

OIL & GAS DEVELOPMENT COMPANY LIMITED



TENDER ENQUIRY NO: PROC-SERVICES/CB/RMD-3322/2018

HIRING OF SERVICES FOR CONSTRUCTING GEO-MECHANICAL EARTH MODEL
AND PERFORMING FRAC FEASIBILITY & DESIGN STUDY OF TIGHT SML, SUL &
HRL RESERVOIRS IN QADIRPUR GAS FIELD 2018



OIL & GAS DEVELOPMENT COMPANY LIMITED
SUPPLY CHAIN MANAGEMENT DEPARTMENT
OFFICE OF THE MANAGER (SCM) SERVICES



OGDC HOUSE
JINNAH AVENUE,
ISLAMABAD – PAKISTAN

PHONE : +92 51 92002 3652
E-mail : ejaz_rizvi@ogdcl.com

NO: PROC-SERVICES/CB/RMD-3322/2018

Islamabad the April , 2018

SUBJECT: LETTER FOR INVITATION TO BID FOR HIRING OF SERVICES FOR CONSTRUCTING GEO-MECHANICAL EARTH MODEL AND PERFORMING FRAC FEASIBILITY & DESIGN STUDY OF TIGHT SML, SUL & HRL RESERVOIRS IN QADIRPUR GAS FIELD 2018 AGAINST TENDER ENQUIRY NO: PROC-SERVICES/CB/RMD-3322/2018

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 Pakistan stock exchange 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 the services of an experienced and well reputed contractor for **HIRING OF SERVICES FOR CONSTRUCTING GEO-MECHANICAL EARTH MODEL AND PERFORMING FRAC FEASIBILITY & DESIGN STUDY OF TIGHT SML, SUL & HRL RESERVOIRS IN QADIRPUR GAS FIELD 2018**. 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 in duplicate 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 Schedule of requirement "Annexure-A" of the attached Tender Documents. **The prices should be quoted strictly 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.

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, a Bank Draft or a Bank Guarantee issued by scheduled Bank of Pakistan or a branch of foreign bank operating in Pakistan for an amount mentioned in Annexure "A" and valid for 230 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.

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 Annexure "A" at the following address:-

Manager (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: 92-51-920023652
Fax No: 92-51-9209673 & 9207530

10 OPENING OF BIDS

Bids will be opened at the time and date mentioned in Annexure "A" on the place noted above.

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

12 TWO ENVELOPE BIDDINGS

12.1 Bids against this tender are invited on **Single Stage Two Envelope Bidding Procedure**; therefore, the bidders shall submit one original and one copy of their Technical bid whereas the financial bid is required in original only. No copy is required for financial bid.

12.2 Tender Annexure to be added in both the bids; UN-Priced with technical Bids & Priced with Commercial Bids.

12.3 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". Details can be seen in Annexure "A".

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 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.
15. The interested bidders must 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.
16. 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.



25/04/2018

(Syed Ejaz Abbas Rizvi)
Manager (Services)

Oil & Gas Development Company Limited

Phone: 0092-51-92002 3652, 2119

Fax: 0092-51-9207530

INSTRUCTIONS TO BIDDER
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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/Pak Rupees(*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 justifying 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 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: 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 have to be produced by the joint venture partners 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 Pak Rupees/US\$. However, payment to all Pakistan based companies will be made 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)
- 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 equipments 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 a prospective Bidder, modify the Bidding Documents by amendment.

- 13.2 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.

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;

Manager (SCM) 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 to other bidders 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 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

(As per Press Tender Notice)

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

(As per Press Advertisement)

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. 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 in case of a successful bid, a Form of Agreement shall be signed so as to be legal binding on all partners.
 - 24.3.2 One of the partners shall be nominated, as being in charge and it's 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.

- 26.1 After opening the bids, OGDCL will determine whether each bid is substantially responsive to the requirements of the Bidding Documents.
- 26.2 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.
- 26.3 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.
- 26.4 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.
- 26.5 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.
- 26.6 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.
- 26.7 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.
- 26.8 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.
- 26.9 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).
- 26.10 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.
- 26.11 The bidders may lodge a written compliant 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\$: 3,400/- (United States Dollars Three Hundred Four Thousand Only).

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

Sealed bids in duplicate 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:-

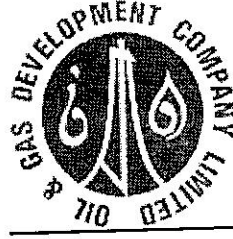
- (a) Bid against TENDER ENQUIRY NO. (As per Press Tender Notice)
Do not open before (As per Press Tender Notice) (PST) of Bid opening date: (As per Press Tender Notice)

TECHNICAL PROPOSAL
(As per Press Tender Notice)
Manager (SCM) Services
OGDCL House, Jinnah Avenue, Islamabad.
Ph: 051-92002 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
(As per Press Tender Notice)
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.



Terms of Reference (TOR)

**TENDER ENQUIRY NO. PROC-
SERVICES/CB/RMD-3322/2018**

**HIRING OF SERVICES FOR CONSTRUCTING
GEO-MECHANICAL EARTH MODEL AND
PERFORMING FRAC FEASIBILITY & DESIGN
STUDY OF TIGHT SML, SUL & HRL
RESERVOIRS IN QADIRPUR GAS FIELD 2018**

Note: Bidders are requested to read this document carefully and provide complete information required in this TOR. All information required in the Technical Evaluation Criteria must be provided. OGDCL reserves the right to reject Proposals with in-complete or partial information.

