 16.5 If the envelopes are not marked as instructed below, OGDCL will assume no responsibility for the misplacement or premature opening of the bid.
- 16.6 In case due date bids opening falls on holidays, the bid will be opened on next working day.

17. MODIFICATIONS AND WITHDRAWAL OF BIDS

- 17.1 Bidder may modify or withdraw his bid after submission, provided that written notice of the modification or withdrawal is received by OGDCL prior to the prescribed deadline for submission of bids.
- 17.2 The Bidder's modification or withdrawal notice shall be prepared, sealed, marked and dispatched as for the bid.
- 17.3 No bid shall be modified subsequent to the deadline for submission of bids and before the expiry of the period of bid validity.
- 17.4 No bid shall be withdrawn in the interval between the deadline for submission of bids and the expiry of the period of bid validity.

18. SEALING, MARKING AND TRANSMISSION OF THE BID

18.1 Your detailed "**Technical Proposal**" and "**Financial Proposal**" should be submitted in one original and one copy of each in separate envelopes. The envelopes containing Technical and Financial Proposals shall be properly sealed, stamped and marked as follows:

(a) Bid against TENDER ENQUIRY NO. ((As per Press Advertisement)).
Do not open before ((As per Press Advertisement)) Hours (PST) of Bid opening date ((As per Press Advertisement)).

TECHNICAL PROPOSAL

(Description as per Press Tender Notice)

A/Manager (SCM) Services

OGDCL House, Jinnah Avenue, Islamabad.

Ph: # 051-920023780/ 3652, email: ejaz_rizvi@ogdcl.com

(b) Bid against TENDER ENQUIRY NO. (As per Press Tender Notice)

Do not open before (As per Press Tender Notice)

Hours (PST) of Bid opening date: (As per Press Tender Notice)

FINANCIAL PROPOSAL

(Description as per Press Advertisement)

A/Manager (SCM) Services

OGDCL House, Jinnah Avenue, Islamabad.

Ph: # 051-920023780 / 3652, email: ejaz_rizvi@ogdcl.com

18.2 If the envelope is not marked as instructed above, OGDCL will assume no responsibility for the misplacement or premature opening of the bid.

18.3 In addition you should advise by fax to OGDCL of the dispatch of your proposal.

19. LATE BIDS

Any Bid received after deadline for submission of Bids prescribed by OGDCL pursuant to Clause- 16 above will be rejected and returned unopened to the bidder.

20. BID OPENING

The Bid shall be opened publicly in the Procurement Department of OGDCL by the Tender Opening Committee in the presence of Bidder's representatives who choose to attend the bid opening at the time and date specified in Press Tender Notice or on the extended date with reference to clause- 16.2 above.

21. EVALUATION OF PROPOSALS

Technical proposal of the bid shall be reviewed first to determine / check its technical responsiveness and conformity with the requirement of bid. The technical evaluation shall be carried out on the basis of information /data spelled out at Annexure "A"/ITB provided with this document. Technically responsive and financially lowest evaluated bidder in line with the bid evaluation criteria given in the scope of work /TOR will be considered for award of job.

22. CRITERIA FOR SUMMARY REJECTION

Bidder should ensure to submit their bids meeting following summary criteria failing which their bids are likely to be considered non responsive for detailed evaluation.

22.1 The Bid must be prepared in the English Language.

22.2 The Bid must be unconditionally valid for 180 days from the date of Bid Opening.

22.3 The Technical bid must be accompanied with the duly signed and stamped "Bidding Form" given at Annexure "D" of the tender documents without any exception/ deviation.

22.4 Bids should not be submitted in the form of Telex or Telegram.

22.5 Bid must reach before as mentioned in the Tender Notice or as per clause-16.

- 22.6 Technical Bid must be accompanied by a bid bond as specified in Clause – 12.
- 22.7 Direct fax bid shall not be acceptable. However, fax bid in sealed envelope confirming all other formalities as stated above will be acceptable provided original bid is received by OGDCL within 07 days of the Bid Opening Date failing which such bid will be considered non-responsive.
- 22.8 The bid proposal should essentially include C.Vs of the professionals expected to be deployed for the job (if required).
- 22.9 The Purchaser will evaluate and compare only the substantially responsive bids.
- 22.10 Bids determined to be substantially responsive will next be checked for any material error in computation.
- 22.11 Technical bid must be accompanied by Affidavit (Annexure-F) for Not Black Listing on Non-Judicial Stamp Paper of Rs. 100/-. The procedure of Black Listing is available at OGDCL website at following link:
<http://ogdcl.com/uploads/tender/BlackListingProcedure.pdf>

23. CLARIFICATION OF BIDS

To assist in the examination, evaluation and comparison of Bids OGDCL may at its discretion, ask the Bidder for clarification of his Bid. All responses to request for clarification shall be in writing, and no change in the price or substance of the Bid shall be sought, offered or permitted.

24. ELIGIBILITY AND QUALIFICATION REQUIREMENTS

- 24.1 To be eligible for award of contract, bidders shall have to provide satisfactory evidence to OGDCL of their eligibility, capability and adequacy to carry out the contract effectively up to the end. All bids submitted shall include updates of the information on technical capability and firm's history that includes experience, list of similar projects carried out as per requirement of the Scope of work / TOR.
- 24.2 Proof of requirements mentioned at Sub-clause-24.1 must be submitted by the bidder along with the bid.
- 24.3 Bids submitted by a joint venture of two or more firms as partners shall comply with the following requirements:
 - 24.3.1 The bids and JV Agreement shall be signed and provided with the technical bid so as to be legal binding on all partners.
 - 24.3.2 One of the partners shall be nominated, as being in charge and its authorization shall be evidenced by submitting a power of attorney signed by legally authorized signatories of all the partners.
 - 24.3.3 The partner in charge shall be authorized to incur liabilities and receive instructions for and on behalf of any and all partners of the joint venture and the entire execution of the contract including payment shall be done exclusively with the partner in charge.
 - 24.3.4 All partners of the joint venture shall be jointly and severally responsible for the execution and completion of the contract in accordance with the contract terms and conditions. A relevant statement to this shall be included in the authorization mentioned under clause-24.3.2 as well as in form of bid and the form of Agreement (in case of successful bid). A copy of the agreement entered into the joint venture partners shall be submitted with the bid.

25. COMPANY'S RIGHT TO ACCEPT OR REJECT ANY OR ALL BIDS.

OGDCL reserves the right to accept or reject any bid and to annul the bidding process and reject all bids at any time prior to award of contract, without thereby incurring any liability to the effected bidder or bidders or any obligation to justify the affected bidder or bidders of the grounds for OGDCL's action.

26. GENERAL TERMS AND CONDITIONS

After opening the bids, OGDCL will determine whether each bid is substantially responsive to the requirements of the Bidding Documents.

- 26.1 OGDCL will examine the bids to determine whether they are complete, whether any computational errors have been made, whether required experience certificates/ evidence, sureties have been furnished, whether the documents have been properly signed, and whether the bids are generally in order.
- 26.2 Arithmetical errors will be rectified on the following basis. If there is a discrepancy between the unit price and the total price that is obtained by multiplying the unit price and quantity, the unit price shall prevail and the total price shall be corrected. If there is a discrepancy between words and figure, the amount in words shall prevail.
- 26.3 A substantially responsive bid is one, which conforms to all the terms and conditions of the Bidding Documents without material deviation. A material deviation is one which being inconsistent with the Bidding Documents, affects in any substantial way the scope, instruction to Bidders, quality or prescribed completion schedule or which limits in any substantial way, OGDCL's right or the bidders' obligation under the Contract.
- 26.4 A bid determined to be non-responsive will be rejected by OGDCL and shall not subsequently be made responsive by the Bidder by correction of the non-conformity.
- 26.5 OGDCL may waive any minor deviation non-conformity or irregularity in a bid, which does not constitute a material deviation, provided that the waiver does not prejudice or affect the relative standing order of any Bidder.
- 26.6 To assist in determining a bid's responsiveness the Bidder may be asked for clarification of his bid. The Bidder is not permitted, however, to change bid price or substance of his bid.
- 26.7 The evaluation of the bids will take into account, in addition to the bid price, the following factors:
 - a) Reliability and efficiency of the offered Service.
 - b) Financial standing of the supplier.
- 26.8 The award of the Contract/Service Order shall be made to the Bidder whose bid has been determined to be the lowest evaluated bid, after considering all factors and who meets the requisites of Schedule of Requirement (Scope of Work/Bid Format).
- 26.9 The purchaser shall notify by fax/letter, the successful bidder of its intent to enter into a contract. The contract shall be executed only after all necessary management/Governmental approvals have been obtained.
- 26.10 The bidders may lodge a written complaint for redressal of their grievances and disputes to Committee for Redressal of Grievances & Settlement Dispute within fifteen (15) days of the placement of the Technical Evaluation Report on the web.

27. PERFORMANCE BOND / BANK GUARANTEE

- 27.1 Within fifteen (15) days of receipt of the notification of contract award, the successful bidder shall furnish to OGDCL, the Bank Guarantee /

Performance Bond for an amount equivalent to 10% of contract value as per specimen at “Annexure-“C”.

- 27.2 The bank guarantee / performance bond shall remain valid and in full force and effect during validity of the contract.
- 27.3 The validity of Bank Guarantee / Performance Bond shall be extended by the contractor if the completion of contract is delayed, whether in whole or in part.
- 27.4 The cost incurred for establishing the Bank Guarantee / Performance Bond or any extension thereof shall be to the account of the contractor.
- 27.5 The Bank Guarantee / Performance Bond will be discharged after completion of the contract.
- 27.6 The Bank Guarantee must be as per format attached at Annexure-“C” and must be either from a Pakistan scheduled bank or from a branch of foreign bank operating in Pakistan, except NIB Bank, acceptable to OGDCL.
- 27.7 The proceeds of the Performance Bond shall be payable to the company (OGDCL) as compensation for any loss resulting from the contractor’s failure to complete its performance obligations under the contract.

28. EMPLOYMENT OF PAKISTANI NATIONALS

- 28.1 The Contractor will be required to employ Pakistani Qualified & experienced nationals in its operation if available. In order to employ the expatriate professionals if needed, the contractor will ensure that all out efforts have been exhausted to employ Pakistani qualified nationals. Unskilled workers if needed for the operation will be hired from the area where the operation is being performed.
- 28.2 In case of non-availability of qualified / experienced Pakistani nationals for the contractual services, the contractor will reasonably make efforts to train Pakistani nationals in such a manner to replace gradually the expatriate professionals.

29. SIGNING OF CONTRACT

Within 15 days after notification to the successful bidder regarding acceptance of his bid, the contract incorporating all agreements between the parties will be signed.

30. SOURCE OF FUNDS.

The Project will be financed out of funds of the Company (OGDCL).

31. AMOUNT OF BID BOND

Amount of bid bond referred to in Clause-12 of Instruction to Bidders, and Annexure-“B” of this tender enquiry shall be **US\$ 800,000 for 06 Rigs and US\$ 133,000 for 01 Rig. Original Bid Bond, Bidding form (Annexure D), Un-priced copy of Financial Bid, Affidavit (Annexure-F) and signed and stamped copy of Draft Contract (Annexure-I) are required to be submitted along with the Technical Bid/Proposal.**

32. DEADLINE/ TIME AND PLACE FOR SUBMISSION OF BIDS (REFER CLAUSE-34 OF INSTRUCTIONS TO BIDDERS)

Sealed bids as per Clause-18 of Instructions to bidders of this tender enquiry must be delivered / dropped in the office detailed therein until **(As per Press Tender Notice)** Pakistan Standard Times (“PST”) on **(As per Press Tender Notice)**.

33. OPENING OF BIDS (REFER CLAUSE-34 OF INSTRUCTIONS TO BIDDERS)

Bids will be opened at *(As per Press Advertisement)* (“PST”) on ***(As per Press Tender Notice)*** at OGDCL House, Islamabad, Pakistan.

34. SEALING, MARKING AND TRANSMISSION OF THE BID (REFER CLAUSE -18 OF INSTRUCTIONS TO BIDDERS)

34.1. Your detailed “Technical Proposal” and “Financial Proposal” should be submitted in one original and one copy of each in separate envelopes. The envelopes containing Technical and Financial Proposals shall be properly sealed, stamped and marked as follows:-

(a) Bid against TENDER ENQUIRY NO. (As per Press Tender Notice)
Do not open before (As per Press Tender Notice) (PST) of Bid opening date: (As per Press Tender Notice)

TECHNICAL PROPOSAL
(Description as per Press Tender Notice)
A/Manager (SCM) Services
OGDCL House, Jinnah Avenue, Islamabad.
Ph: 051-920022 3780, / 3652, email: ejaz_rizvi@ogdcl.com

(b) Bid against TENDER ENQUIRY (As per Press Tender Notice)
Do not open before **(As per Press Tender Notice)** (PST) of Bid opening date: **(As per Press Tender Notice)**.

FINANCIAL PROPOSAL
(Description as per Press Tender Notice)
A/Manager (SCM) Services
OGDCL House, Jinnah Avenue, Islamabad.
Ph: 051-92002 3780, / 3652, email: ejaz_rizvi@ogdcl.com

34.2 If the envelope is not marked as instructed above, OGDCL will assume no responsibility for the misplacement or premature opening of the bid.

34.3 In addition you should advise by fax to OGDCL of the dispatch of your proposal.

35. Material Deficiencies which will lead to disqualification

- (i) Failing to get minimum qualifying marks in the technical evaluation
- (ii) Reflect or demand of deviation from TOR of this Tender Enquiry will lead to disqualification.

1. SCOPE OF WORK

The company envisages drilling of wells that are proposed to be spudded not later than 4th quarter of FY 2017-2018 for two(02) rigs and 1st/2nd quarter of 2018-2019 for four(04) rigs or as per OGDCL work plan. The drilling/completion/ work over of deep wells will be to the depth in the range of approx. ±5000M.To complete this extensive drilling program, the company wishes to engage one or more contractors to supply up to 06 rigs as per OGDCL requirement plan on rate running contract basis conforming to specifications in the bid document at Annexure-A1 to A6. The rigs will be hired on one (01) year rate running contract on well to well basis extendable with mutual consent.

Active reputed drilling rig contractors registered with I.A.D.C from last 05 years, having minimum 10 rigs operating in or outside Pakistan with 10 years continuous experience in drilling of oil & gas wells, are invited to participate in bidding process for OGDCL requirement of one to 06 rigs to drill/work over wells as per company's program by rate running contracting on well to well basis up to one year and each rig could be required to drill one or more wells depending upon the requirement after deployment of these rigs. The broad rig specifications for API standard western design deep depth rigs electrical SCR or VFD rigs of 2000 HP Draw works capacity, reputed western Top Drive System, Rotary Drive System, API standard equipment, minimum 03 Nos. triplex mud pumps, high quality solid control equipment containing western manufactured, minimum 03 Nos. linear motion shale shakers, desander, desilter, degasser, mud cleaner & high RPM centrifuge, +3500 bbl mud storage capacity with separate pill and slug tanks. The BOP & Chock Manifold should be of reputable western or equivalent manufacturer and mud system capable to handle OBM and other Mud types. The suitable system also be provided with capability to handle OBM and WBM Waste Management services as per tender documents.

2. COMMENCEMENT OF WORK

The Contractor/Contractors will agree to spud the first well/wells in the operating areas not later than 4th quarter of FY 2017-2018 or as per OGDCL work plan. The duration of this Contract will be for a Primary Term of one year commencing from spud date of first Well extendable with mutual consent on same or lower rates, terms and conditions (details given in Annexure A -6 Conditions of the contract clause 1.5). The drilling unit/units shall be deemed ready to commence operation when it is, in the opinion of company's representatives rigged up & ready to spud the first well against each rig(the planned commencement date). Company shall notify contractor in advance as per offered/agreed time frame so that the drilling unit is to be rigged up & ready to spud/work over. Contractor will notify when it has completed rigging up and is ready to spud the well with full crew. Contractor will reimburse Company the extra costs, i.e. other service contractors standby rates, etc., if well is spudded later than 30 days after mobilization due to delay caused by the Contractor.

However 30 days delay will not surpass the company's spud planned date and in such case company will charge back to contractor all associated cost for such entire period including penalty charges as per contract LD charges.

3. EVALUATION OF PROPOSALS

3.1 Technical Evaluation

3.1.1 The Technical proposals shall be reviewed first to determine their responsiveness toward the Rig outfits as contained in Annexure A1 to A6. After completion of Technical Evaluation, the financial proposals of the bidders declared technically responsive will be opened and evaluated. The bids requiring substantial modification(s) to make them responsive will be rejected outright by the Evaluation Committee.

3.1.2 The Technical evaluation will be based on the below given disciplines. The minimum qualification criteria will be 90% aggregate and 85% marks in each discipline. The weightage ratio allocated for each discipline is shown below:-

S.#	Disciplines	Weight age Ratio
1	Specifications of rig outfit as per Annexure-A1 and including ability to provide WBM Waste Management & Casing Running Services.	45
2	List of rig crew, their qualification, relevant experience and length of service with the Contractor who will be assigned the job Minimum required qualifications have been spelt-out in Annexure-4 and their	25
3	Communication skills in English.	10
4	Minimum 10 years continuous experience of bidder in drilling of oil and gas well (Minimum depth 4000M) and list of similar works in hand with proof history of past work in overseas other than OGDCL	10
5	Safety records, HSE compliance (HSE policy manual, record, management plan and performance)	5
6	03 years sound Audited financial report of 20 million dollar	5

3.1.3. The Technical Evaluation shall be based on the information as required vide Annexure-A1 to A-5 of the Tender Document.

3.1.4. Technical proposal not conforming to and deviating materially from the specifications and conditions laid down in Annexure A-1 to A-6 shall be determined to be non-responsive and shall be rejected. The bidder will submit bid without exceptions.

3.1.5 The bid proposal should essentially include C.Vs of the professionals allocated/expected to be deployed for the job holders of valid IWCF with copies are also essential.

3.1.6 Two rigs are required to spud not later than 4th quarter of FY 2017-2018 and four (04) rigs to spud in 1st / 2nd Quarter of 2018-2019 or as per OGDCL work plan.

3.1.7 Material Deficiencies which will lead to disqualification:

- i) Failing to get minimum qualifying marks in the technical Evaluation.
- ii) Reflect or demand of deviation from TOR of this Tender Enquiry will lead to disqualification.
- iii) Non provision of desired supporting document.

3.2 **Financial Evaluation.**

- 3.2.1 After completion of Technical Evaluation, the Financial Proposals of only technical qualified bidders will be opened / analyzed to determine the lowest evaluated bid. To facilitate financial evaluation and comparison, the rates should be quoted in US Dollars.
- 3.2.2. For the purpose of determining the lowest evaluated bid for each rig, Total/Lump sum cost of each Rig shall be considered from following factors (a to e).

