

## CLARIFICATION NO. 01

### **TENDER ENQUIRY # PROC-SERVICES/CB/PROD-4918/2020** **HIRING OF HYDRAULIC AND ACID FRACTURING SERVICES**

Following clarification may be uploaded against subject tender for information for all prospective bidders.

OGDCL response to the requested clarification regarding below points against Tender Enquiry No. PROC SERVICES/CB/PROD-4918/2020, HIRING OF HYDRAULIC AND ACID FRACTURING SERVICES is as under:

<b>Sr. No.</b>	<b>Tender Clause Reference</b>	<b>Bidder's Clarification</b>	<b>OGDCL Reply</b>
1.	TOR 5.62 Fuel, oil, chemicals, items (proppant etc.), water, lubricants and transport that may be required by service company for operational purpose will be charged to service company as per actual and the cost will be deducted from the invoice.	Please clarify if OGDCL will provide water along with transportation to the wellsite free of charge for preparation of frac fluid and acid blends?	Following clarification may be incorporated at clause 5.62 of TOR Page 7 of 17 in TE # PROC-SERVICES/CB/PROD-4918/2020, <i>"Fuel, oil, chemicals, items (proppant etc.), water, lubricants and transport that may be required by service company for operational purpose will be charged to service company as per actual and the cost will be deducted from the invoice."</i>  <b>May now be read as</b> <i>"Fuel, oil, chemicals, items (proppant etc.), lubricants and transport that may be required by service company for operational purpose will be charged to service company as per actual and the cost will be deducted from the invoice. However, water will be provided free of cost for preparation of frac fluid and acid blends"</i>
2.	TOR 5.62 Fuel, oil, chemicals, items (proppant etc.), water, lubricants and transport that may be required by service company for operational purpose will be charged to service company as per actual and the cost will be deducted from the invoice.	Bidder requests OGDCL to provide fuel free of charge, as fuel price experience significant fluctuations. Alternatively, Bidder requests OGDCL to provide a fixed rate for fuel for the contract duration.	Fuel will be charged as per actual in accordance with the clause 5.62 of TOR Page 7 of 17 in TE # PROC-SERVICES/CB/PROD-4918/2020.

<p>3.</p>	<p>TOR 7.2 The prices quoted by bidder in financial bid should be in US\$. The quoted price should be fixed/firm and are inclusive of all applicable taxes, duties and Levies etc. except Provincial Sales Tax/ICT Tax on services.</p> <p>Draft Contract, Annexure – “J”</p> <p>5.1 The contract price includes all taxes (except Provincial Sales Tax/ Islamabad Capital Tax on services in Pakistan), 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.</p> <p>5.2 Indirect taxes (Provincial Sales Tax/ Islamabad Capital Territory Sales Tax on services) in Pakistan will be paid 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.</p> <p>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.</p>	<p>Please confirm that GST will be borne by OGDCL.</p> <p>As per the Draft Contract, Article 5.2 clearly stipulates that indirect taxes shall be borne by OGDCL. Article 5.1 and 5.3 state that only direct taxes will be borne by the Contractor.</p> <p>With respect to the above demarcated obligations in the Services Agreement, as per established principles, GST is considered as an indirect tax that shall be borne by the end consumer and therefore, is not inclusive in Bidder’s pricing.</p>	<p>TOR Clause 7.2</p> <p>“The prices quoted by bidder in financial bid should be in US\$. The quoted price should be fixed/firm and are inclusive of all applicable taxes, duties and Levies etc. except Provincial Sales Tax/ICT Tax on services” will prevail.</p>
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4.	TOR 3. TENTATIVE SCOPE OF WORK	<p>Please advise in which fields &amp; zones the 3 wells with 2 stages of acid fracturing are planned. Please provide BHST, reservoir pressure and reservoir fluid composition incl. H2S and CO2 content.</p> <p>Please confirm if XRD analysis and SEM are requirements for each acid frac.</p>	<p>The services will be hired through a rate running contract and will be utilized on as and when requirement basis and will be paid as per actual.</p> <p>No wells can be committed or identified at this stage, as the study and design for candidate wells are to be conducted by the contractor. XRD and SEM if required for Frac design are to be performed by the contractor and cost is to be incorporated in Frac design charges.</p>
5.	TOR 5.58 There would be no additional charges for pulsated/channeled/conductive fracturing pumping mode except those mentioned otherwise.	<p>Please provide specific technical requirements for “Blend for Channeled Pulsated/ Channeled/Conductive fracturing”.</p> <p>Since channel fracturing is the industry best practice / success story in Pakistan, does Company require Bidder to have the capability to deliver this technique during project execution within the notice period mentioned in the TOR?</p>	<p>There is no specific technical requirement for for “<i>Blend for Channeled /Pulsated/ Conductive fracturing</i>”.</p> <p>Fracture design whether conventional or channeled will be proposed by the contractor as per study and OGDCL will approve the design whichever is suitable.</p> <p>Firm capability for Pulsated/Channeled/Conductive fracturing is not required. The bidder is bound to deliver services as per approved design by OGDCL.</p>
6.		Extension, in the bid submission date of 5 weeks (35) days i.e. up till March 29th, 2021.	Further extension in bid submission date is not possible.