

CLARIFICATION # 02

HIRING OF SLICKLINE SERVICES

Tender Enquiry # PROC-SERVICES/CB/PROD-640000012/2022

Following Clarifications have been made in subject tender:

Query: The scope of work mentioned by OGDCL in the tender, which is estimated 175 SL jobs seems unrealistic.

OGDCL Response: The scope of work is based on the actual jobs performed against current contract.

Query: OGDCL has given commercial notations in the tender that includes quoting standby prices which must not exceed 50% of operational charges.

OGDCL Response: The term being used in each tender of Production Department since long and bidders are participating accordingly without any concern. Moreover it is the right of the company incorporate any clause in the tender which is beneficial and streamline the actual services during the contract period.

Query: Fuel and lighting at well site is usually client's responsibility as per industry norm. OGDCL has given this responsibility to bidder without any compensation.

OGDCL Response: If required bidder can cover these costs against any line item mentioned financial evaluation model.

Query: In financial evaluation model, the multiplying factor for mob/de-mob of equipment, crane and crew (100,000 KM each) seems unrealistic and discourages bidder to put realistic numbers as the total value of table goes manifolds.

OGDCL Response: Previously 2,600 KM/job was used in every tender and now it is approximately 570KM/job which is rational and based on actual mob/demob carried out against current contract.

Query: Most of the activities, especially down hole in Oil & Gas industry are subject certain level of risk and uncertainty which includes equipment loss in hole and damage beyond repair due to well bore conditions.
The LIH clauses in OGDCL Production tenders are not inline with the industry norms. ETS maintains 04 sets inventory of slickline tools which has been procured from the best manufacturers across the globe. Such clauses shake our confidence in utilizing the equipment without sufficient LIH coverage.

OGDCL Response: Historically LIH clauses were never incorporated in any Production tender. The LIH clause was incorporated in Production tenders to compensate the bidder with rational costs (Percentage of actual landed cost covers price variation of equipment). However, the clause can be modified in next tenders based on concrete suggestions by the bidders supported by LIH clauses of several E&P companies working in Pakistan especially M/s. PPL and M/s. MPCL.

Query: Lighting arrangement if required is to be arranged by bidder. All our other client provides these lighting arrangement if required in field. Our units have lights for its only use.

OGDCL Response: Lighting arrangement at Rig site is no issue. During rigless operations OGDCL has been providing lighting arrangement but due to multiple service companies objection the term has been incorporated to settle the issue. Bidder to cover the cost if any in the line items mentioned in financial evaluation table.

Query: The jobs on the wells is to be carried out round the clock, the bidder have to provide equipment and crew to perform the job round the clock — OGDCL confirm it will pay for

this scope of work. Any work over 12 hrs. has to be done by another crew as per QHSE requirement.

OGDCL Response: Keeping in view the nature of the job & operational activities related to subject services and other multiple services, it is standard practice to provide services round the clock whenever required. Slick line jobs are normally performed day time and are normally short duration jobs, round the clock slick line jobs are very rare however no additional payment will be made for any work over 12 hrs.

Query: There will be no standby charges on the reporting day at location and the day the contractor is demobilized. This should be reviewed as this is not as per Industry practice.

OGDCL Response: Normally slick line jobs starts the same day when services package arrived at location and as per tender clause 2.31, operating charges for equipment & crew will be paid if the job gets start on the reporting day and as per clause 2.32 standby charges are applicable from reporting day to demobilisation day for the case when the job is cancelled after reporting at site. Practically there is no issue with clause 2.30 referred by contractor.

Query: The standby rates of equipment and personnel must not exceed 50% of operational charges, otherwise 50% standby shall be considered for evaluation and payment purpose- OGDCL should let contractor decide on its own charges. Pricing is to be left to Contractor. If it is not financial lowest, it will not get the contract.

OGDCL Response: The term being used in each tender of Production Department since long and bidders are participating accordingly without any concern. Moreover it is the right of the company incorporate any clause in the tender which is beneficial and streamline the actual services during the contract period.

Query: Requirement of 4 X HT (392 °F) memory gauges when anticipated requirement for whole contract duration is for 15 days. OGDCL needs to review this.

OGDCL Response: The tender is being prepared based on actual usage of services using current contract.

Query: The lost in hole (LIH)/DBR will be paid by OGDCL as per following criteria subject to the condition that there is no malfunctioning of service company equipment and LIH/DBR is due to abnormal well conditions.

- a- 40% of Landed cost of Equipment/tools, which are less than three years old.
- b- 30% of Landed cost of Equipment/tools, which are equal to, or more than three years.

OGDCL Response: Historically LIH clauses were never incorporated in any Production tender. The LIH clause was incorporated in Production tenders to compensate the bidder with rational costs (Percentage of actual landed cost covers price variation of equipment). However, the clause can be modified in next tenders based on concrete suggestions by the bidders supported by LIH clauses of several E&P companies working in Pakistan especially M/s. PPL and M/s. MPCL.

Query: We will request OGDCL to review the Performance Bond clause and Value of Performance Bonds. It has to more realistic in line with the actual work done. It should be adjusted after 2-years on actual work done (in case it is more than the Actual value to Performance Bond. It should be increased or decreased)

OGDCL Response: As per policy OGDCL require the successful bidder to furnish a performance guarantee which shall not exceed 10% of contract amount.