Cost format for each Drilling Rig:-

a.	Operating Rate with Top Drive (for 300 days)	
b.	Day rate for water waste management (for 300 days)	
c.	First Mobilization Fee: Lump sum	
d.	Location move for 03 wells (350 KM distance between wells)	
e.	Demobilization Fee	Zero
f.	Daily average fuel consumption of the rig as per 24 Hrs. in Liters (for 300 days) (Average consumption in Liters/day X Rate as on date of technical bid opening of Diesel X 300 days)	
g.	Day rate for senior mess of 10 persons for 300 days	
h.	Day rate for junior mess of 10 persons for 300 days	
	Total Lump sum cost for each Rig (a+b+c+d+f+g+h)	

Note:

- i) Bidders are requested to quote their highest average fuel consumption of their rig per 24 hrs. be quoted in liters. OGDCL will use the rate of diesel on the date of technical bid opening for comparison purpose.
- ii) In case of bidders quoting in Currency other than US\$, the same shall be converted to US\$ on official exchange rate prevailing at the day of Technical Bid Opening.
- iii) The bidders can quote one (01) to Six (06) Rigs with firm availability schedule.
- iv) Taxes as per draft contract clause 5.

- v) The bidders are to provide day rates inclusive of WBM Waste Management Services.
- vii) WBM Waste Management Services rate will also include transportation charges.

ANNEXURE-A-1

TECHNICAL REQUIREMENT FOR DRILLING RIGS

SECTION-A: HOISTING EQUIPMENT

Year of manufacturing with proof-----

ITEM NO	OGDCL REQUIREMENT	BIDDER'S OFFER
A1	<p><u>Draw works</u></p> <p>2000 H.P minimum (Meeting latest API Standard) AC-DC, AC- VFD-ACY</p> <ul style="list-style-type: none">• Manufacturer & type• Drive• Auxiliary brake• Safety current supply to Auxiliary brake• Drum barrel size and grooving• Sand reel line size & length with 5/8', 18,000 feet (optional) guide Depth meter for sand line• Catheads• Crown block safety systems• Automatic driller• Separate fresh water cooling system	
A2	<p><u>Top Drive System</u></p> <p>Meeting latest API Standard Make Varco or Tesco or equivalent only</p> <ul style="list-style-type: none">• Complete Top Drive package minimum• Requirement 700-800HP output, 350-500 tons• Rated capacity & 200-250 speed.• Bidder to confirm availability of certified top drive Engineer at the site or closest range area during entire rig operational period.	
A3	<p><u>Derrick</u></p> <ul style="list-style-type: none">• Mast capacity 450-500 tons (Meeting latest API Standard)• Manufacturer & type• Dimensions• Gross nominal rating be able to handle stands of 5' DPS upto depth +6000M• Hook load rating with 12 lines +450 tons (500 US Tons)• Tubing belly board• Static load capacity 500 tons• Adjustable stabbing board 50-60 ft.• Substructure capacity +450 tons (500 US Tons)• Racking capacity 172 stands of 5' drill pipes• Drill collars no. and sizes 12 Nos. 9'x3 D.C• Air winches 02 Nos., 05 ton capacity each• Last independent inspection /survey/ and Inspection	

ITEM NO	<u>OGDCL REQUIREMENT</u>	BIDDER'S OFFER
A4	<u>Crown Block</u> Meeting latest API Standard <ul style="list-style-type: none"> • Capacity +450M tons (500 US Tons) • Manufacture and type Drawings to be attached • Set back capacity 350 tons • Height 25 Feet clear floor height • Simultaneous Capacity minimum 1500000 lb • Wireline • Drilling line • Drilling line size, type, length 1-1/2' - 1-3/8' • Spool capacity 7500 ft • Sand line (+6000M) • Drilling line guides • Dead line anchor 	
A5	<u>Traveling Block Assembly</u> Meeting latest API Standard <ul style="list-style-type: none"> • Manufacturer • Block type and rating 450-600 M tons • Hook, type and rating • Elevator links, size and rating drive 500 – 600 tons 	

SECTION-B: ROTARY EQUIPMENT

ITEM NO	OGDCL REQUIREMENT	BIDDER'S OFFER
B1	<u>Rotary Table</u> Meeting latest API Standard 7K <ul style="list-style-type: none"> • Make and type • Opening 37-1/2' • Drive Independent • Input H.P Min 1000 HP • Master bushings Split • Other bushing for Employer's casings • Static load rating ±500 M tons • Spare AC/DC motor 1 required • Rotary Beam load capacity 	
B2	<u>Swivel</u> Meeting latest API Standard 8A <ul style="list-style-type: none"> • Make and type • Rating (dead load) +450 M tons (500 US Tons) • Bearing rating 100 to 125 RPM 	
B2-1	<u>Kelly Spinner (Backup option for Top Drive)</u> <ul style="list-style-type: none"> • Type • Power/ • Air/hydraulic 	

B3	<p><u>Kelly Equipment</u></p> <ul style="list-style-type: none"> • Kellys No., make, size, length, shape 5-1/4', 3-1/2' Connections • Kelly cock upper pressure rating 10,000 PSI • Kelly valve sizes pressure rating • Kelly saver sub-connection • Kelly drive bushing • Manufacturer • Type • Number • Mouse hole back up tool • Spare 5' Kelly cock valve 10,000 PSI WP 	
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SECTION C: HIGH PRESSURE SYSTEMS
(Western or equivalent manufacturer of International repute)

ITEM NO	OGDCL REQUIREMENT	BIDDER'S OFFER
C1	<p><u>Slush Pumps</u> (Meeting latest API Standard)</p> <ul style="list-style-type: none"> • Number 3 X 1600 HP each • GPM 1200-1300 • Manufacturer • Type Triplex slush pumps • Drive Electrical • Max input horse power per pump • Liner sizes available • Pulsation dampeners • Reset relief valves • Isolation valves - Type • Pressure rating • Pre-charge pumps size/horsepower 6x8 R with each pump • Suction manifold Schematic required • Suction dampeners • Lubrication <p>Bidder to confirm 3500 PSI pressure capability of the system for better drilling performance with mud motors & RSS.</p>	
C2	<p><u>High Pressure Lines</u> Meeting latest API Standard</p> <ul style="list-style-type: none"> • Discharge line 4' x Min 5000-7500 PSI WP • Rotary hoses 2 Nos. rotary hose 3 -1/2' x 65 feet each. 5000-10,000PSI test pressure • Stand pipe manifold (5000-10,000 PSI W.P for manifold and valves) Arrangement for reverse circulation drill pipe bleed off line with valve and choke connected to choke manifold through non return valve. Connection for the two stand pipes slush pumps, cement discharge (independent from manifold). Facility to connect chocks. Drawing required. • 2' spare hose in derrick 60' long 5,000-10,000 PSI WP for filling casing & hole. 	

SECTION D : LOW PRESSURE SYSTEM

ITEM NO	OGDCL REQUIREMENT	BIDDER'S OFFER
D1	<p>Mud Tank 3500 bbls (minimum) (alongwith mud guns & agitators) capacity 3500 bbls (Excluding dead volume) with eye wash point</p>	
D1.1	<p>• Active mud tanks:</p> <ul style="list-style-type: none"> • Tank 1 (capacity, size) 500 bbls • Sand trap (capacity, size) • Pill tank 1 & 2 will be part of suction tank 100 bbls • Pill tank 1 (capacity) Mandatory • Pill tank 2 (capacity) 400 bbls • Suction tank-3 (Capacity) 500 bbls 	
D1.2	<p>• Reserve mud tanks:</p> <ul style="list-style-type: none"> • Tank 4 (capacity, size) 500 bbls • Tank 5 (capacity, size) 500 bbls • Tank 6 (capacity, size) 500 bbls <p>Note:-</p> <ul style="list-style-type: none"> i) Direct suction & isolation of each mud tank required ii) Butterfly valve to be at the bottom of mud tanks & large opening in grating on top of mud tank iii) Appropriate size, Pill tank with (20-25 cm³) direct suction line to be supplied. 	
D1.3	<p><u>Mud Agitators</u> At least 03 Nos. per Tank/one in Shaker Tank</p> <ul style="list-style-type: none"> • Blade size + 42' – 48' with + 20 – 25 HP motor • Manufacturer • Number and HP Min 20-25 HP each 	
D1.4	<p><u>Mud Guns</u></p> <ul style="list-style-type: none"> • HP guns • LP guns 	
D2	<p><u>Trip tank/stripping tank (Mandatory)</u> Minimum 50 bbls electronic depth sensor and mechanical backup connected to stripping tank which must meet Employer's requirements</p> <ul style="list-style-type: none"> • Capacity • Level indicator • Location • Hole fill pump output 	
D3	<p><u>Mud mixing equipment</u> From international reputed manufacturer or equivalent</p>	
D3.1	<ul style="list-style-type: none"> • Hoppers • Manufacturer and type • Location <p>Min. 02 Nos. required (with 02 separate suction & delivery lines)</p>	

D3.2	<p><u>Low Pressure Pump</u> 02-03 required (with 02 Nos. low pressure pumps & motors)</p> <ul style="list-style-type: none"> • Manufacturer and type • Driver • Motor speed and horse power 75 HP • Impeller size 	
D3.3	<p><u>Water Tanks</u> Minimum capacity 200,000 ltrs. Equipped with pressurizing pumps</p>	
NOTE:-	<p>Mud system to be capable and compatible to handle all types of mud including OBM, WBM, polymer etc. and waste management.</p>	
D4	<p><u>Shale Shakers</u> 03 Nos. linear motion Shale Shakers ‘Derrick’, “Brandt” or “Mi Swaco” latest version/model Hyperpool, VSM 300, MD-2/3 or equivalent. Minimum surface area 125 sq. feet. Hi-G, minimum 7G with tension system screens API-RP 13C only. 04 panel capable of handling 1,000-1,100 GPM, with sufficient quantity of screens with all required mesh sizes for the well.</p> <ul style="list-style-type: none"> • Number • Manufacturer • Screen sizes available 	
D5	<p><u>Desanders</u></p> <ul style="list-style-type: none"> • Manufacturer and type • Number of cones size 1000 GPM • Capacity • Feed pump manufacturer and type • Drive • Motor speed/horse power 1500 RPM /75HP • Impeller sizes 	
D6	<p><u>Mud Cleaner</u></p> <ul style="list-style-type: none"> • Manufacturer and type • No. of cone sizes • Screen sizes to be available 1000 GPM make DERRICK, SWACO, National Oil Well or equivalent • Feed pump any other reputed manufacturer • Manufacturer and type • Drive • Motor speed/horsepower • Impeller size available 	
D7	<p><u>Centrifuge (Mandatory)</u> A set of 02 Nos. centrifuges, High RPM for Barite recovery & low RPM for LGS removal fully hydraulic drive</p> <ul style="list-style-type: none"> • Manufacturer and type size • Out capacity min. 50 gal/min. ‘Derrick’ or equivalent 	

D8	<p><u>Desilter</u> 01 No. with required mesh size screens with pump & motor Centrifugal pump 75 HP motor.</p> <ul style="list-style-type: none"> • Manufacturer, type • Number & size of cones • Feed pumps, capacity 	
D9	<p><u>Degasser</u></p> <ul style="list-style-type: none"> • Manufacturer and type Welco, Burgess, Drilco big volume, Swaco or equivalent with 1000 • GPM • Feed pump • Manufacturer and type Details of gas vent discharge line required • Drive • Motor speed/horse power 1800 RPM/05 HP, 380V • Impeller sizes available • Detail of suction tank 	
D10	<p><u>'Poor boy' mud/ gas separator</u></p> <ul style="list-style-type: none"> • Manufacturer and type • Maximum pressure 20 bbls minimum <p>Gas vent line detail Must go to flare pit</p> <ul style="list-style-type: none"> • Number and size • Height/position of discharge point • Drive • Motor speed/horsepower • Impeller size available 	
D11	<p><u>Other Mud Equipment</u></p> <ul style="list-style-type: none"> • Facilities to handle completion brines loading, unloading, Storage • Ability to pump mix water, mud etc. to cement unit from L.P system 	
NOTE:-	<p>Any equipment not performing as per tender requirement will be immediately replaced by contractor or hired through third party rental cost paid by the rig contractor.</p>	
D12	<p><u>Mud Testing Laboratory</u></p> <p><u>Required</u></p> <ol style="list-style-type: none"> i) Mud cabin size 8ft'x8ft'a minimum placed on mud tanks with sink & water, 3 mud balances, electricity, Marsh funnel with chronometer etc. ii) Mud lab complete with all mud rheology testing Equipment in one caravan containing portion for lab cum office & 2nd portion for residential purpose with bath. 	

SECTION E : BLOWOUT PREVENTION AND DRILL FLOOR PROTECTION

ITEM NO	OGDCL REQUIREMENT	BIDDER'S OFFER
	<p><u>Important Notes</u></p> <ul style="list-style-type: none"> • Preference for Western manufacturer and inspected/ certified by Company of international repute. • Meeting Latest API Standard and API approved BOP manufacturer is required. • All Blow out Prevention equipment must meet API RP53 and NACE MR-01-75 (latest revision) Specification for H2S service. Manufacturer's certification of H2S service rating is required. • All the BOPs elastomers must be compatible /Usable with oil base mud (OBM). • A service life history of BOP is required from CONTRACTOR detailing BOP stack service, repair records as incidence of exposure if BOP equipment suffered H2S environment. 	
	<p><u>21-1/4' x 2 000 P SI (Annular Preventer)</u> Reputable manufacturer</p> <ul style="list-style-type: none"> • Manufacturer • Model & WP • No of cavities • Top & bottom connection • Gasket No. • Sealing element type & model • Bell nipple for above BOP 	
E1.1	<p><u>20-3/4' x 3 000 P SI (Ram Preventer, Single/Double unit)</u> Reputable manufacturer</p> <ul style="list-style-type: none"> • Manufacturer • Model & WP • No of cavities • Top & bottom connection • Gasket No. • Spare rams 5', 13-3/8' & Blind 	
E1.2	<p><u>Side outlets with blind flanges</u> Bell nipple for above BOP</p>	
E1.3	<p><u>13 5/8' x 500 0 PSI wp bag type (Annular Preventer)</u> Reputable manufacturer</p> <ul style="list-style-type: none"> • Manufacturer • Model & WP • Bottom connection & gasket No. • Gasket No. • Sealing element type & model 	

E1.4(A)	13 5/8' x 100 00 P SI WP (Ram type preventer) (Double Unit) with all accessories <ul style="list-style-type: none"> • Manufacturer • Model & WP • Number of cavities Dual • Rams 5' pipe rams Blind/Shear rams variable rams 2-7/8'-5' • Locking device • Side outlets with blind flanges • Top and bottom connections • Clamp No. and gasket No. • (for hub connection) 	
E1.4(B)	13 5/8' x 150 00 PSI WP (Ram type preventer) (Double Stage Unit) with all accessories	

NOTE:-OPTIONAL OFFER (Rates to be quoted separately)

ITEM NO	OGDCL REQUIREMENT	BIDDER'S OFFER
E1.5	Annular Blowout Preventer Assembly (Diverter) 29-1/2'-500 PSI W.P Quantity 01 No. (Large Bore Optional)	
E1.6	Drilling Spool 29-1/2'-500 PSI x 29-1/2'-500 PSI W.P, overall height ± 1 (One) meters with two(02) x 7-1/16'-3000 PSI (or of appropriate size) flanged side outlets in accordance with API specs 16A Complete with studs and nuts, ring gaskets. Quantity 01 No.	
E1.7	Double Studded Adopter Flange to connect with side outlets of drilling spool 29-1/2'-500 PSI x 4-1/16'-5000 PSI Quantity 01 No.	
E1.8	Ball valve hydraulic operated to connect with side outlets of drilling spool 29-1/2'-500 PSI double flanged having 1' NPT connection for hydraulic operation stainless steel lined ring grooves, Complete with studs, nuts, ring gaskets. Quantity 01 No.	
E1.9	Blowout Preventor Assy. Ram type double unit 26-3/4-3/4'-3000 PSI W.P. vertical bore 203/4', flanged top and bottom, stainless steel lined ring grooves, with two(02) sides outlets 4-1/16'-3000 PSI fitted with blind flanges having manual locking screws and hand wheels in accordance with API spaces 16A, T-20 Temp rating Complete with 5' drill pipe ram assembly & blind ram assembly, studs and nuts, ring gaskets and with all allied accessories. Quantity 01 No.	
E1.10	Weld Neck Flange 29-1/2'-500 PSI, stainless steel lined ring grooves, in accordance with API specs 6A, PSL-1, Temp Class U, Material Class AA, Complete with studs, nuts & ring gaskets. Quantity 01 No.	

ITEM NO	OGDCL REQUIREMENT	BIDDER'S OFFER
E1.11	<p><u>BOPS/DSAF FOR LARGE BORE CASING (Optional)</u></p> <ul style="list-style-type: none"> • Spacer spool 26-3/4'- 3k x 26-3/4' – 2k length 8' to 9' with, ring gaskets and studs & nuts. 01 No. • Single ram BOP 26-3/4' – 3k with 2 outlets 4- 1/8'-3K complete with 5' drill pipe rams & 18-5/8' casing rams, ring gasket and other allied accessories. 01 SET • Annular BOP diverter 26-3/4'-3k complete with ring gaskets & other allied accessories. 01 No. (optional) • Annular BOP diverter 29-1/2' or 30' complete with ring gaskets & other allied accessories including matching DSAF for ram bop 26-3/4' –3k. 01 No. • Flow riser/diverter for above annular bop with ring gasket and studs & nuts. 01 No. • Bell nipple to connect above referred BOP. 01 No. • DSAF 4-1/16'-3000 PSI x 4-1/16' -10,000 PSI complete with stud/nuts & ring gaskets. 01 No. • Spacer spool 21-1/4' -3000PSI x 21-1/4' – 3000 PSI Height 5' to 6' with ring gaskets and studs & nuts. 01 No. • Single Ram BOP 21-1/4' X 3000 PSI with 2 outlets 4-1/8' – 3000 PSI with 5'DP ram & 14' casing rams, ring gaskets & other allied accessories. 01 	
E1.12	<ul style="list-style-type: none"> • Spare sets of rams for 13 5/8' X 10,000PSI • BOP • Bell Nipple for above BOPs <p>VBR 3-1/2'-5', 2-7/8'-3-1/2', 2-3/8'-2-7/8' 9 5/8' & 7' csg. reams</p>	
E1.13	<ul style="list-style-type: none"> • 13-5/8' 5000 PSI x 11' 10000 PSI DSAF • 13-5/8' 5000 PSI x 13-5/8' 3000 PSI DSAF • 13-5/8' 10,000 PSI x 11' 10,000 PSI DSAF • 21-1/4' 2000 x 20-3/4'-3000 PSI DSAF • 13-5/8'-5000 x 13-5/8'-10,000 PSI DSAF • 7-1/16'-5000 x 13-5/8' – 5000 PSI DSAF • 7-1/16'-5000 x 13-5/8' – 10,000 PSI DSAF • 7-1/16'-10,000 x 13-5/8' – 10,000 PSI DSAF • Spacer Spool 20-3/4' – 3000 PSI, height 3-4' with 2 x sides outlets 4-1/8'-5k filled with blind flanges. • Spacer spool 13-5/8'-5K, height 3'-4' with 2xsides outlet 4-1/8'-5K fitted with blind flanges. <p>to adopt to EMPLOYER'S well head</p>	
E2	Kill and choke lines	

E2.1	<p>Choke lines size and working pressure manual gate valves hydraulically operated gate valve</p> <p>01 choke line is required; each with 4 1/16' x 10,000 wp with one manual valve and one hydraulically operated gate valve (manual override per choke line). 01 spare HCR valve 4-1/16 x 10,000 PSI with gate valves</p>	
E2.2	<p><u>Kill line</u></p> <p>1 kill line required 2 1/16' x 10,000 wp with one check valve, one manual gate valve, and one hydraulically operated gate valve (with manual override and 1 test flange with 2-1/16'-10,000 PSI chickens lines</p>	
E2.3	<ul style="list-style-type: none"> • Kill and choke hoses • Kill hose length type size • Choke hose length type and size <p>Coflexip 10,000 PSI wp or equiv. Coflexip 10,000 PSI wp or equiv.</p>	

E3	<p><u>BOP ' s Control Equipment</u></p> <ul style="list-style-type: none"> • Surface control equipment] • Manufacturer & type] • Air powered pump] • Output GPM & pressure] • Air pressure required] • Electric powered pump] • Horse power] • Output & pressure] • Accumulators] • Capacity & working pressure] • Hydraulic fluid reservoir] • Capacity • Location of master control panel • Location of remote control panel <p>Manufacturer Meeting Latest API Standard Preferred Sufficient Volume (on surface accumulators) to provide useable fluid (with pumps inoperative) to close and open two rams and the annular preventer plus 50% excess volume. To be capable of closing each ram in 15 seconds and annular in 30 seconds.</p>	
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E4	<u>10,000 PSI WP choke Manifold</u> <ul style="list-style-type: none"> • Manufacturer Pressure rating Manual adjustable choke manufacturer & number • Hydraulic operated choke manufacturer and number • Gate valve details, size, type pressure rating • Upstream, downstream line size • Buffer chamber • Piping to vertical degasser • Piping to side flares • Annulus pressure gauge • Stand pipe pressure gauge <p>H2S service 10,000 PSI WP minimum one automatic choke two manual (adjustable or fixed) chokes remote control system in driller's cabin.</p> <p>Shelter Schematic drawing required.</p>	
E5	<u>BOP 's plug and cup type testers</u> <ul style="list-style-type: none"> • Plug type testers • Cup type testers • Casing rams testers <p>for Employer's casing sizes and Contractors casing rams</p>	
E6	<u>BOP's test pump</u> <ul style="list-style-type: none"> • Manufacturer • Type • Output and pressure rating 10,000 PSI WP 	
E7	<u>BOP handling equipment</u> <p>Trolley to lift BOP + riser and adaptor to well head with safe system to service BOP when lifted.(Certification required)</p>	
E8	<ul style="list-style-type: none"> • <u>Drop in valves</u> • Hydril drop in check valves • Size <p>Number One Each To suit different sizes of One each CONTRACTOR's drilling string</p>	

SECTION F : DRILL STRING

ITEM NO	OGDCL REQUIREMENT	BIDDER'S OFFER
<p><u>NOTE:-</u></p> <p>F1</p> <p>F2</p>	<p>Bidder to provide and maintain separate tubular inventory for each offered rig. Meeting Latest API Standard.</p> <p><u>5' Drill Pipe</u> 5' OD, 19.5 lbs/ft, 4 -1/2' IF drill pipe with 18⁰ taper friction welded tool joints 6-3/8' OD. Boxes, Heat treated with quenching and Tempering to the requirement of NACE standard MR-01-75 For H2S use Hard facing required With steel protectors Manufacturer.</p> <p>10,000', 19.5 PPF, G-105, 4-1/2' IF New or Premium & 8,000', 19.5 lb/ft, S-135, 4-1/2' IF New or premium</p> <p><u>5' Drill Pipe Pup Joints</u></p> <p>AS above</p> <ul style="list-style-type: none"> • 10 feet Mandatory • 20 feet 2 each • Manufacturer Mandatory 2 each 	
<p>F3</p> <p>F4</p>	<p><u>3 -1/2' drill pipe</u></p> <p>3-1/2" OD, 13.3 LBS/FT. 3-1/2" if drill pipe with 1 Taper tool joint 4 3/4' OD with steel thread protectors. Smooth or ground flush hard facing 10,000', 13.3 PPF, G-105, 3-1/2 New or premium & 10,000', 3-1/2', 13.3 PPF, S-135, 3-1/2'</p> <p><u>3 -1/2' drill pipe pup joints</u> Same as above 10 feet long 20 feet long 2 each</p>	
<p>F5</p>	<p><u>2-7/8' drill pipes</u></p> <p>2-7/8' OD, 1EU, 10.4 lbs/ft, grade E-75, 18⁰ taper shoulder tool joints 3-3/8' OD internally plastic coated with Steel thread protectors as per API Specs. 3000'</p>	
<p>F5.1</p>	<p><u>2-7/8" HT Pac drill pipes with tool joint O.D 3-1/8" 10.4PPF on as and when required</u></p> <p><u>QTY. As per requirement</u></p>	
<p>F6</p>	<p><u>Heavy weight drill pipe</u></p> <ul style="list-style-type: none"> • Manufacturer and type • Range, Grade and weight 5'x50 lb/ftx4-1/2' IF pin & box (30 joint minimum) 3-1/2'x 25.30lbs/ ft x 3-1/2 IF pin & box(30 joints minimum) • Tool joint and upset. With hard facing & Steel thread protectors. 	

ITEM NO	OGDCL REQUIREMENT	BIDDER'S OFFER
F7	<u>Drill Collars</u> (Only With fish neck)	
F7.1	9-1/2/9' x 3' ID x 7-5/8' Reg pin x box drill collars Spiral/No wall stick, with slip recess 1 short DC in all sizes Each joint be 30ft. long. 12 joints minimum	
F7.2	<ul style="list-style-type: none"> • 8' x 2-13/16' ID x 6-5/8' • Reg. pin & box drill collars Spiral/No wall sticks, with slip recess 30 joints minimum 	
F7.3	<ul style="list-style-type: none"> • 6-1/4' DC • Spiral/No wall stick with slip recess • 4' IF pin x box 30 joints minimum 	
F7.4	<ul style="list-style-type: none"> • 4 3/4' OD x 2 1/4' ID DC • 3 -1/2' IF pin x box spiral/No wall stick with slip Recess 30 joints minimum 	
F7.5	<ul style="list-style-type: none"> • 3-1/8' OD x 1-1/8' ID DC • PAC connection. Pin x box spiral with slip recess 21 joints minimum 	
F7.6	: 3-1/8" HT Pac drill collar with 2-7/8" HT Pac Connections on as and when required basis QTY. As per requirement	
F8	Short DC's (Must match in size & correction for 7.2 to 7.4)	
F8.1	9-1/2' DC 1 X 10 feet 1 x 15 feet 1 x 20 feet	
F8.2	8' DC 2 x 10 feet 2 x 15 feet 2 x 20 feet	
F8.3	6-1/4' DC 2 x 10 feet 2 x 15 feet 2 x 20 feet	
F9	<u>Bit subs</u> All bored for float To accommodate, 7-5/8' Reg 6 5/8' REG, 4 -1/2' REG, 3 -1/2' REG bit connections with enough	
F10	<u>Crossovers</u> One lot including spares of cross over subs to accommodate all down hole equipment, with steel thread protectors.	
F11	<u>Float Valves</u> Float valves for all drill collar sizes	
F12	<u>Casing scraper</u> For employer's casings as per Employer's 'outline of casing program'.	
F13	<u>Drilling jars(HMD)(Optional)</u> <ul style="list-style-type: none"> • Size & Type 8', 6-1/4', 4-3/4' • Number 02 each size 	
F14	<u>Stabilizers</u> All standard and odd sizes	

SECTION G : HANDLING EQUIPMENT

ITEM NO	OGDCL REQUIREMENT	BIDDER'S OFFER
G1	<p><u>DP/DC Handling equipment</u></p> <ul style="list-style-type: none"> • DP elevators • 5' DP • 3-1/2' DPs • 3-1/8' DP • 2-7/8' DP <p>350 tons, 02 Nos. each</p> <p><u>DC elevators</u></p> <ul style="list-style-type: none"> • DP slips • 5' DP • 3 -1/2' DP <p>To suit CONTRACTOR's DC's. two sets each</p> <p><u>DC slips</u></p> <p>9-1/2', 8', 6-1/2', 4-3/4', 3-1/8' DCs To suit CONTRACTOR's DP & DC including tongs For 9 -1/2' DC's.</p> <p><u>DC & DP tongs</u></p> <p><u>Safety clamps</u> To suit CONTRACTOR's string</p> <p><u>Lifting subs D P and DC ' s .</u> To suit CONTRACTOR's DP & D.C As per requirement</p>	
G2	<p><u>MISCELLANEOUS</u></p> <p><u>Circulating head and swivel,</u> 1 x 4 -1/2' IF x 2' 1 x 3 -1/2' IF x 2'</p> <ul style="list-style-type: none"> • 5' Gray valve 5' + x - over to 3 -1/2' DP • Fast shut-off coupling To fit CONTRACTOR's drill pipes as per requirement • Mud bucket Complete with single & discharge hose for drill pipes (min 02) • Kelly mud saver sub Min 02 <p>Wireline cutter 01 No.</p> <ul style="list-style-type: none"> • Casing cutter suitable to all size of casings 01 No (Pneumatic) • Bit breakers & bit gauges For 28', 26', 22', 17-1/2', 12 ¼', 8 -1/2', 6', 5-7/8', 4-1/8' or as per well plan <p><u>Tools kit</u> Complete for drill crew including hammers, Chain tongs, pipe wrenches etc.</p> <ul style="list-style-type: none"> • DC lifting subs • Sizes 9-1/2/9', 8', 6-1/4', 4-3/4', 3-3/8' & 3-1/8' OD 	

SECTION H : FISHING EQUIPMENT

ITEM NO	OGDCL REQUIREMENT	BIDDER'S OFFER
<p>NOTE -</p>	<p>Contractor will supply all necessary API standard Fishing Tools to recover Junk and its down hole equipment from the hole as described above i.e: 3 -1/2', 2-7/8', 5' DP, 5', 3-1/2 HWDP, 4-3/4', 31/8', 6-1/2', 8', 9-1/2/9' DC new or undersized. These fishing tools means all required sizes of overshots, grapples, extension subs etc. Junk subs, reverse circulating Junk Basket, Junk mills, Fishing Jars, Accelerators, Mills and Magnets.</p> <p>In case of non-availability of above mentioned mandatory standard size fishing tools and accessories, the same will be arranged from 3rd party service provider and the cost will be borne by the rig Contractor.</p> <p>Confirmation of the above by the bidders in the bid is mandatory.</p>	

SECTION I : INSTRUMENTATION AND RECORDING EQUIPMENT

ITEM NO	OGDCL REQUIREMENT	BIDDER'S OFFER
<p>I1</p> <p>I2</p> <p>I3</p> <p>I4</p>	<p>Gauges Martin Decker / Totco or equivalent</p> <ul style="list-style-type: none"> • Manufacturer • Make and Type • Weight Indicator • Mud Pressure Gauge • Torque Indicator Type • Pump (SPM) Type • Rotary (RPM) Type • Wireline Anchor, Manufacturer & Type • Tong Torque Indicator <p><u>Flow meter (Flow-show)</u></p> <ul style="list-style-type: none"> • Manufacturer & Type • Main Characteristics • Recorder <p><u>Pit level Indicator</u></p> <p>Manufacturer & Type Recorder</p> <p>Mandatory in all active pits Complete with Totalizer High and low level alarm</p> <p><u>Tong Torque Indicator</u></p> <p>Manufacturer and Type</p>	

15	<u>Parameters Recorder (mandatory)</u> 7 Channel simultaneous Mandatory Manufacturer and Type <ul style="list-style-type: none"> • Number of Channels • Parameters Recorded Flow recorder 	
16	<u>Deviation Surveying Equipment</u> Meeting Latest API Standard TOTCO – floating type/ Hydraulic float Manufacturer & Type <ul style="list-style-type: none"> • OD to pass through wash pipe • Accessories • Range-I 0-8⁰ • Range-II 0-16⁰ • Retrieving Tools • Equipment useable in 5-7/8' hole 	
17	Slick line unit with 25,000ft. along with depth meter	

SECTION J: AUXILIARIES

J1	<u>Cutting and Welding Equipment</u> Make and Type Minimum two oxygen & Acetylene cuttings sets and 03 welding sets to be made available on deck. One each of fix & mobile Electric Welding Plant of suitable rating <ul style="list-style-type: none"> • Description • Accessories 	
J2	<u>Air compressors</u> Number At least 02Nos rotary screw compressor to next requirement of all pneumatic equipment to meet the requirement of air consumption at rig during cold start <ul style="list-style-type: none"> • Make and Type • Power supply & Pressure • Air Receiver • Location 	
J3	<u>Chiksan Hose</u> Type FMC or equivalent <ul style="list-style-type: none"> • Size • Test Pressure 5000-1000 PSI Number As per operational requirement	
J4	Doghouse Size As per rig design	

J5	Workshop Size As per rig design	
J6	Store House Size As per rig design	
J7	Fuel Tank 70,000 Ltrs	
J8	Transportation & Lifting facilities Crane (40 tons) and one fork lifter (10 Tons) alongwith two full time operators one for each vehicle. Sufficient Capacity to lift CONTRACTOR's and Company's equipment & one oilfield truck With winch, gin poles etc.	
J9	Storage of Employer's items One large size container with storage facility for Employer's items at the rig site.	
J10	<u>Camp & catering</u> Hard camp & catering for all CONTRACTOR's personnel & 30 sub-contractor/employer's personnel. In the camp independent and sound proof partitioned sleeping caravans for company and its service provider company's representatives to be ensured. Camps to be air conditioned with wash Rooms facilities, refrigerated Storage, Water treatment etc. living quarters & Office facilities (including sanitation, Sleeping & showers) For company's Supervisor & Geologist, Drilling Engineer, Mud Engineer & Junior staff at site.	

SECTION L: SAFETY EQUIPMENT

ITEM NO	OGDCL REQUIREMENT	BIDDER'S OFFER
L1	Rig site fire extinguishers, chemical trolley, Camp site extinguishers, H ₂ S & hazardous gas Detectors, compressed air breathing apparatus, Safety clothing, personal protective, warning Sign etc. As per standard practice for drilling of oil & gas wells. To confirm in the bid the compliance of safety regulations of central inspectorate of mines act for oil & gas industry in Pakistan. The contractor is to take full responsibility for the Compliance of the act in true spirit	

SECTION M: RIG POWER & TYPE

ITEM NO	OGDCL REQUIREMENT	BIDDER'S OFFER
M1	<u>Rig Power</u> i) Sufficient rig power to operate all surface equipment as per Employer's out line of Drilling/ Completion programme and for complicated fishing operations where maximum over pull, circulation (GPM) and rotation will be required. Preferable equipped with caterpillar engines. ii) 04 Engines complete with SCR system & 01 Engine (extra) for 3 rd slush pump.	

M2	<u>Rig Type & Style</u> Diesel electric & Western	
M3	<u>Drive Mode of Rig</u> AC-SCR-DC, one to one control/ AC-VFD-AC	
M4	<u>AC.VFD.AC/SCR/Utility Control Unit</u> Capable to handle sufficient power supply during drilling operations of respective rig.	
NOTE:-	<ul style="list-style-type: none"> • 3rd Party valid rig Lloyds Group Moduspec or equivalent and CAT-IV inspection reports to be provided by the contractor prior to mobilization of the rig to OGDCL location. • The bidder will ensure availability of complete inventory as per offered bid at the rig site during physical inspection and prior to spud of first well for OGDCL by 03 professionals (02 from Drilling & 01 from SCM dept.)from OGDCL prior to mobilization site and after arrival of Rig at well site. 	

Description of Waste Management System	
The contractor will arrange complete package for WBM Waste Management System including the following services for pit less well site:	<ul style="list-style-type: none"> ➤ CDFR System (Cuttings Dryer, Anger, HiG, Shaker, cuttings corals, centrifuges etc.). ➤ Transportation services (WBM shifting, cuttings shifting to Bio-remediation site). ➤ Bio-Remediation services (Treatment & Disposal of WBM cuttings). ➤ Chemically enhanced flocculation system for water recovery. ➤ Minimum 50% water usable for mud making and other needs.

WASTE MANAGEMENT SERVICES REQUIREMENT FOR CONTRACTOR RIG

SCOPE OF WORK

OGDCL intends to have complete waste management services to save the costly fluid from the cuttings and to displace waste water from these pits with minimum fluid/water contained within the pit & to reuse/recycle the processed waste pit water for cleaning purpose. The required services are summarized below:-

- i) Provision of cuttings dryer fluid recovery (CDFR) system for WBM for all Contractor rigs.
- ii) Chemically enhanced automated flocculating system for all regions.
- iii) Waste water/fluid/effluent/WBM transportation services for all Contractor rigs.
- iv) Treatment and disposal of WBM cuttings

PROVISION OF FOLLOWING NECESSARY EQUIPMENTS BUT NOT LIMITED TO FOLLOWING

1. Shale Shakers/ Hi-G Dryers
2. Spin Dryers
3. Mud Holding Tank (Sump used underneath of Shaker/Hi-G Dryer)
4. Shale Shakers/Hi-G Dryers Screens
5. Transfer Pump- Recovered WBM to Mud Tanks
6. Augur system
7. Cutting Corrals
8. Centrifuges as per requirement
9. Centrifuge Feed Pumps
10. 100 bbl Recovered Mud Storage Tank
11. 02 Diaphragm pumps
12. Chemically Enhanced Automated Flocculation System.
13. Bowsers/trucks for transportation services (Drilling Fluids & Cuttings).
14. Necessary Equipment required for Waste stabilization/solidification/ Bioremediation system for treatment & Disposal of Cuttings including transportation.

HIRING OF DRILLING RIG SERVICES FOR WELL/WELLS
PERSONNEL, EQUIPMENT AND SERVICES FURNISHED BY
COMPANY AND CONTRACTOR

The personnel, equipment, materials, supplies, consumables and services listed below, shall be provided by the party and at the expense of the Party hereto as designated by the appropriate number;-

DEFINITION **CATEGORY**

- Provided by CONTRACTOR, paid by CONTRACTOR covered in contract 1
- Provided by CONTRACTOR, paid by COMPANY plus handling charges. 2
- Provided by CONTRACTOR, paid by COMPANY, no handling charge. 3
- Provided by COMPANY, paid by COMPANY. 4
- Provided by COMPANY, paid by CONTRACTOR 5

PERSONNEL

- Personnel as per Annexure-A3 & A4. 1
- Personnel not included in Annexure-A3 above but necessary for CONTRACTOR's normal operations of the Drilling Unit. 3

EQUIPMENT

- Wellhead 4
- Drilling Rig, camp and equipment as per Annexure-A1. 1
- All maintenance, repairs and spares for Drilling rig as per Annexure-A1 1
- Geological and mud logging cabin and equipment 4
- Electrical logging 4
- Well testing surface equipment: i.e. burners, separators test tank, flow meter burner booms. 4
- Drill stem testing and formation testing tools, 4
- Production wire-line tools 4
- Telephone/fax at Islamabad in Company's office 4
- All necessary tools to undertake maintenance of the Drilling Rig and other CONTRACTOR's supplied items. 1
- Personal safety equipment including H2S 1
- Standard welding equipment on board 1
- Cementing Unit. 4
- Cementing associated piping/manifold available on rig. 1
- Circulating casing heads 1
- Cementing Casing heads. 1

- Mud laboratory with standard equipment. 1
- Connectors / adapters / drilling spools, ring gaskets necessary to fit
- CONTRACTOR's BOP stack to COMPANY's wellhead. 1
- BOP handling, running, testing equipment 1
- Handling and running casing tools and casing scrapers. 1
- Handling and running tubing tools 1
- DP and DC with subs, handling & standard fishing tools 1
Set of reamers, hole openers, stabilizers
- All subs, x-oversubs, junk subs, bit subs, lifting subs, handling and running
tools, with adequate fishing neck, for down hole equipment 1
- Standard fishing tools for down hole equipment as mentioned 1
in Annexure-A1, Section-H.
- Bit breakers and bit gauges 4
- Special fishing tools other than above 1
- All standard and odd sizes stabilizers as per well plan 1
- Containers/baskets for supplies and for all garbage 1
(COMPANY and CONTRACTOR).
- Equipment owned by CONTRACTOR, not included in Annexure-A1, 1
but existing on the Drilling Rig.
- Equipment not here above designated but necessary for 1
CONTRACTOR's normal operation of the Drilling Rig.
- Equipment not here above designated but required to COMPANY's 4
satisfaction.

CONSUMABLES / SPARES

- Fuel
 - a) For Drilling rig & camp during the operational period 4
 - b) For Drilling rig before spud in date and after rig release date. 1
 - c) For Contractor's onsite vehicles (01 ambulance, 02 Pickups) 4
Certified by Company man during the operational period.
 - d) For Contractor's Crane and Fork lifter during rig operational period. 4
- Lubricants/grease/hydraulic fluids/cleaning solvent for Drilling Rig, Drill pipes, Drill Collars except casing and tubing compound. 1
- Casing and tubing compound 4
- Blow out preventers operating fluids 1
- Cement and additives. 4
- Drilling and completion fluids including chemical and additives. 4
- Drilling/coring bits 4
- Thread protectors for drilling strings and down hole equipment. 1
- Wellheads/wear bushing/Christmas trees/completion equipment/ and necessary associated running tools. 4
- Steel gaskets for CONTRACTOR's BOP connections. 1
- All packers, bridge plugs, cement retainers. 4
- Replacement cost of damaged beyond repair tubulars /BHA components during entire period of contract. 1
- Pipe wipers and drill pipe rubber protectors 1
- Stabilizer blades redress 1
- Welding consumables for operations 1
- All necessary consumables to maintain in continuous operation surface equipment belonging to CONTRACTOR. 1
- All necessary spare parts/consumables for gas cylinders (oxygen, acetylene, nitrogen) welding consumables, on board the Drilling Rig. 1
- All mesh sizes of screens & spares for shale shakers, spares for solid control, Equipment, spares for mud pumps. 1
- All necessary spare parts consumables to undertake maintenance or repair of COMPANY's items. 4
- All necessary ropes, cables, wire ropes, chain, slings, shackles, hook blocks 1

on board the rig.

- Potable/distilled water with necessary additives/purifiers for CONTRACTOR's and COMPANY's personnel. 1
- Fresh/industrial water over the rig and camp site. 4
- Electrical power and compressed air for COMPANY's use and its Sub-contractors. 1
- All necessary safety and protective clothing for CONTRACTOR's Personnel plus 10 extra sets for visitors. 1
- Consumables and spares not here above designated but Necessary for CONTRACTOR's normal operation of the Drilling Rig. 1
- Consumables and spares not here above designated but required to COMPANY's satisfaction. 4

SERVICES

- Preparation of location including foundations, cellars and bases and access roads. 4
- Surveying of drilling location 4
- Operation of the Drilling Rig and any CONTRACTOR's items 1
- Compliance of the Drilling Rig with all statutory regulations. 1
- Maintenance of the Drilling Rig and other CONTRACTOR's items 1
- Safety training for CONTRACTOR's personnel. 1
- Accommodation and catering on the Drilling Rig for CONTRACTOR's Personnel and fifteen (15) COMPANY's Personnel with three meals. 1
- Accommodation and catering on the Drilling Rig for extra COMPANY's Personnel or COMPANY's 3rd party personnel as per requirement (+30 persons) 3
- Available First aid medical attention on the Drilling Rig 1
- Inspection of CONTRACTOR's items 1
- Remedial to any defect following above inspection 1
- First inspection of CONTRACTOR's drill string before start of contract. 1
- Subsequent inspections of CONTRACTOR's drill string 4
- Welding and cutting services on the Drilling Rig 1
- All associated formalities related to travel documents Health certification, visas, works permits statutory training etc. for CONTRACTOR's Personnel and their families. 1
- Permit and license to operate CONTRACTOR's telecommunication equipment 1
- Telecommunications according to CONTRACTOR's Log-book for COMPANY's Personnel 3
- Communication services such as V-sat etc. 4

- COMPANY's telephone facility can be shared by CONTRACTOR according to 5 usage of number of lines
- CONTRACTOR's Personnel compliance with safety regulations/training exercise and emergency situation decisions. 1
- Casing running in services. 1
- CONTRACTOR's base/office/warehouse/yard/facilities/transportation/accommodation etc.... including for families if any. 1
- COMPANY's representative office complete with desk, filing cabinet and necessary furniture on the Drilling Rig. 1
- Security services in CONTRACTOR's operational area during the contract Period 4
- Provision of WBM Waste Management CDFR Services 1
- First rig inspection by certified inspection company of International repute. 1

TRANSPORTATION/HANDLING

- Transportation of CONTRACTOR's Personnel between point of Origin and Rig site. (Covered in Mob. Fee) 1
- Transportation of CONTRACTOR's Personnel between Drilling Rig and CONTRACTOR's base. (covered in De-mob. Fee) 1
- Any transportation of COMPANY's Personnel. 4
- Transportation of CONTRACTOR's replacement items between point of origin and Rig site to repair CONTRACTOR's Equipment not reimbursed by COMPANY. 1
- Any transportation of COMPANY's items. 4
- Other services with associated equipment and consumables:
 - Weather forecasting 4
 - Any geological services including mud logging. 4
 - Electrical logging. 4
 - Mud Engineering. 4
 - Cementing and pumping. 4
 - Drill stem testing, formation testing. 4
 - Production wireline. 4
 - Surface producing testing. 4
 - Special fishing operation (other than with tools included in Appendix-A 1). 4
- Services not here above designated but necessary for CONTRACTOR's normal operations of the Drilling Rig. 1
- Services not here above designated but required to COMPANY's satisfaction. 4

HIRING OF DRILLING RIG SERVICES FOR WELL/WELLS

PERSONNEL

MINIMUM BASE PERSONNEL	MINIMUM NUMBER TO BE POSTED AT A TIME
A) Contract / Operational coordinator	1
B) AT RIG SITE	
Tool Pusher	1
Tower Pusher(Night time duty)	1
Drillers	2
Assistant Driller	2
Derrick man	2
Roughnecks	6
Roustabouts	6
Chief Mechanic	1
Chief Electrician	1
Crane operator	1
Fork Lift operator	1
Welder	1
Asst. Mechanic	1
Asst. Electrician	1
Camp Boss/Time Keeper	1
Motorman	2
HSE professional	1
Office Staff]
Catering Staff]
Storekeeper] As required by Contractor
Medical Doctor]
Male Nurse]
Room Boys]
Sweepers]
Drivers & Operators]

Note

Drilling Crew to work in 2 shifts of 12 hours per day. This is minimum requirement; COMPANY has the right to ask for additional personnel without extra payment to meet the operational requirement at the rig. Drilling supervisory crew to be fluent in communication in English language.

ANNEXURE-A4

HIRING OF DRILLING RIG SERVICES FOR WELL/WELLS MINIMUM REQUIRED QUALIFICATIONS OF PERSONNEL

The personnel to be assigned on this work shall be listed under the categories as shown in Annexure-A3 and their basis of acceptance shall be as follows;-

A) Tool Pusher & Tower Pusher

- Appropriate technical qualification holder from certified institution with 03 years Diploma / Degree related to drilling and well completion.
- Sound health/physical fitness.
- Age 35-55 years.
- 10-15 years drilling experience of which at least 3 years on the rigs similar to those offered by the contractor.
- Minimum of 5 years as Tool Pusher/Tower Pusher.
- Holder of current First Aid Certificate.
- Holder of valid/well control certificate (IWCF). Compulsory with documentary proof.
- A course in Oil Field Safety Practices.
- A course in H2S Safety.
- The offered professional should be qualified, experienced, fluent in English language, both oral & written and be also capable of communicating efficiently with all other contractors and company's representatives.

B) Drillers

- High School Certificate with advance course in drilling and well completion.
- Sound health/physical fitness.
- Age 30-50 years.
- 10 years drilling experience of which at least 3 years on rigs similar to those offered by contractor. 03 years overseas experience other than home country is essential. Minimum of 5 years as Driller.
- Holder of current First Aid Certificate.
- Holder of valid/well control certificate (IWCF) Compulsory with documentary proof.
- A course in Oil Field Safety Practices.
- A course in H2S Safety.
- The professionals should be qualified, experienced, fluent in English language, both oral & written and be also capable of communicating efficiently with all other CONTRACTORS and company's representatives.

C) Assistant Drillers

- High School Certificate with course in drilling and well completion.
- Sound health/physical fitness
- Age 25-40 years.
- 5 years drilling experience of which at least 2 years on rig similar to those offered by contractor.
- Minimum of 3 years as Assistant Driller.

- Holder of current First Aid Certificate.
- Holder of valid/well control certificate (IWCF) Compulsory with documentary proof.
- A course in Oil Field Safety Practices.
- A course in H2S Safety.
- The offered professional should be qualified, experienced, fluent in English language, both oral & written and be also capable of communicating efficiently with all other contractors and company's representatives.

D) Chief Mechanics

- First Class Heavy Duty Mechanic Certificate.
- Sound health/physical fitness.
- Age 28-50 years.
- Minimum 8 years Mechanic duty on rigs of which at least 5 years on rigs similar to those offered by contractor.
- Minimum 3 years as Mechanic with contractor.
- The offered professional should be qualified, experienced, fluent in English language, both oral & written and be also capable of communicating efficiently with all other contractors and company's representatives.

E) Chief Electricians

- First Class Electrical Certificate.
- Sound health/physical fitness.
- Age 28-50 years.
- Minimum 8 year's diesel electric rig experience including S.C.R System of which at least 5 years on rigs similar to those offered by contractor.
- Minimum 3 years as Rig Electrician with contractor.
- The offered professional should be qualified, experienced, fluent in English language, both oral & written and be also capable of communicating efficiently with all other contractors and company's representatives.

F) Area Manager /Drilling Superintendent

- Graduate in Engineering/High School Certificate with advance course in drilling and well completion.
- Sound health/physical fitness.
- 15 years experience in drilling of which at least 3 years on rigs similar to those offered by contractor.
- Minimum 5 years experience as Supervisor, 3 years of which should have been with contractor.
- Holder of valid/well control certificate (IWCF) or equivalent.
- Holder of current First Aid Certificate.
- A course in Oil Field Safety Practices.
- A course in H2S Safety.
- The offered professional should be qualified, experienced, fluent in English language, both oral & written and be also capable of communicating efficiently with all other contractors and company's representatives.

**HIRING OF DRILLING RIG SERVICES FOR WELLS
SCHEDULE OF BID PRICES**

=====
COST COMPONENT CHARGES (US\$)
=====

Mobilization cost (prorated with reference to distance) for each rig and availability with firm time break down required for rig move/deployment at OGDCL location. Demobilization Fee in lump sum shall be zero. Demobilization charges shall be considered as Zero (0).

Intermove (Mob/De-mob.) Fee per each 50 KM or fraction which will be prorated for each rig.

Intermove (Mob/De-mob.) Fee per 1 KM (without shifting the camp)

RIG RATES PER DAY (24 HOURS) (To be provided for each rig)

Operating Rate with Top Drive Operating Rate & without Top Drive Testing/Logging & Miscellaneous rates with crew

Testing/Logging & miscellaneous rate without crew

Large size BOPs/Adapter Spool & items day rate for deep depth rig (If offered)

Location Move Rate with transportation

Location Move rate without transportation (using OGDCL transport)

Repair Rate

Remedial Rate

*Force majeure rates with & without crew will be zero.

** OGDCL has first right to rig move using its Logistic Department services.

***Water waste management to be given separately.

Note:-

Only one location move rate from above options will be applicable.

MEALS RATES EXCEEDING COMPANY'S 15 DESIGNATED PERSONNEL

Meal cost per meal for Company's designated personnel

Breakfast cost per meal for Company's designated personnel

Full board including three meals per day for Company's designated personnel &

Full board without meals per day for Company's designated personnel

Note:

- 1) The definition of above rig rates is stated at in the below mentioned Annexure-A5-1.
- 2) The rates for Senior Mess & Junior Mess to be given separately. These rates will be applicable according to designated professionals.

RATES, FEES AND OTHER CHARGES

Payment by COMPANY

The COMPANY shall pay to Contractor during the continuance of the contract and according to its terms & conditions the amount due from time to time as calculated below. No other payments shall be due from COMPANY's other than those specifically mentioned in this contract.

Daily Rates, Mobilization/Intermove

The following Daily Rates and lumps sum fees will apply for the well in accordance with the terms and conditions to be specifically defined and thereafter the rates will be applicable. All daily rates given below shall be calculated on the basis of time to the nearest hour.

a) **Operating Rate**

The operating rate with top drive will be US\$____() per 24 hours day and without top drive will be US\$_____ () per 24 hours day and is payable

from the date of spudding the well/wells and will continue for the duration of the contract unless superseded by one of the other rates (Including no rate whatsoever) provided that the operating rates will only be payable when draw-works is operative and contractors' drill string is in the hole for well operations and this rate is not in conflict with any other rate in the contract.

b) **Testing/Logging & miscellaneous Rates with & without Crew**

The rate with crew and top drive will be US\$____ () per 24 hours day &

without top drive will be US\$____() per 24 hours day. Standby rate without crew & with top dive will be US\$____() per 24 hours day and without crew & without top drive will be US\$____ () per 24 hours day is payable during following periods;-

- 1) Electric logging operations.
- 2) Production testing (DST etc).
- 3) When waiting for Company's orders or for Company furnished items or any other services.
- 4) Suspension of operations during public holidays.
- 5) Any other situation i.e. cementing, waiting on cementing & waiting on weather.

c) **Mobilization**

i) The mobilization fee will be US\$_____ (mention distance in KM) to move the Rig from Contractors own stacking point to the well/wells location including the rig up and until the well is ready to spud as per program of the COMPANY. The mobilization fee shall cover all expenses incurred by Contractor before and until the commencement.

date without any exception, including insurance, transportation expenses, fuel and lubricant, rental of drilling rig and CONTRACTOR's personnel, time taken by COMPANY to inspect the drilling rig and time taken by Contractor to make any modifications to suite contractual requirement.

- ii) As the COMPANY's option to be declared in writing upon signature of the contract COMPANY may provide all the means including cranes to load, transport, unload and rig up the drilling rig to the well/wells location. In which case the mobilization fee will be reduced by US\$_____/KM. OGDCL has first right to rig move using its Logistic Department services.

d) Location Inter-move Rate

- i) The location move rate will be US\$_____ () per 24 hours day and is payable from the moment of rig release (when the last cement plug has been set on COMPANY's well or rig released as mutually agreed by both the parties), at any drilling location until the rig spuds in at the next COMPANY's location.
- ii) Contractor will provide lump sum move rate with respect to (pro- rated) distance in KM in US\$ which includes transportation and rig time. The rate shall cover all expenses incurred by Contractor from rig release date and until the commencement date at next location without any exception, including insurance, transportation expenses, fuel and lubricant, rental of drilling rig.
- iii) Inter-move rate for less than one km distance (without shifting the camp) will be US\$___ (). Inter-move rate without transport will be US\$_____ () (using COMPANY's transport arrangement). OGDCL has first right to rig move using its Logistic Department services.
- iv) As the COMPANY's option to be declared in writing upon signature of the Contract COMPANY may provide all the means including cranes to load, transport, unload, and rig up the drilling rig to the well/wells location. In which case, intermove fee will be reduced by US\$ _____/KM or the rig move day rate without transport will be US\$ _____. OGDCL has first right to rig inter move using its Logistic Department Services.

Note:- Only one rig move cost will be applicable from the above options given at Sr. No. (i) to (iv) as per discretion of the Company.

e) Repair Rate

In case of suspension of normal operations to be performed by Contractor due to equipment breakdown, necessary replacement, repair or maintenance etc. of the drilling rig and all other items for which Contractor is responsible, Rates as mentioned hereunder will apply, however, normal operation will not be suspended due to routine maintenance such as changing pump liners.

For periods when normal operations cannot be carried out due to damage, loss, failure, maintenance, repairs of CONTRACTOR's equipment from or for any cause, operating rate will apply up to a maximum of 1 hour per day and total accumulative period not exceeding 10 hours per month. Thereafter Contractor will be paid the repair rates of US\$_____ () 24 hours day for period not exceeding 5 hours within the same month. No rate will apply thereafter.

If Contractor is off rate during the last day of such a calendar month for reasons as described in this Clause, payment of rates will not be resumed until such time as normal operations are again in progress.

During periods of a no-rate payment mentioned above Company may, at its option, elect to discontinue the provision of certain services and supplies normally furnished by COMPANY to contractor under this Contract.

If COMPANY can reasonably show any document that operations are being slowed down or carried out less efficiently due to equipment inspection, replacement, repairs or maintenance operations, Company shall be entitled to a reduction in the Rates to a direct relation to the percentage that the operations are being slowed down or carried out less efficiently.

f) Remedial Rate

For any period that normal operations are being conducted in order to correct or overcome the effects of negligence on the part of Contractor, COMPANY will pay to contractor the remedial rate with top drive will be US\$____() per 24 hours day and without top drive will be US\$ _____() per 24 hours day only for limited period as per consent of Company (COMPANY).

g) Fuel Cost

Daily average fuel consumption of rig as per 24 Hrs.

h) Waste Management rates for WBM

The cost will be given separately on lump sum day rate basis and will be considered part of evaluation criteria.

i) Catering Rates

The catering rates shall be applied above 15 designate personnel as under:

- Meal cost for Company's designated personnel US\$/Person/Meal for Senior & Junior Mess separately. Junior mess rates should significantly lower than Senior.
- Full board including three meals per day for Company's designated personnel US\$/Person/day.

CONDITIONS TO THE CONTRACT

1. Clause – Definitions, Object, Commencement Duration, Termination

1.1 Clause – Definitions

1.1.1 “Contract” means the terms and conditions contained in the main Contract entitled hiring of drilling rigs services on well to well basis, annexure-A (A1 to A6).

- Drilling Rig Description.
- List of Contractor’s Personnel.
- Checklist of Contractor’s and COMPANY’S Obligations.
- Rates and Fees.
- Contractor’s Insurances.
- Letter of Acceptance
- Performance Bond/Bank Guarantee In the event of conflicts, the terms and conditions of Drilling rig Contract shall take precedence over the Appendices.

1.1.2 “Contractor Area” means the areas covering the locations indicated in writing by the COMPANY for the discharge of the CONTRACTOR’S work obligations under this Contract.

1.1.3 “Drilling Rig” means the Drilling Rig to be utilized by CONTRACTOR in the performance of its obligations under this Contract and as listed.

1.1.4 “COMPANY’S Equipment” means the equipment, material, supplies, services and other items specified to be provided by COMPANY.

1.1.5 CONTRACTOR’S Equipment” means the Drilling Rig and associated equipment specified to be provided by CONTRACTOR in Annexures and materials supplies, services and other items specified to be provided by and at the expense of CONTRACTOR .

1.2 Clause – Object

CONTRACTOR shall with the Drilling Rig, the drilling and other equipment and the personnel as detailed in this Contract drill/work over wells on location as designated by COMPANY in the area specified by COMPANY in accordance with the stipulations of this Contract.

1.3 Clause – Details of the Service/Contract Price

The Drilling Rig and Services in accordance with the rates set out which forms an integral part of this Contract. All prices charges under this Contract shall not vary from the attached prices shall be firm during the period of this Contract

1.4 Clause – Commencement Date

The "Commencement Date", as used in this Contract, shall be the date when both of the following conditions are fulfilled:

- a) The Drilling Rig has arrived on location, and is properly ready to spud in the 1st well and rectifying the deficiencies highlighted in the report to the satisfaction of COMPANY.
- b) The Drilling Rig and CONTRACTOR'S personnel are declared by COMPANY in conformity with all the provisions of this Contract, after an inspection has been carried out as provided for in Clause 5.1 (b). However, in the case of any delay in declarations by COMPANY after reasonable notice from Contractor, the commencement date shall be the date after rectification of deficiencies to the satisfaction of COMPANY. During such delay/waiting period, Company will charge back to Contractor all associated cost for such entire duration.

CONTRACTOR will ensure that the Drilling Rig will be available and ready to spud the well and start operations at 1st well on agreed date as per tender requirement.

1.5 Clause – Duration and Termination The duration of this Contract will be for a Primary Term of One well/Year commencing from spud date of first extendable on same rates, terms and conditions, under Rate Running Contract executed strictly under T.E.No _____, Annexure-A, at Sr. No.1 "Scope of Work" provided that:-

- 1) Notwithstanding anything to the contrary contained herein, in the event that the Drilling Rig becomes a total loss (which term will include a constructive, arranged and/or compromised total loss), the Contract will be considered as terminated, without notice, as from the moment the incident directly leading to that loss occurred and no payment whatsoever shall become due by the COMPANY to CONTRACTOR as from that moment.

OR

- 2) COMPANY shall, upon written notice, have the right to terminate the Contract in the event that COMPANY becomes dissatisfied with the performance or progress under this Contract as a result of causes reasonably within the control of CONTRACTOR and COMPANY has specified by written notice the cause of its dissatisfaction and CONTRACTOR has not remedied the matter complained of or has not taken steps and diligently proceeded to remedy such matter within seven (7) days after such written notice is received by CONTRACTOR. Further remuneration shall cease to be due as from the expiry of said seven (7) days and the amount of Performance Bond/Bank Guarantee shall be forfeited upon such termination.

OR

- 3) Subject to written consent of the Contractor COMPANY shall have the right to extend the duration of this Contract beyond the Primary term, provided written notice has been given by COMPANY to CONTRACTOR 10 (ten) days prior to the end of last well. During such additional period, COMPANY shall be entitled to terminate the Contract, at any time by giving a prior written notice to CONTRACTOR. Such notice shall be not less than 15 (fifteen) days. Remuneration will

cease at the effective date of such termination, as indicated in Sub Clause 1.5.5 hereafter.

OR

- 4) The CONTRACTOR shall have completed the program in progress to the satisfaction of COMPANY, at the end of the Primary Term of this Contract or any extension thereof.

OR

- 5) At the end of the Contract period or any extension thereof, the Contract will terminate the moment the Drilling Rig, has completed operations on the last well /wellhead and ready to be rigged down. Any delay in dismantling the rig will be remunerated at Zero Rate to CONTRACTOR.

OR

- 6) COMPANY reserves the right to terminate the Contract in such events as provided for under Clauses 5.1, 5.2, and 5.3.

In the case of termination under this Clause 1.5 no further payment other than payment for work performed up to the date of termination will be due to CONTRACTOR unless specifically stated otherwise.

2 Clause – Equipment, Personnel And Services

- 2.1 Clause - Equipment, Personnel, etc., to be provided and operations to be carried out by CONTRACTOR.

CONTRACTOR shall provide the Drilling Rig, the equipment, spare parts, supplies, services and personnel and carry out all operations shown as to be provided in this Contract. Replenishment of CONTRACTOR items will be arranged by the CONTRACTOR at its expense and CONTRACTOR will be responsible for maintaining adequate stock levels.

CONTRACTOR shall also provide at its expense any items of equipment, spare parts, supplies, services, training or personnel which are not mentioned in Annexures 1 and 3, but which are required for normal drilling operations, according to good oilfield practices and safe operating practices.

CONTRACTOR shall have no authority hereunder to hire or engage a third party on behalf of COMPANY nor to incur any debt, liability or obligation for or on behalf of COMPANY, without prior written permission from COMPANY. Use of Subcontractors by CONTRACTOR shall not relieve CONTRACTOR from any liability or obligation under this Contract. Any representation or warranty in respect of CONTRACTOR's work to be performed, its Drilling Rig, equipment and personnel will likewise apply to any work to be performed and property and personnel to be supplied by Subcontractors as if such work were performed and property and personnel were supplied by the CONTRACTOR.

- 2.2 Clause – Equipment, Personnel, etc. to be provided and operations to be carried out by COMPANY

COMPANY shall timely provide the equipment, spare parts, supplies, services and personnel and carry out all operations shown to be provided by it in Annexures (A1 to A3) subject to the stipulations of this Contract. Replenishment of COMPANY items will be COMPANY'S responsibility.

- 2.3 Clause – Additional Equipment, etc.

Should COMPANY request CONTRACTOR to provide special and/or additional tools, equipment, materials and services other than those designated in the Contract, their cost and the manner in which they are to be furnished shall be agreed upon beforehand in writing.

2.4 Clause – Additional Personnel

Should reduction (or increase) of CONTRACTOR's additional personnel, be requested by COMPANY, COMPANY shall be entitled to deduct from (or to add to) the rates the applicable personnel unit rate as mutually agreed. COMPANY shall pay the applicable individual demobilization / remobilization fees as mutually agreed. COMPANY shall give CONTRACTOR not less than five (5) calendar days prior written notice to release or remobilize CONTRACTOR's personnel.

3 CLAUSE – RATES, FEES AND OTHER CHARGES

3.1 Clause – Payments by COMPANY

The COMPANY shall pay to CONTRACTOR during the continuance of the Contract and according to its terms the amounts due, on monthly basis, calculated as provided in this Contract. No payments shall be due by COMPANY other than those specifically mentioned in this Contract.

3.2 Clause – Daily Rates and Fees

In full consideration of CONTRACTOR's entire performance of the work, COMPANY agrees to remunerate CONTRACTOR in the manner set forth in this Clause 3.2.

All daily rates given below shall be calculated on the basis of time to the nearest quarter of an hour:-

a) Operating rate

Operating Rate is payable from the Commencement Date onwards, unless superseded by one of the other rates (including no rate whatsoever) contained in this Contract, and will continue during the term of this Contract.

b) Testing/Logging & miscellaneous rate is payable during:

1. Electrical logging operations, Production testing without Contractor's drill string.
2. Rig up / down of BOPs and drilling riser, equipment, wellhead flanging and wireline operations.
3. When waiting for COMPANY orders or for COMPANY furnished items or services, such as waiting on cement unless during such waiting periods CONTRACTOR's drill string is being employed in the hole either for round tripping, circulating or rotating operations.
4. Any period while operations are suspended due to adverse weather or other such reasons.

c) **Mobilization** shall be as specified subject to clause 1.4 (a & b). This fee shall cover all expenses incurred by CONTRACTOR before and until the Commencement Date without any exception, including insurance, transportation expenses, fuel and lubricant, rental of the Drilling Rig and CONTRACTOR's personnel, time taken by COMPANY to inspect the Drilling Rig and time taken by CONTRACTOR to make any modifications to suit Contractual requirements.

d) **Demobilization** shall be zero, the Drilling Rig Unit shall be put at CONTRACTOR's disposal upon termination of the Contract under Clause 1.5 and no remuneration whatsoever shall be due to CONTRACTOR for expenses incurred by CONTRACTOR after that date. Demobilization fee shall be as specified.

e) **Location Move Rate within field/country** A lump sum location move rate or location move rate basis will be paid to cover the rig down, rig move and rig up cost until the well is ready to

spud as per program of COMPANY within the field/country from the previous well of COMPANY. This rate will cover all types of expenses incurred by the Contractor including rig transportation, fuel, rental of drilling rig and Contractor's personnel cost etc.

3.3 Clause – Rates during repairs/inspection/modifications/maintenance

In case of suspension of normal operations to be performed by CONTRACTOR due to inspection, modifications, necessary replacement, repairs or maintenance, except for routine maintenance etc. of the Drilling Rig and all other items for which CONTRACTOR'S is responsible, the rates as mentioned hereunder will apply.

For periods when normal operations cannot be carried out due to damage to, loss, failure, maintenance, repairs, modifications and inspection of CONTRACTOR's Equipment from or for any cause.

Standby Rate will be payable to CONTRACTOR, provided, however, that if operations cannot be resumed after twelve hours for any one occurrence, the Standby Rate will be paid for the period in excess of twelve hours.

If operations cannot be carried out, due to matters within CONTRACTOR's responsibility, after a cumulative period of ten (10) hours for one or several occurrences during a calendar month, CONTRACTOR will not be entitled to any compensation during any further suspension of normal operations occurring during the remainder of that calendar month. If CONTRACTOR is off rate as described in this Clause, payment of rates will not be resumed until such time normal operations are again in progress.

During periods of a Zero Rate payment mentioned above, COMPANY may, at its option, elect to discontinue the provision of certain services and supplies normally furnished by COMPANY to CONTRACTOR under the Contract.

In the event the Drilling Rig, upon the agreement of the parties, is shut down for inspection, repair, maintenance, structural modifications or repairs of structural defects under this Clause 3.3, all costs including tow costs and harbor expenses will be for CONTRACTOR's account.

If COMPANY can reasonably show and document that operations are being slowed down or carried out less efficiently due to equipment inspection, replacement, repairs or maintenance operations, COMPANY shall be entitled to reduction in the Rates under Clause 3.2 in a direct relation to the percentage that the operations are being slowed down or carried out less efficiently.

3.4 Clause – Rate in event of negligence by CONTRACTOR

For any period that normal operations are being conducted in order to correct or overcome the effects of established negligence on the part of CONTRACTOR, COMPANY will pay to CONTRACTOR the Remedial Rate.

3.5 Clause – Revision of Rates

- 3.5.1 Subject to the provisions of Section 5 of Contract that all rates and fees shall be fixed and firm as indicated in Annexure 5 for the duration of the Contract's Primary Term and any extension thereof and shall be deemed to be fully inclusive of all CONTRACTOR's costs, it being understood that CONTRACTOR has obtained all information and taken account of all circumstances which may affect any of its costs and expenses before agreeing to the rates and fees herein provided for.
- 3.5.2 Notwithstanding the above during the Contractor's Primary Term or any extension thereof after the date of signature of Contract either party may request downward adjustment in the daily rates payable under this Contract:
- In the event of any change during the term of the Contract in taxation or other legislation in Pakistan having a major effect on CONTRACTOR's financial position unless such a change could have been foreseen by CONTRACTOR at the time of entering into the Contract.
 - In the event of an assignment as referred to in Clause 9, of draft contract suitable adjustments shall be made to give effect to any increase or decrease in CONTRACTOR's operating costs, the burden of taxes in the new operating area and transfer of base.

4. Clause – Invoices and Payment

4.1 Clause–Submitting of Invoices

Contractor shall invoice COMPANY on or before the tenth day of each calendar month the amounts due from COMPANY pursuant to Clause 3, in the preceding calendar month. All invoices shall be accompanied by time sheets approved by COMPANY'S designated or concerned personnel with regard to the applied rates and by documentary evidence of any costs incurred and to be charged to COMPANY. CONTRACTOR will use its best endeavors to submit invoices as they become due. Invoices shall be rendered in US Dollars.

5. Clause – Standard of Performance

5.1 Clause–Performance and Inspection of CONTRACTOR's Drilling Rig.

- a) CONTRACTOR undertakes that Drilling Rig with its equipment and personnel is and will continue to be capable of being moved for all moves required under this Contract and of operating in the area of operations under this Contract, all in accordance with Annexure A and best oilfield practices.
- b) COMPANY shall have the right before the Commencement Date, but without relieving CONTRACTOR of its own obligations in this respect, to inspect and reject for sound reasons the Drilling Rig or any part thereof.

- c) CONTRACTOR will have available for examination records of CONTRACTOR's Equipment reflecting its condition. The Parties will agree to a procedure for the modification or repair of the rejected part at CONTRACTOR's expense; failing such agreement COMPANY may at its option, be relieved from its obligations under this Contract.
- d) Notwithstanding the above, COMPANY reserves the right at any time during the term of the Contract to immediately terminate the Contract when the Drilling Rig does not meet the requirements for which it has been designated due to basic deficiency in construction and/or design and CONTRACTOR is unable to prove that such deficiency can be corrected within thirty days. No daily rate or other payment will be due by COMPANY to CONTRACTOR during repairs carried out to correct such deficiencies.
- e) Drilling String Standards for the purposes of this Contract, CONTRACTOR shall provide premium class drill pipes whose specifications shall be approved by COMPANY.

CONTRACTOR agrees that all pipes, drill collars, substitutes and other down hole equipment regularly in use shall be inspected before commencement date by a recognized inspection service company at CONTRACTOR's expense.

COMPANY shall be furnished with copies of all the reports of such inspection. Any drill pipe not passing API Premium Class (two white bands; refer API Standard RP7G, latest edition) shall be rejected and replaced by new plastic-lined drill pipe.

Drill collars, subs with threaded ends shall have BSR (Bending Strength Ratio), within the acceptable range as specified in API RP 7G paragraph 3.3 and 3.4.

Any drill collar with connections showing defects shall be replaced by new collars or alternatively shall be re-cut in accordance with drill collar specifications.

Heavy weight drill pipe (HWDP) threaded ends should be inspected and Classified according to the same specifications as those for drill pipe.

All joints shall be and remain identified individually by means of hard-stamping.

Fishing tools shall be inspected by magnetic particle inspection technique before acceptance by COMPANY.

CONTRACTOR shall deliver to COMPANY before the Commencement Date the inspection reports (including full length sonoscope, end area inspection, tool joints OD measurements for used drill pipes and heavy weight, magnetic particle inspection and OD's measurement results for subs, crossover and drill collars) together with individual numbers, substantiating such classification.

- f) If at any time an item which the CONTRACTOR is required to provide as per Clause 2.1 cannot immediately be produced by the

CONTRACTOR and the CONTRACTOR cannot produce evidence that such item was lost or damaged during the course of operation, then the CONTRACTOR will, at COMPANY'S discretion, credit the COMPANY the rental rate for such item as per price list of a recognized rental-agency, from the Commencement Date until arrival of such item onboard the Drilling Rig.

5.2 Clause – Performance of CONTRACTOR and its Personnel

- a) CONTRACTOR will carry out operations hereunder with due diligence and in a safe and workman-like manner according to best oil field practices. CONTRACTOR shall ensure that the Drilling Rig is adequately manned with competent and well – qualified experienced personnel as listed in related Annexures and that the Drilling Rig is maintained in a state in which it can perform efficiently, safely and continuously.
- b) CONTRACTOR shall prior to start of operations submit to COMPANY for approval a name list of all supervisory personnel (assistant driller and above) planned to be working on this operation.

This list shall show each person's qualifications, previous employment with dates, training courses attended and copies of all pertinent certification obtained.

If, in the course of the operation, CONTRACTOR plans to change one of the supervisory personnel from the original name list, then the CONTRACTOR shall contact COMPANY in advance, inform him of the intended change and give COMPANY the above-mentioned particulars of the new person.

Pursuant to Clause 5.4 COMPANY reserves the right to reject a person on the original name list and also any subsequent change to the name list.

- c) CONTRACTOR shall organize reliefs of its personnel in accordance with COMPANY'S operation instructions and the shift schedule given in Annexure A3.

CONTRACTOR shall compose shift so that no language problems arise between and among CONTRACTOR's personnel and COMPANY'S personnel.

- d) CONTRACTOR shall nominate a representative for health, safety and environment matters.

5.3 Clause – Right to shut down operations / terminate Contract

- 5.3.1 Without prejudice to the provisions of this Contract, if COMPANY is dissatisfied with the performance of CONTRACTOR, on account of incompetence of CONTRACTOR, slow progress in the performance of operations hereunder or of gross negligence of safety precautions, as a result of causes reasonably within CONTRACTOR'S control or on account of negligent performance on the part of CONTRACTOR, COMPANY shall give CONTRACTOR written notice in which

COMPANY shall specify in detail the cause of its dissatisfaction. Should CONTRACTOR fail or refuse to remedy the matter complained of within Ten (10) days after the said written notice has been received by CONTRACTOR, COMPANY shall have the right either:

- a) To direct CONTRACTOR to cease operations and pay CONTRACTOR no rate what so ever until ready to resume operations to the satisfaction of COMPANY, or to terminate the Contract immediately without any further compensation.
- b) In case where CONTRACTOR's negligence of safety standards leads to imminent hazards, COMPANY reserves the right to direct CONTRACTOR to cease the operations immediately and no further rate what so ever will be paid, until the situation is remedied.

5.3.2 COMPANY is entitled to terminate this Contract by giving written notice, without prejudice to any other rights COMPANY may have, under any of the following circumstances:

- a) If the cumulative total of the periods of Zero Rate as per clause 3.3 exceeds one week in any calendar month or for any occurrence. In this case no indemnity shall be due to CONTRACTOR after this one-week limit.
- b) If CONTRACTOR fails to take out the insurances prescribed in section 23 or such insurance(s) become invalid otherwise than through an act or omission of COMPANY. No payment whatsoever shall be due in the former case and in the latter all remuneration shall cease to be due on the date the insurance(s) become invalid.
- c) If CONTRACTOR goes into liquidation or receivership or enters any agreement with or for the benefit of its creditors or becomes unable or refuses or neglects to carry out the work herein Contracted for or any part thereof or proceed with the same or if any part of the Drilling Rig is taken in execution of liquidation.

All remuneration shall cease to be due as from the date of receipt of COMPANY'S notice of termination under this paragraph.

5.4 Clause – Replacement of Personnel

If in COMPANY'S opinion, any member of CONTRACTOR'S personnel is incompetent, negligent, or working and/or behaving in such a way as to make his continued presence on the Drilling Rig and/or in COMPANY'S base undesirable, COMPANY shall notify CONTRACTOR in writing to that effect and CONTRACTOR shall at once remove him and shall at its expense replace the particular member of its personnel in the shortest possible time, with the one to be approved by the COMPANY.

6. Clause – Liabilities for Equipment, Personnel and Operations

6.1 Clause – COMPANY'S Materials

6.1.1 CONTRACTOR shall visually inspect all equipment and materials furnished by COMPANY before using same and shall notify COMPANY forthwith of any apparent defect therein in order to permit replacement or repair of the defective item at once. CONTRACTOR shall exercise the correct care, maintenance and manipulation of COMPANY furnished equipment and will carry out maintenance and repair of this equipment on the Drilling Rig. Provided, however, that COMPANY shall, at its cost, provide all spare parts and materials required to maintain or repair COMPANY'S items.

6.1.2 If COMPANY'S well consumables such as wellheads, tubulars etc. are damaged as a result of CONTRACTOR's negligence or willful wrong doing prior to installation in the well, CONTRACTOR shall, at COMPANY'S option, reimburse to COMPANY the cost thereof or the cost of necessary repairs.

6.1.3. Upon termination of this Contract, CONTRACTOR shall return to COMPANY all COMPANY'S items which are at that time in CONTRACTOR's custody.

6.2 Clause – CONTRACTOR's subsurface Equipment

6.2.1 Damaged beyond repair or loss of CONTRACTOR's subsurface equipment, while operating with such equipment below the rotary table, excluding, however, damage or losses due to normal wear and tear or CONTRACTOR'S negligence, will be reimbursed by COMPANY at the depreciated replacement cost based on a four- year life period for such subsurface equipment, provided that the CONTRACTOR will not be paid less than 50% of original purchase value of equipment lost. The contractor will provide with bid the reasonable low rates for BHA components on sliding scale or the contractor will provide 03 quotes for LIH/DBR items comparable with OGDCL lowest purchases from last 03 years.

6.2.2 CONTRACTOR's negligence referred to in Clause 6.2.1 above shall include, but not be limited to, CONTRACTOR's not having replaced worn-out material and equipment in time and at its own cost.

6.2.3 Normal wear and tear on the above mentioned equipment including defects revealed by routine pipe inspection will not be classified as damage.

6.3 Clause – The Well and the Reservoir

6.3.1 The Well

CONTRACTOR shall not be responsible for damage to or loss of the hole or casing therein and COMPANY shall hold CONTRACTOR harmless for any such loss or damage except when the particular loss or damage is caused by CONTRACTOR's negligence.

In such a case CONTRACTOR's liability shall be limited to re- drilling a new hole equivalent to the depth of the hole so damaged or lost and CONTRACTOR shall be paid in accordance with Clause 3 for such re-drilling operation.

6.3.2 Underground damage

COMPANY hereby accepts any and all responsibility for any to underground damage howsoever caused and COMPANY agrees to indemnify and hold CONTRACTOR harmless from any liability resulting from such damage.

6.3.3. Wild well

COMPANY shall be responsible for any and all costs incurred in regaining control of a wild well except where such costs are incurred due to the negligence of the CONTRACTOR

6.4 Clause – Personnel of CONTRACTOR

COMPANY shall not be liable for injury to or death of CONTRACTOR's personnel however caused, and CONTRACTOR shall hold COMPANY harmless from and indemnified against any claim in respect of such injury or death.

6.5 Clause – Personnel of Third Parties

CONTRACTOR shall indemnify and hold COMPANY harmless from and against any and all claims, demands, proceedings or judgments, including costs and attorney's fees, which may be filed or rendered against COMPANY during the term of this Contract and

all extensions thereof or thereafter, on account of any loss, damage (including that of or to equipment), injury or death suffered by any person or entity not otherwise provided for under this Contract, arising out of or relating to the CONTRACTOR's performance of operations under this Contract whether or not such damage or loss arises out of or results from fault or negligence of CONTRACTOR and/or its agents or personnel.

6.6 Clause – Pollution

CONTRACTOR shall take all necessary steps to prevent pollution of area surrounding the wells. In the event of negligence on the part of CONTRACTOR resulting in a blowout or uncontrolled flow from the well, CONTRACTOR will be liable for any claims resulting from such pollution up to the amount of US\$ 250,000.00 per occurrence. Moreover, CONTRACTOR shall always remove at its own cost the rig or part thereof, in the event that the rig is lost or damaged beyond repair, from location, if so required by governmental authority Without prejudice to the foregoing, CONTRACTOR shall not be liable for pollution resulting from a blow out or uncontrolled flow from the well, where such blow out or uncontrolled flow is not attributable to its negligence and COMPANY shall hold CONTRACTOR harmless from any claims resulting from such pollution.

7. Clause – Working Conditions

7.1 Clause – Instructions by COMPANY

CONTRACTOR shall, without prejudice to the provisions of Clause 8 of the contract, comply with all instructions of the COMPANY consistent with the provisions of this Contract, which may, from time to time be given by

COMPANY. Such instructions will be confirmed in writing by COMPANY and may include instructions as to drilling methods or stoppage of operations in progress etc.

7.2 Clause – Scope of operations

CONTRACTOR, with the Drilling Rig, drilling equipment and personnel, shall carry out all operations required to drill, test and complete well(s) at locations indicated by COMPANY. Without limitation upon the generality of the foregoing, CONTRACTOR shall be responsible for the move of its Drilling Rig to the first location, rigging up/down, the complete operation of the Drilling Rig and for the overall direction of the transport operations between locations and from the last location.

7.3 Clause – Independent Contractor

In the performance of its operations hereunder, CONTRACTOR shall be an independent CONTRACTOR with the authority to control and direct the performance of the detail of its work, subject to COMPANY'S right to give instruction and of inspection and supervision as laid down in this Contract. The personnel / employees of the CONTRACTOR shall in no way and at no times be deemed to be employees by the COMPANY. The presence of and the inspection and supervision by COMPANY'S representative at the site of the work shall not relieve CONTRACTOR from CONTRACTOR's obligations and responsibilities hereunder.

CONTRACTOR shall therefore assume all costs and expenses appropriate to its independent status and, in particular with regard to items pertaining to its personnel, all such items including but not limited to salaries, bonuses, insurance and social welfare contributions of all descriptions and any other requirements of any laws for the time being in force.

7.4 Clause – Adverse Weather

In the event of impending adverse weather or other conditions, CONTRACTOR shall, in consultation with COMPANY, decide whether to institute precautionary measures in order to safeguard the well equipment and the Drilling Rig to the fullest possible extent.

7.5 Clause – Public Holidays

Work shall be performed on a 24 hours per day, 7 days per week, 365/366 days year basis.

7.6 Clause – Maximum Capacity

COMPANY reserves the right to require CONTRACTOR to utilize any of CONTRACTOR's Equipment to its maximum capacity as rated by the manufacturer. Inability of equipment to perform at its rated capacity thus impairing the efficiency of operations shall entitle COMPANY to continue operations under Reduced Rate defined in the related clause.

7.7 Clause – Well Programme

For each well, COMPANY shall provide CONTRACTOR with a "Well Drilling Programme" which shall include (but not necessarily be limited to) well depth, hole sizes, casing programme (including specified use of protectors and drift

mandrels), mud control programme and COMPANY'S deviation policy. COMPANY may modify this programme while operations are in progress. COMPANY, accordingly, shall have the right to complete or abandon the well at any depth.

7.8 Clause – Safety and Well Control Policy

COMPANY and CONTRACTOR will ensure that their respective employees will observe and perform all safety and occupational health regulations which they may respectively issue. Without prejudice to CONTRACTOR's general responsibility for the safety of its operations and the personnel involved and its obligations under this Contract, CONTRACTOR shall observe, perform and follow all statutory safety regulations and such other safety regulations as may be issued by COMPANY from time to time.

CONTRACTOR shall, prior to start of operations, present to COMPANY a report indicating its organization for safety, its knowledge of safe practices including local statutory requirements, its previous safety records in terms of injuries and damages, the safety awareness and training of its personnel, as well as the effectiveness of its accident reporting system.

CONTRACTOR shall nominate a representative for safety, health and environmental matters.

CONTRACTOR shall maintain a safety register in which results of safety tests/checks and exercises are recorded and commented. The information shall be made available to COMPANY.

CONTRACTOR shall maintain well control equipment in sound condition at all times and shall use its best efforts and means to control and prevent fires and blowouts and to protect the hole. The blowout prevention equipment shall be installed, operated and tested according to the best oilfield practices and COMPANY'S Well Control requirements.

7.9 Clause – Depth Measurements

CONTRACTOR shall be able at all times to indicate the exact measured depth to the well. CONTRACTOR shall measure with a steel tape and keep a record of the length of drill string, casing and other tools run in the hole.

A drill pipe tally/Tubing tally book will be kept on the Drilling Rig. It will accurately show the length of every single drill pipe/tubing, the length of every single drill collar/heavy weight, the length of sub/crossover/tool, the length of every stand.

It will also show a drawing of the bottom hole assembly indicating more particularly the different inside and outside diameters, type of threads and such other information as required by COMPANY. All length measurements shall be in meter.

Reference datum for all depth measurements will be the top of the rotary table.

7.10 Clause – Control of Mud Programme

COMPANY may, at its discretion, check and control the CONTRACTOR's implementation of the mud programme.

CONTRACTOR shall take all reasonable care to use and maintain a mud with properties in accordance with any specifications made by COMPANY or acceptable to the latter. Should the mud properties, during drilling, prove inadequate, CONTRACTOR shall immediately contact the COMPANY'S representative to inform him of the situation. In the event no COMPANY'S representative is available, CONTRACTOR shall have the duty to improve said properties to the best of its knowledge, by consultation with the Mud Contractor and Mud Engineer.

7.11 Clause – Cutting/Core Programme

When requested by COMPANY, Contractor shall collect, save and identify the cuttings and cores according to COMPANY'S instructions and place them in separate containers to be furnished by COMPANY. Such cuttings and cores shall be made available to COMPANY at the location.

7.12 Clause – Oil/Gas Formations

Whenever CONTRACTOR encounters a formation which reasonably appears to be oil or gas-bearing and/or of lithological importance according to the COMPANY'S instructions, it shall stop drilling and immediately notify COMPANY thereof so as to give COMPANY an opportunity to examine the formation for the purpose of determining what further operations should be conducted.

CONTRACTOR shall co-operate with COMPANY'S other Contractors and help to make tests to determine the productivity of formation. CONTRACTOR shall not refuse, without good reasons, its equipment being used for formation testing in accordance with good oil field practice.

7.13 Clause – Records to be furnished by CONTRACTOR

CONTRACTOR shall keep and furnish to COMPANY a daily drilling report on IADC format, a copy of the maintenance Engineer's daily report, a bit record, a weekly BOP check list (all forms in the manner agreed upon with COMPANY), deviation discs or charts, weight indicator, pump pressure indicator charts and all other relevant records and data. Upon the completion or abandonment of each well, all data and copies thereof pertaining to the geology and formations encountered in the well which are in the CONTRACTOR'S possession shall be delivered to the COMPANY.

7.14 Clause – Well Log

CONTRACTOR shall assist COMPANY or its other Contractors in the preparation of an accurate log of the well giving depth and thickness of each formation from the surface of the ground to the bottom of the hole and any other pertinent information concerning the well.

7.15 Clause – Abnormal and Hazardous Formation and / or Conditions

If at any time while operating, CONTRACTOR believes that a continuance of the operation will result in abnormally hazardous conditions, it shall immediately notify the COMPANY and in the meantime without undue delay exert every reasonable effort to overcome this difficulty; in any such case CONTRACTOR is entitled to stop drilling or other operations on the well under possible unsafe conditions and consult with COMPANY.

7.16 Clause – Fuel, Lubricants, etc

All fuel, oil, greases and the like consumables, required in the operations hereunder, furnished by COMPANY or by CONTRACTOR, shall be from a source of proven quality / standard.

7.17 Clause – COMPANY’s Representatives

COMPANY shall be entitled to designate a representative or representatives who shall at all times have access to the Drilling Rig the purpose of observing tests, inspecting the work performed by CONTRACTOR or verifying the records of items furnished by CONTRACTOR. Such representative or representatives shall be empowered to act for COMPANY in all matters relating to CONTRACTOR’s performance under this Contract.

7.18 Clause – Confidential Information

All information obtained by CONTRACTOR in the conduct of its operations hereunder, including but not limited to depth, formations penetrated, the results or coring, testing and surveying, shall be confidential and shall not be divulged by CONTRACTOR to any third party either during the term of this Contract or thereafter. CONTRACTOR agrees to use its best efforts to see that its personnel shall maintain secrecy to the same extent.

7.19 Clause – Compliance with Laws etc.

CONTRACTOR shall furnish the Drilling Rig and Equipment and perform its duties under this Contract in strict compliance with the provisions of all legislation, whether national, regional, local or otherwise, as may from time to time be in force in all or any part of the area of operations and CONTRACTOR shall strictly comply with the conditions of any permits, licenses and clearances relating to its operations hereunder and whether held by CONTRACTOR or COMPANY.

CONTRACTOR shall indemnify and hold COMPANY harmless from and against any and all liability, damages, claims, fines, penalties and expenses of whatever nature arising out of or resulting from violation by CONTRACTOR or its personnel of such legislation and conditions of permits, licenses and clearances.

7.20 Clause – Social Laws

The CONTRACTOR shall be liable for payments direct to the appropriate authorities of all contributions and other moneys required or prescribed by social labor laws or any similar legislation in respect of its personnel and shall indemnify the COMPANY for any payments whatsoever that the CONTRACTOR is required to pay in respect of the CONTRACTOR’s personnel under any provision of such legislation.

7.21 Clause – Patent Infringement

CONTRACTOR agrees to indemnify COMPANY and hold it harmless from and against all loss, damage and expense arising from any claim for infringement or alleged infringement of any patent covering the drilling equipment, methods or processes furnished by CONTRACTOR or that CONTRACTOR is licensed to use.

COMPANY agrees to indemnify CONTRACTOR and hold it harmless from and against all loss, damage and expense arising from any claim for infringement or alleged infringement of any patent covering the drilling and completion equipment and methods or processes furnished by COMPANY or that COMPANY is licensed to use.

7.22 Clause – Industrial Relations

The parties acknowledge that it is essential that CONTRACTOR maintains at all times good industrial relations with its personnel and that CONTRACTOR promptly takes such steps as may be necessary to maintain such good relations to the extent that such requirement is consistent with sound business practice. Whenever required CONTRACTOR shall consult with COMPANY on all matters pertaining to industrial relations.

7.23 Clause – Operating and Emergency Procedures

CONTRACTOR shall prior to start of operations submit updated Drilling Rig operating manual, written procedures such as drilling, routine BOP testing, etc. and safety, emergency procedures such as fire, rig evacuation, etc. to show evidence of regular exercises for the emergency procedures.

7.24 Clause – Accident Reporting

The CONTRACTOR shall immediately report to the COMPANY all accidents that result in injury to persons or damage to property. The COMPANY shall also be informed when a person involved in a lost time accident returns to work. The CONTRACTOR shall cooperate to the full in any subsequent investigation of the accident required by the COMPANY.

The CONTRACTOR shall keep its accident records in accordance with guidelines provided by the COMPANY and shall make these records available to the COMPANY. If the COMPANY so requests, the CONTRACTOR shall discuss its accident data with the COMPANY.

7.25 Clause – Environment

CONTRACTOR and COMPANY shall endeavor to pay appropriate regard to the environment by acting to preserve air, water, animal and plant life from the adverse effects of COMPANY'S and CONTRACTOR'S operations, and to minimize any nuisance which may arise from such operations.

CONTRACTOR shall adhere to existing national statutory regulations concerning discharge from the Drilling Rig or any other acts, measures or duties stipulated by the competent authorities regarding the conservation of environment.

7.26 Clause – Accommodation and Meals for COMPANY

CONTRACTOR shall provide, at its cost, accommodation and meals of good quality and quantity in accordance with drilling industry practices for a maximum of fifteen (15) of the COMPANY'S personnel as directed by COMPANY per day. Any accommodation and meals provided by Contractor for the said personnel in excess of the maximum daily number of fifteen (15) shall be paid for by COMPANY.

8. Clause – Communication Skills of Rig Crew

Contractor will provide specified category of rig crew fluent in English language up to the satisfaction of COMPANY.

9. Security

The COMPANY is responsible for security or guard service in the whole CONTRACTOR Area.

BID BOND

Oil & Gas Development Company Limited,
 OGDCL House, Jinnah Avenue,
 Blue Area, Islamabad.

Guarantee No.....

Date of issue.....

Date of expiry

Amount.....

Dear Sir,

In consideration of M/s.....
 herein after called "THE BIDDER" having submitted the accompanying Bid with
 reference to OGDCL tender enquiry No. **PROC-SERVICES/CB/DO-3229/2018**
 and in consideration of value received from (the Bidder above), we hereby agree to
 undertake as follows:-

1. To make unconditional, immediate and forthwith payment of the sum of **US\$ 800,000 for 06 Rigs and US\$ 133,000 for 01 Rig** upon your FIRST and SIMPLE written demand without further recourse, question, query, deferment, contestation or reference to the bidder, account party or any other person in the event of the withdrawal of the aforesaid bid by the BIDDER before the end of the period specified in the Bid after the opening of the same for the validity thereof or if no such period be specified, within 210 days after the said opening or if the Bidder, having been notified of the acceptance of his bid by the Company during the period of bid validity:
 - a) Fails, refuses or delays to execute the Contract in accordance with the instruction to Bidders, or
 - b) Fails, refuses or delays to furnish Performance Bond in accordance with the instruction to Bidders.
2. To accept written demand from you as conclusive, sufficient and final evidence of the existence of a default of non-compliance, breach or default as aforesaid on the part of the BIDDER and to make payment immediately and forthwith upon receipt of your FIRST and SIMPLE written demand.
3. No grant of time or other indulgence to, or composition or arrangement with the BIDDER in respect of the aforesaid Bid with or without notice to us shall affect this Guarantee and our liabilities and commitments hereunder.
4. This is an independent and direct obligations guarantee and shall be binding on us and our successor in-interest and shall be irrevocable.
5. The Guarantor Bank warrants and represents that it is fully authorized, empowered and competent to issue this guarantee.

**Yours faithfully,
 (BANKERS)**

PERFORMANCE BOND/BANK GUARANTEE

Oil & Gas Development Company Limited,
OGDCL House, Jinnah Avenue,
Blue Area, Islamabad.

Guarantee No.....
Date of issue
Date of expiry
Amount.....

Dear Sir,

Ref: Our Bank Guarantee No. _____ in the sum of
_____ Account _____ Amount _____ of
Contract/Job _____
In consideration of you having entered into contract No.
_____ Dated _____
with _____ called Contractor and in consideration of value received
from CONTRACTOR, we hereby agree and undertake as follows:

1. To make unconditional, immediate and forthwith payment to you as called upon of an amount (equivalent to 10% of total contract value in Pak Rupees) on your written FIRST and SIMPLE demand without further recourse, question, query, deferment, contestation or reference to CONTRACTOR or any other person, in the event of default, non-performance or non-fulfillment by CONTRACTOR of his obligations liabilities, responsibilities under the said Contract of which you shall be the sole and absolute judge.
2. To accept written demand from you as conclusive, sufficient and final evidence of the existence of a default or breach as aforesaid on the part of CONTRACTOR and to make payment immediately and forthwith upon receipt of your FIRST and SIMPLE written demand.
3. To keep this Guarantee in full force and effect from the date hereof until..... from the date of contract execution / mobilization Notice.
4. That no grant of time or other indulgence to, amendment in the terms of the contract by Agreement between the parties, or imposition of Agreement with contractor in respect of the performance of his obligation under and in pursuance of the said Agreement with or without notice to us, shall in any manner discharge of otherwise however affect this Guarantee and our liabilities and commitments there under.
5. This is an independent and direct obligations guarantee and shall be binding on us and our successor in-interest and shall be irrevocable.
6. This Guarantee shall not be affected by any change in the constitution of the Guarantor Bank or the constitution of the Contractor.
7. The Guarantor Bank warrants and represents that it is fully authorized, empowered and competent to issue this guarantee.

Authorized Sign for Issuing Bank

Seal of the Bank

BIDDING FORM

Date.....
Tender Enquiry No.

To
Oil & Gas Development Company Limited,
OGDCL House, Plot # 3013,
Blue Area, Islamabad

Gentlemen,

Having examined the scope of work and Instructions to bidders of Invitation to Bids, the receipt of which is hereby acknowledged, we the undersigned, offer to supply the services (Nature of Service) to OGDCL in conformity with the scope of work and Instructions to bidders at the rates mentioned in our Bid Proposal or other such sums as may be ascertained in accordance with the said conditions.

2. We confirm that the terms and conditions given in the Tender Enquiry / Tender Documents are acceptable to us and if our Bid is accepted we shall execute a contract with OGDCL accordingly without any exceptions. We further confirm to commence service withindays of the mobilization notice issued by OGDCL

3 We agree to validate bid unconditionally for the period of 180 days from the date of opening the same and it shall remain binding upon us and may be accepted thereof, shall constitute a binding contract between us.

4. We hereby certify that our Firm / Company / Local Agent is or has not been at any time during the past five years, involved in litigation, arbitration or any other unsettled dispute with OGDCL / JV Partners.

5. We further certify that all the contracts / orders placed on us by OGDCL / JV Partners have been executed timely and as per terms & conditions of the Contract / order without any unsettled dispute.

6. Until a formal Agreement is prepared and executed, this bid, together with your acceptance thereof, shall constitute a binding contract between us.

7. We understand that you are not bound to accept the lowest or any tender you may receive.

8. Our bid proposal do not contain any deviation or exceptions from the terms & conditions enunciated in the tender documents.

Dated this.....days of.....2016,

Name & Signature.....in the Capacity of.....

duly authorized to sign tenders for and on behalf of.....

(Name of the firm in block capital Letters)

Address.....

Telex No.....Fax No.....Phone No.....

Witness

1.

(Name)

(Signature)

2.

(Name)

(Signature)

(On official letter-head of the bidder)
To be signed by the
Chief Executive of the
Bidding company or a representative duly
Authorized by board
Resolution.

INTEGRITY AND ETHICS UNDERTAKING

We hereby commit and undertake to observe the following principles during our participation in the tender process and during the contract execution:

- i. That we will not directly or through any other person of firm, officer promise or give to any of the employees of OGDCL involved in the tender process or execution of the contract any gain, pecuniary benefit of facilitation payment in order to obtain in exchange any advantages of any kind whatsoever during the tender process or during the execution of contracts.
- ii. That we have not and will not enter with other bidders into any undisclosed agreement or undertaking either formal or informal to restrict competitiveness or to cartelize in the bidding process.
- iii. That we will ensure that the remuneration of agents (if engaged) is appropriate and for legitimate services only.
- iv. That we will not use subcontracts, purchase orders or consulting agreements as means of channeling payments to employees of OGDCL.
- v. That we will not commit any offence under the Pakistan Penal Code, Prevention of Corruption Act or National Accountability Ordinance to achieve any advantage, gain or benefit during the tender process or the execution of the contract.

We further understand and acknowledge that any violation or transgression of the above mentioned principles will attract disqualification from the tender process and may also result in permanent exclusion from future contract award process.

We also accept and undertake to respect and uphold OGDCL's absolute right to resort to and impose such disqualification, debarment or execution.

For and on behalf of _____

Tender No _____

Mandatory for participation in Bidding Process

A F F I D A V I T
(To be attached with Technical bid)

I, _____ S/o _____ aged _____
years _____ working as Proprietor/Managing Partner/Director of M/s _____
_____ having its
registered office at _____ do hereby
solemnly affirm and declare on oath as under:

1. That I am competent to swear this affidavit being proprietor/one or the partners/ Director of M/s _____
2. That M/s _____ is a proprietorship/partnership firm/company is participating in tender process conducted by OGDCL.
3. That I hereby confirm and declare that none of my/our group/sister concern/associate company is participating/ submitting this tender.
4. That I hereby confirm and declare that my/our firm/company M/s _____ and my/our firm/group/company/ sister concern / associate company have not been black listed/de-listed any Institutional agencies/Govt. Deptt/ Public Sector Undertaking.
5. That there is no change in the Name & Style, Constitution and Status of the firm, after Pre-qualification.
6. That I further undertake that in case any of the facts contained above and in our application is round other-wise or incorrect or false at any stage, my/our firm/company/ group/sister concerns/ associate companies shall stand debarred from the present and future tenders of the OGDCL.

(Signature of the Proprietor/ Managing Partner/Director with Seal)

DEPONENT

Verified at _____ on _____ that the contents of paras 1 to 6 of this affidavit are true and correct to best of my knowledge and no part of this is false and nothing material has been concealed or falsely stated therein.

(Signature of the Proprietor/ Managing Partner/ Director with Seal)

DEPONENT

(Signature & Seal of Notary)

DATA SUMMARY SHEET
(To be attached with Technical bid)

Following information must be stated categorically:-

COMPLETE NAME, ADDRESS, EMAIL,
PHONE & FAX NUMBER OF BIDDER

NAME, ADDRESS, PHONE, FAX NO &
EMAIL OF LOCAL AGENT IN PAKISTAN (IF
ANY

VALIDITY OF BID:

BID BOND SUBMITTED BY

ADDRESS OF BANKER WITH AC COUNT
NO & SWIFT CODE FOR L/C OPENING
(WHERE APPLICABLE)

IN CASE OF JV PARTNERS (NAME OF
LEAD PARTNER NAME OF ALL OTHER
JV PARTNERS COPY OF JV
AGREEMENT CLEARLY STATING THE
RESPONSIBILITY OF EACH PARTY TO
BE ATTACHED WITH THE TECHNICAL
BID

NTN & GST NUMBER (FOR PAKISTAN
BASE COMPANY ONLY

ANNEXURE – ON NON-JUDICIAL STAMP
PAPER DULY ATTESTED BY NOTARY
PUBLIC TO BE ATTACHED WITH
TECHNICAL BID.

PROVINCIAL REGISTRATION NUMBER (if
applicable)

DATA SUMMARY SHEET
(To be attached with financial bid)

Following information must be stated categorically:-

COMPLETE NAME ADDRESS EMAIL,
PHONE & FAX NUMBER OF BIDDER

NAME, ADDRESS, PHONE, FAX NO &
EMAIL OF LOCAL AGENT IN PAKISTAN (IF
ANY

VALIDITY OF BID:

ADDRESS OF BANKER WITH AC COUNT
NO & SWIFT CODE FOR L/C OPENING
(WHERE APPLICABLE)

NTN & GST NUMBER (FOR PAKISTAN
BASE COMPANY ONLY

TOTAL QUOTED PRICE AS PER OGDCL
TOR

DRAFT CONTRACT

**CONTRACT NO. PROC-SERVICES/CASE NO. /
NAME OF SERVICES**

THIS **Contract for hiring of (Name of Services) (“Contract”)** is made at Islamabad as of this----- day of -----/year of execution, by and between

Oil & Gas Development Company Limited, a body corporate, having its office at OGDCL House, Jinnah Avenue, Sector F-6, Islamabad (hereinafter referred to as the “Company” which expression shall include its successors and assigns) and

M/s (Name of Contractor or Consultant as the case may be) having its office at address..... (hereinafter referred to as the “Contractor / Consultant” which expression shall include its successors and assigns)

Contractor/ Consultant and Company may hereinafter be collectively referred to as the “Parties” and each individually as a “Party”.

WHEREAS, The Company is desirous of hiring timely, efficient and reliable (Name of Services)services under rate running contract for a period of (period)on as and when required basis.

AND WHEREAS, the Company invited bids for providing Name of Services through Tender Enquiry No. PROC-SERVICES/Case No..... and the Contractor / Consultant through its Bid Proposal No..... Dated warrants and represents for providing efficient and reliable Name of Services

WHEREAS, the Contractor / Consultant is engaged in the business of rendering the desired services to various E & P companies and it hereby expresses its ability and willingness to provide the desired services along with necessary equipment, type of Contract.

NOW THEREFORE, in consideration of the promises and mutual undertaking and covenants hereinafter set forth, the Parties hereby agree as follows:

SECTION 1. SCOPE OF WORK

Description of Scope of Work (As described in TOR/Tender enquiry)

SECTION 2. TERM:

The initial term of this Contract shall be -----months/years. Any extension in the term of Contract will be subject to mutual consent of both the parties.

SECTION 3. CONTRACT DOCUMENTS:

The following documents shall be deemed to form and be read and construed as integral part of this Contract:

- (a) This Contract.
- (b) Company’s LOI.
- (c) Company’s Tender documents
- (d) Contractor’s Technical & Financial bid and all correspondence/ clarification made thereafter.

Any inconsistency between the above documents of this Contract shall be resolved by giving precedence in the order in which they are listed above.

SECTION 4. PRICING TERMS:

- 4.1 The Services under this Contract shall be rendered at an estimated Cost of _____ as detailed below:
- 4.2 All prices charged under this Contract shall remain firm during the period of this Contract.
- 4.3 The prices should be quoted in USD. However payment to all Pakistan based companies will be made upon completion of the project through cross cheque in 100% Pak Rupees, at actual, against verified invoices at official exchange rate prevalent on the date of payment.
- 4.4 To Foreign based Companies, the payment will be made in US\$, at actual against verified invoices through Irrevocable Letter of Credit (LC) upon completion of the project.
- 4.5 However, any payment made after thirty (30) days shall not in any way attract any markup, interest, surcharge or charges, etc.
- 4.6 To avoid delay in payment, it is essential that the invoices shall:
- (a) be duly signed and stamped and type-written in English.
 - (b) be identified by the Contract number.
 - (c) contain sufficient description of services provided by the Contractor.
 - (d) state the location of the Company where Services have been provided.
 - (e) state the period of Services, duly verified with sign and stamp of Head of Department.
 - (f) be precise and strictly in accordance with the Contract.
 - (g) contain any other information deemed essential either by the Contractor or by the Company.
 - (h) Invoices must be submitted to Manager Accounts for onward submission to concerned Manager for verification.

SECTION 5. TAXES AND DUTIES:

- 5.1 The contract price includes all direct taxes, duties, fees, levies and any other relevant charges payable/ applicable on the last date of submission of main/supplementary financial bid inside and outside Pakistan, except if OGDCL imports material in its own name it will bear duties/ import taxes/ port charges. The Contractor will be responsible for all the direct taxes (present or future) with respect to income/ payments of total contract amount, under the scope of the contract.
- 5.2 Indirect taxes (Provincial Sales Tax/ Islamabad Capital Territory Sales Tax) in Pakistan will be borne by OGDCL at actual where applicable. The contract price will be adjusted for any subsequent changes in the rates of indirect taxes as made applicable thereafter by the relevant authorities in Pakistan.
- 5.3 Any direct taxes, duties, fees, levies and other relevant charges, present or future, assessed or payable inside or outside Pakistan by the Contractor and its sub-contractor and /or by the expatriate personnel deputed by the Contractor and its sub-contractor in connection with its performance under the Contract shall be the sole and exclusive responsibility of the Contractor.
- 5.4 The Contractor shall be responsible and pay all taxes on its income outside and in particular on its income in Pakistan under the Contract and under the laws of Pakistan.
- 5.5 The Company shall have the right, as provided under the laws of Pakistan to meet its obligations and in particular to deduct from the payment due to the Contractor

(against entire contract value including supplies and / or services components etc as applicable) , income tax at source at the rates prevailing from time to time, from the invoiced amounts, or such reduced rates fixed by the taxation authorities in Pakistan for the Contractor on production of current and valid documentary evidence by the Contractor from competent tax authorities in Pakistan and pay such amount to appropriate authorities.

- 5.6 The Contractor shall also be responsible for any income taxes levied on the Contractor's and its sub-contractor's expatriate personnel, under the laws of Pakistan and for all social security issuances and other contributions for the Contractor's expatriate personnel regardless of whether such contributions are levied on employer or employee or both in Pakistan or outside Pakistan.
- 5.7 The Contractor shall keep the Company duly informed about the steps taken by the Contractor in order to meet its obligations under the Contract and provide the necessary documents to the Company in this connection.
- 5.8 The Contractor shall indemnify the Company against any claim which might occur due to noncompliance by Contractor of any legal obligation regarding the taxes, duties, fees, levies, or other charges, including taxes on income in Pakistan and any other payments to the relevant Government or Governmental agencies or any other applicable authority.
- 5.9 Understanding reflected under the above tax clause would prevail in case of any understanding to the contrary that may be reflected with respect to tax matters, in any other clause of the contract

SECTION 6. ADJUSTMENT OF CONTRACT PRICE:

The Contract value (price) shall be subject to adjustment as a result of addition / reduction in scope of work. However unit price quoted for such work shall be used as base price for computation of final invoice. Contractor should take approval for such changes in writing from the Company. Rates and quantum of any work, not covered in the scope of work shall be subject to approval of Company.

SECTION 7. CONTRACTOR'S OBLIGATIONS:

- 7.1 The Contractor warrants and represents that all Services along with necessary equipment provided under this Contract shall be in accordance with good industry practice and the Contractor shall use every reasonable means for efficient and timely performance and provision of the Services.
- 7.2 The equipments, tools and materials utilized by the Contractor in performance of this Contract shall be handled and utilized with due care and diligence and proper record of consumables etc shall be maintained and made available to the Company upon request.
- 7.3 The Contractor shall secure and maintain during the performance of this Contract, all licenses, permits, authorization and certification required under the laws of Pakistan and applicable to Contractor. Company has the right to inspect such licenses, permits, authorization and certificates and the Contractor shall forthwith comply with such request.
- 7.4 Contractor shall employ and depute for the execution of Services, persons who are careful, skilled and experienced in their profession. The Company' shall have the right to ask the Contractor to replace any person employed by the Contractor for execution of Services who, in the sole opinion of Company, misbehaves, is incompetent or negligent in the performance of his duties or fails to conform with any particular provisions with regard to safety which may be set out in the

Contract, or any conduct which is prejudicial to safety or health, and such person shall not be employed again for the Services without the permission of the Company.

- 7.5 Contractor and its personnel shall, when using Company's premises, adopt and observe all safety, security, fire and health measures and comply with all reasonable directions relating to health and safety rules and emergency evacuation plans as notified or as directed by the Company.

SECTION 8. DECLARATION:

- 8.1 The Contractor hereby declares that it has not obtained or induced the procurement of any Contract, right, interest, and privilege or other obligation or benefit from Company through any corrupt business practices.
- 8.2 Without limiting the generality of the foregoing, the Contractor represents and warrants that it has fully declared the brokerage, commission, fees etc. paid or payable to anyone and not given or agreed to give and shall not give or agree to give to anyone within or outside Pakistan either directly or indirectly through any natural or juridical person, including its affiliate, agent, associate, broker, Contractor, director, promoter, shareholder, sponsor or subsidiary, any commission, gratification, bribe, finder's fee or kickback, whether described as consultation fee or otherwise, with the object of obtaining or inducing the procurement of a contract, right, interest, privilege or other obligation or benefit in whatsoever form from the Company, except that which has been expressly declared pursuant hereto.
- 8.3 The Contractor certifies that it has made and shall make full disclosure of all agreements and arrangements with all persons in respect of or related to the transaction with the Company and has not taken any action or will not take any action to circumvent the above declaration, representation or warranty.
- 8.4 The Contractor accepts full responsibility and strict liability for making any false declaration, not making full disclosure, misrepresenting facts or taking any action likely to defeat the purpose of this declaration, representation and warranty. It agrees that any Contract, right, interest, privilege or other obligation or benefit obtained or procured as aforesaid shall, without prejudice to any other rights and remedies available to the Company under any law, Contract or other instrument, be voidable at the option of the Company.
- 8.5 Notwithstanding any rights and remedies exercised by Company in this regard, the Contractor agrees to indemnify Company for any loss or damage incurred by it on account of its corrupt business practices and further pay compensation to Company in an amount equivalent to ten times the sum of any commission, gratification, bribe, finder's fee or kickback paid by the Contractor as aforesaid for the purpose of obtaining or inducing the procurement of any Contract, right, interest, privilege or other obligation or benefit in whatsoever form from Company.

SECTION 9. PERFORMANCE BOND/SECURITY DEPOSIT:

The Contractor shall provide to the Company, within fifteen (15) days of the award of the Contract, a Performance Bond in the form of an irrevocable, independent, unconditional, direct obligation of the bank and first and simple demand guarantee of a Pakistani Scheduled Bank or branch of a foreign bank operating in Pakistan, except NIB Bank, in the amount equivalent to 10% (Ten percent) of the total contract value in Pak Rupees/US\$ strictly in accordance with the format given at LOI to cover and secure the Contractor's faithful performance and execution of this Contract. The charges and expenses payable in connection with the issuance, extension, renewal and maintenance of the Performance Bond shall be borne and paid by the Contractor. The Performance Bond shall be valid and shall be maintained in full force effect until -----/

extendable six (06) months beyond the validity of the Contract. The Company has sole and absolute right to encash the Performance Bond without any prior notice to the Contractor in the event of any breach, failure, non-compliance or delay in the performance of the Contract.

SECTION 10. LIABILITIES:

- 10.1 Each party shall defend, indemnify and hold the other party harmless from and against any claim INCLUDING THIRD (3rd) PARTIES arising out of (i) loss or damage to its own property, and / or (ii) death of or injury to its own personnel.
- 10.2 Each party shall be liable for, and shall defend, indemnify and hold the other Party and its members/affiliates, co-ventures (if any), contractors or subcontractors, and it's and their respective employees, directors, officers, agents and invitees harmless from and against. all claims, demands, causes of action, judgments, awards, damages, losses, costs, expenses, expenses and liabilities of any kind and character arising out of third party property damage (including death) caused by the indemnifying Party's negligence during the performance of the Contract.
- 10.3 Notwithstanding any other provision of this Contract, Company shall defend, indemnify and hold harmless the Contractor from and against all liabilities, claims, damages, losses and costs relating to or resulting from (a) through (e) below, including any and all personal injury, death and loss of or damage to the drilling rig, vessel or platform and all other property arising there from (except if caused by Contractor's Gross Negligence or willful misconduct):
 - (a) damage to or loss of or impairment to any well (including the casing) or well bore;
 - (b) killing of or the bringing under control of any well;
 - (c) damage to or loss or any reservoir or productive formation, or subsurface minerals or structure or the loss of oil or gas therefore in;
 - (d) blowout, fire, explosion, catering , or any uncontrolled well condition;
 - (e) pollution, as well as containing, controlling and cleaning up any pollution, contamination or debris.

Gross Negligence or Willful Misconduct means any act or failure to act (whether sole, joint or concurrent) by a person that was intended to cause or was in reckless disregard of, or wanton indifference to, the harmful consequences to the safety or property of another person which the person acting or failing to act knew, or should have known, would result from such act of omission, provided that Gross Negligence or Willful Misconduct does not include any act or failure to act insofar as it: (i) constituted mere ordinary omission or oversight; or (ii) was done or omitted in accordance with the express instructions or approval of all parties."

The liability clause will be applicable to both parties i.e. OGDCL and the contractor and therefore its ambit and scope will be interpreted accordingly.

SECTION 11. INDEMNITIES:

- 11.1 Neither Party shall be liable to the other for any punitive, indirect or consequential damages sustained by the other including without limitation business interruptions, loss of profits, loss of use of assets, loss of data and loss of contracts, and each Party shall hold the other Party harmless in respect thereof.
- 11.2 The Contractor shall indemnify the Company against all motions, proceedings, claims, liens and demands whatsoever which may be made against the Company by the third parties for or in respect of or out of any failure by the Contractor in performance of its obligation or wrongful performance under this Contract or any act or omission in connection therewith. Should Company have to pay any moneys in respect of any such claims or demands, the amounts to be paid and the costs incurred by the Company connection therewith, shall be charged in to and paid by the Contractor in full.

SECTION 12. LIQUIDATED DAMAGES:

- 12.1 If the contractor fails to deliver any or all of the goods/services within the time periods(s) specified in the Contract, the purchaser shall, without prejudice to other remedies under the Contract, deduct from the Contract Price/Bank Guarantee as liquidated damages, a sum not more than 0.5% of the contract price per week or part thereof for first four weeks, 1.00% per week for next four weeks and 1.5% per week exceeding four weeks upto maximum extent of 10% of the contract value.
- 12.2 In case the purchaser is satisfied that the delayed/defective services/shipment was due to some mistake or circumstances beyond the control of the contractor and the contractor has not intentionally or negligently contributed in the delay, the purchaser may impose Liquidated Damages for not more than a sum equivalent to 0.5% of the delayed or defective shipment per week or part thereof for first two weeks, 1.00 per week for next three weeks and 1.5% per week exceeding five weeks but not exceeding 10 % of the contract value of the delayed/defective shipment provided that the Contractor takes immediate remedial measures for the replacement of defective shipment and takes prompt steps to mitigate the delay. The Purchaser may however, impose Liquidated Damages as per clause 12.1 above if the delayed or defective shipment/ services has affected the project completion schedule or has resulted in Production losses.
- 12.3 Even after imposition of LDs, if the supplier fails to materialize the delivery (material and or services); the Purchaser reserves the right to cancel Purchase Order/Contract/LC and forfeit the Guarantee (if applicable) after intimating the supplier for such cancellation/forfeiture.

SECTION 13. PATENT RIGHTS:

The Contractor shall protect, indemnify and hold the Company harmless from and against all claims, proceedings, demands, damages, costs, charges and expenses whatsoever for or on account of infringement of any patent rights, design, trade-mark, industrial design or name or other protected rights in respect of any design, method, machine work, material etc. used for or in connection with the Services.

SECTION 14. DIRECTIONS:

The Contractor and its personnel must, when using Company's premises, adopt and observe all safety, security, fire and health measures and comply with all reasonable directions relating to health and safety rules and emergency evacuation plans as notified or as directed by the Company or its representative.

SECTION 15. CONFIDENTIALITY:

- 15.1 Any data provided by the Company or which the Contractor or its employees have access to, or which they acquire directly or indirectly under this Contract or during the performance of this Contract, shall be deemed Confidential Information. Duplication or disclosure of such Confidential Information by Contractor or any one claiming through it without the prior written consent of the Company is strictly prohibited. All Confidential Information shall be the sole property of the Company. The Contractor hereby agrees not to disclose said data, information, any interpretations thereof, or data derivative there from or any information relating to Company's facilities, installations and operations etc to unauthorized parties or person. This Section also applies to any sub-consultant, assignee or consultants used by the Contractor. The obligations under these provisions shall survive the termination or expiry of this Contract.
- 15.2 Neither the Contractor nor any of its employees shall, except with the prior written consent of the Company, take ground or aerial photographs of the site, rig, installation or existing facilities of the Company.

- 15.3 The Contractor further undertakes that it shall not, except with the prior written consent of the Company:
- i) make any reference publicly, whether to the press or in books, brochures, internal publications, publicity material, magazines and periodicals or by advertisement through radio, television or films or by any other medium relating to:
 - a) the Contract or its terms and conditions,
 - b) the nature or extent of Services carried out by the Contractor,
 - c) the method, materials, or equipment used and personnel employed, or
 - d) any other Company information in the possession of the Contractor.
 - ii) disclose or convey any of the matters or information referred to in (i) above to any employees of the Contractor not directly concerned with the Contract.

SECTION 16. DEFAULT:

- 16.1 If the Contractor is unable or unwilling to perform its Services in accordance with terms of the Contract, the Company may obtain conforming Services from other sources, in which case, the Contractor shall be liable to the Company for the increased cost, if any, incurred by the Company for procuring such Services from other sources.
- 16.2 The Contractor shall also be in default under the Contract if the Contractor (a) fails to fully and timely perform any of its material obligations under the Contract (b) becomes insolvent or seeks relief under the bankruptcy laws.

SECTION 17. ARBITRATION:

- 17.1 If any technical question, difference or dispute arises under this Contract, the Parties shall use their best efforts to promptly resolve such dispute, controversy or disagreement. However, if the dispute continues, either Party may give written notice to the other for appointment of an expert to resolve the dispute. The expert shall be preferably a Pakistani national and shall have at least ten years of experience in the relevant technical field.
- 17.2 If any question, difference or dispute arises regarding the rights, obligations or performance by the Parties under this Contract, the Parties shall use their best efforts to promptly resolve such dispute, controversy or disagreement. This includes without limitation the question of whether one or the other is in default and what action if any shall be taken to remedy such default. If the Parties are unable to resolve such question, difference, dispute and controversy, the matter may be referred to arbitration. Either Party may notify the other in writing specifying the nature of the dispute and designate one arbitrator to whom such dispute shall be referred requesting that the other party give notice in writing within fifteen (15) days after receipt of the notice of designation of the second arbitrator. The two arbitrators shall within fifteen (15) days after the receipt of notice of the second arbitrator, appoint an umpire whose decision with respect to the dispute shall govern in the event that the arbitrators shall fail to agree. In the event that second arbitrator is not designated within the time specified, the first arbitrator shall have full and complete power to determine the dispute.
- 17.3 Arbitration shall be precedent in any action of law and that the provisions of the Arbitration Act, 1940 and rules framed thereunder shall apply. The venue of the arbitration shall be in Islamabad, Pakistan.
- 17.4 The expenses of arbitration shall be charged equally to the Parties unless the award of the arbitrator(s) or the umpire, as the case may be, otherwise provide.

SECTION 18. TERMINATION:

- 18.1 In the event of default by the Contractor, the Company shall have the right to terminate the Contract for cause, by giving written notice effective ten (10) days after the date of such notice, unless otherwise specified therein. If the Contractor

cures such default within the ten (10) days period, or provides evidence to satisfy the Company that such default does not exist. In addition to any other remedy available under law or in equity, the Company shall be entitled to recover all actual damages, costs and losses incurred by the Company as a result of default by the Contractor.

- 18.2 The Company shall have the right to terminate the Contract, in whole or in part, without any cause at any time upon thirty (30) days' prior written notice. Upon receipt of such notice of termination, the Contractor shall promptly cease all further Services under the Contract with such exceptions, if any, specified in the notice of termination. The Company shall pay the Contractor for all Services performed and obligations incurred prior to the date of termination in accordance with the terms of the Contract.

SECTION 19. FORCE MAJEURE:

- 19.1 "Force Majeure" shall mean an unforeseeable event that impairs the ability of the Party affected by it to wholly or partially perform its obligations under this Contract. In the event of either party hereto being rendered unable, wholly or in part, by Force Majeure circumstances to carry out its obligations under this Contract, then such party by giving notice with satisfactory evidence of such Force Majeure circumstance(s) relied upon, the obligations of the party giving such notice so far as they are affected by such Force Majeure shall be suspended for the period during which the party, is rendered unable as aforesaid, but for no longer period. However, such notice must be given within fourteen (14) days of occurrence of Force Majeure event. The terms Force Majeure as employed herein, shall include but not be limited to acts of God or war, war whether declared or undeclared; acts of terrorism or sabotage, or public enemy; riots and insurrection; civil commotion; revolution; embargo, blockade, invasion or act of foreign enemies; epidemic; landslide, lightening, earthquake, loss of well, reservoir failure, change of law or policy; or any other cause beyond the control of the affected Party which materially and adversely affects the performance by such Party of its obligations under or pursuant to this Contract, other than to make payments due hereunder, acts of enemies, civil insurrection, fires, floods, earthquakes or other physical disasters, order or request of Government, blockade or embargo. It is however, clarified that strikes, lockouts, shortage or non availability of raw materials, rains disturbances, other labour disputes or non availability of transport shall not be included in the term "Force Majeure". During the established period of Force Majeure as contained hereinabove, the Contractor shall not be entitled to payment for Services and the Company shall not impose penalty.

- 19.2 In case the Force Majeure contingencies last continuously for more than one month, both parties will agree on the necessary arrangement for the further implementation of the contract. In case further implementation is unforeseeable and impossible, both parties shall arrange for the termination of the Contract, but without prejudice to their right and obligations prior to such termination it being understood that each party shall fulfill its contractual obligations so far as they have fallen due before the operation of Force Majeure.

SECTION 20. LICENSE, PERMITS, AUTHORIZATION AND CERTIFICATION:

The Contractor / Consultant hereby warrants and undertakes that all kinds of licenses, permits, authorizations and certifications required under the laws of Pakistan and applicable to the Contractor / Consultant are intact, valid and possessed by the Contractor / Consultant and shall be maintained during the performance of this Contract. The Company has the right to inspect, or demand for such licenses, permits, authorization and certificates and the Contractor/ Consultant shall forthwith comply with such inspection on demand.

SECTION 21. PHOTOGRAPHY AND ADVERTISING:

- 21.1 The Contractor undertakes that neither the Contractor nor any of its employees shall, except with the prior written consent of the Company shall take, any ground or aerial photographs of the site, rig, installation or existing facilities at or around the work site.
- 21.2 The Contractor further undertakes that neither the Contractor nor any of the Contractor's personnel shall, except with the prior written consent of the Company:
- i. make any reference publicly, whether to the press or in books, brochures, internal publications, publicity material, magazines and periodicals or by advertisement through radio, television or films or by any other medium relating to:
 - the Contract or its terms and conditions,
 - the type or extent of the works, services, jobs required to be carried out by the Contractor,
 - the method, materials, or equipment used and personnel employed,
 - any information in the possession of the Contractor as to the operations of the Company.
 - ii. Disclose or convey any of the matters or information referred to in (a) above to any employees of the Contractor not directly concerned with the Contract.

SECTION 22. SECURITY:

- 22.1 Company shall provide appropriate site security including, as from time to time may be necessary, security personnel and security services at the work site or during transportation of personnel and equipment to and from the work site.
- 22.2 It is the express intent of the Parties that any delay in the performance of Services or provision of equipment, or part thereof related directly or indirectly to security issues shall under no circumstances be deemed a breach of Contractor's obligation under the Contract.

SECTION 23. INSURANCE DEMURRAGE:

- 23.1 The Contractor shall within seven (07) days of the date hereof take out and shall maintain until maturity of the Contract, standard insurance policies, which shall include Contractor's waiver of subrogation as follows:
- (a) Worker's compensation insurance covering all employees, engaged directly or indirectly in the performance of the Services in accordance with the applicable statutory requirements of the state or nation having jurisdiction over such employees.
 - (b) All risk insurance cover for the Services and Equipment including without limitation Equipment and machinery and other materials, if any supplied hereunder by the Contractor.
 - (c) The foregoing insurance shall be maintained with insurers that are satisfactory to the Company, and the terms of coverage for the foregoing insurance shall also be satisfactory to the Company and shall be evidenced by certificate to be furnished to Company. Such certificates shall provide that ten (10) days written notice shall be given to Company prior to cancellation of any policy. In the event the Contractor fails to effect or keep in force the insurances then the Company without prejudice to any other rights, shall effect and keep in force such insurance's at the Contractor's cost and risk.
 - (d) It shall be the duty of the Contractor to notify the insurers of any insurance referred to above or of any matter or event, which by the terms of such insurance are required to be so notified.

23.2 The Contractor shall indemnify the Company against all suits, proceedings, claims, liens and demands whatsoever which may be made against the Company by the third parties for or in respect of out of any failure by the Contractor in performance of its obligation or wrongful performance under this Contract or any act or omission in connection therewith. Should Company have to pay any moneys in respect of any such claims or demands, the amounts to be paid and the costs incurred by the Company in connection therewith, shall be charged to and paid by the Contractor in full.

SECTION 24. EMPLOYMENT OF PAKISTANI NATIONALS

The Contractor shall employ qualified Pakistani nationals for its Services, if available. If necessary, Contractor may employ expatriate professionals only after making all out efforts to employ Pakistani nationals. The Contractor shall make reasonable efforts to train Pakistani nationals in order to gradually replace its expatriate staff. Unskilled workers if needed for the Services shall be hired from the area where the Services are being performed.

SECTION 25. ASSIGNMENT:

The Contractor shall not sub-contractor or assign either whole or part of its obligations under this Contract without the prior written consent of the Company and such consent if given shall not relieve the Contractor from any liability or obligation under this Contract. The Contractor shall be responsible for the acts, defaults and negligence of any sub Contractor, its personnel or agents as fully as it they were the acts, defaults or negligence of the Contractor, or its personnel.

SECTION 26. ENTIRE CONTRACT:

The documents mentioned in Section-3 of this Contract constitute the entire understanding between the Company and the Contractor on the subject matter and supersede all prior discussions, communications and agreements regarding the subject matter, whether written or oral.

SECTION 27. AMENDMENTS:

No variation in or modification of the terms of this Contract shall be made except by written amendment signed by the duly authorized representative of the Company and the Contractor.

SECTION 28. GOVERNING LAW:

This Contract shall be construed, interpreted and governed by the laws of the Islamic Republic of Pakistan.

SECTION 29. ERADICATION OF CORRUPTION:

All vendors, Suppliers, Contractors, Consultants and alike are encouraged to inform the Managing Director and Heads of Departments in case where any Company's employee asks for any type of favour whether monetary or in kind. You can contact the M.D. and Heads of Departments on the following addresses, phone numbers, faxes or e-mail:

- i MD & CEO
Oil & Gas Development Company Limited
OGDCL House, Blue Area, Islamabad.
Tel No. 051-9209701
Fax No. 051-9209708
E-mail: md@ogdcl.com
- ii GM (SCM)
Tel No. 051-920023540
Fax No. 051-9209859

SECTION 30. NOTICES:

Any notice, request demand, statement, call, question, intimation, reference, or other Communication required for execution of this Contract shall be made in writing and shall be directed by courier service or facsimile to the address of the Parties as follows:

To the Company: Manager (_____)
Oil & Gas Development Company limited
OGDCL House, Jinnah Avenue, Sector F-6
Blue Area, Islamabad, Pakistan
Telephone: 0092 - 51-92002_____
Facsimile: 0092 - 51-

To the Contractor: Mr. _____.
M/s _____.
Address:- _____
Telephone: 0092 -
Facsimile: 0092 -

Notices shall be deemed served when received by the addressee.

IN WITNESS WHEREOF, the Parties hereto have executed this Contract as of the date first above written.

COMPANY

CONTRACTOR

Signature_____

Signature_____

Name_____

Name_____

Position_____

Position _____

Witness _____

Witness_____

Witness_____

Witness_____