SCOPE OF WORK

1 BACKGROUND INFORMATION

- 1.1 Qadirpur Gas Field is located in Ghotki & Kashmore districts of Sindh Province, just south of Kandhkot Gas Field and North West of Mari Gas Field. The field was discovered in 1990. Exploratory well Qadirpur-01 was drilled to the depth of 1566 meters. Gas in commercial quantity was discovered in three reservoirs of Eocene carbonates namely from bottom upwards as Sui Main Limestone, Sui Upper Limestone and Habib Rahi Limestone in 1990.
- 1.2 The field was brought on production in October-1995 with SNGPL as main buyer. Presently the field is producing around 290 MMSCFD of gas under compression.
- 1.3 OGDCL has been producing mainly from SML reservoir. However, shallower SUL & HRL are also known reservoirs of the field. The development of these shallower reservoirs started at a later stage and OGDCL started drilling dedicated horizontal wells for each reservoir from 2004 onward, mainly on the basis of their relatively tight nature.
- 1.4 First dedicated well for SUL reservoir (Qadirpur-20) was drilled in 2004, while drilling of dedicated horizontal wells for HRL reservoir started in 2008. Additionally, the upper part of SML reservoir also consists of tight carbonate facies, for which dedicated horizontal wells have been drilled and contains significant amount of Gas Initially In-Place (GIIP). 75+ vertical/slant/horizontal/ERW wells (Figure-1) have been drilled so far in the field out of which 65 wells are gas producer, 5 wells are presently shut-in and 6 wells are P&A. 2 water disposal wells are also drilled.
- 1.5 The typical log response of tight SML, SUL and HRL reservoirs is shown in Enclosure-1. All of them are mainly limestone reservoirs with inter-bedded shale/marl sequences, consisting of ramp carbonate deposits with average porosity ranging from 12 to 17%. Average thickness is 45 meters of tight SML, 50 meters of SUL and 70 meters of HRL. Considerable amount of data including core, wire-line logs and testing data is available for all reservoirs.
- 1.6 Testing results and production data of recently drilled horizontal wells have indicated that these reservoirs will require hydraulic fracturing for optimum depletion.

2 OBJECTIVE

Main objective is to construct a 1D/3D MEM and carry out frac feasibility & design study for tight SML, SUL & HRL wells/reservoirs by a reputed international consultant/firm. In order to achieve the objective following steps are to be taken:

- 2.1 Build 1D/3D Geo-mechanical Earth Model (MEM) using existing well logs, core data and down-hole measurements from tight SML, SUL & HRL reservoirs.

- 2.2 Identification of any potential barriers and the determination of fracture gradient profiles at well locations.
- 2.3 Develop frac design based on MEM, petrophysical analysis, establish frac gradient, stress contrast and submit recommendations along with post frac production profile.
- 2.4 Provide hydraulic frac design for existing and planned future wells and also review frac job execution submitted by the Service Company, and suggest possible means of optimization before execution of the job.
- 2.5 Perform the scope of work activity-wise and proceed forward only if warranted by the results of each activity or upon the review and approval of each activity by Qadirpur Joint Venture. The study shall be sub-divided into following activities:
 - 2.5.1 Data review & candidate selection.
 - 2.5.2 Construction of 1D MEM for selected candidate well/wells.
 - 2.5.3 Frac Feasibility study for the selected candidate well/wells.
 - 2.5.4 Frac Design.
 - 2.5.5 Construction of 3D MEM to the extent of defined Area of Interest(AOI) for the recommended reservoir/reservoirs. Tentative AOI for each reservoir is given at Enclosure-2, which will be finalized in due course, if Phase-I results warranted the construction of 3D MEM.
 - 2.5.6 Onsite Supervision of frac job.

3 **SCOPE OF STUDY**

The detailed scope of work is as under:

3.1 **Phase-I**

This phase will include Construction of **1D** Geo-Mechanical Earth Model and Fracture Feasibility study, for tight SML, SUL & HRL reservoirs in all existing and under drilling Qadirpur wells by screening through their available data and selecting suitable candidate/candidates for each reservoir and undertaking the following steps:

- 3.1.1 Collate, review and validate input data from the offset well.
- 3.1.2 Load and QC available log data (List of available log data against each well will be provided to the bidders on request).
- 3.1.3 Select suitable candidate well/wells for each reservoir to construct 1D MEM and submit a report on the parameters used for candidate selection.

- 3.1.4 Review available data of the candidate well/wells to identify and characterize stress-induced wellbore events to time, depth and mud weight.
- 3.1.5 Construct elastic and formation strength models for the overburden and reservoir sections using available logs, core and drilling data calibrated to analog strength correlation.
- 3.1.6 Determine pore pressure profiles in the well/wells utilizing methodologies that account for range of overpressure mechanisms including fluid expansion and buoyancy effect. The data utilized should include density, sonic and resistivity logs, local correlations, testing results etc., and review of available pore pressure data.
- 3.1.7 In-situ stress model from analysis of density logs, FIT/LOT/XLOT, image logs, relevant bore-hole data including calliper logs, daily drilling reports, daily mud reports, end of well reports, structural geology and local correlations etc.
- 3.1.8 The reservoir parameters, Cement integrity for zonal isolation, Completion integrity (Packer, Tubing & Casing) and wellhead limitations should be evaluated in the frac design procedure.
- 3.1.9 Multistage Hydraulic fracturing feasibility and design including fracture efficiency for vertical, deviated and horizontal wells (multiple fracs) with full 3D frac model (preferred). Pseudo 3D frac models can be also accepted provided proper account for vertical stress barriers from geo-mechanics modeling. For operational purposes Full 3D modeling results should be transferred to FracProPT.
- 3.1.10 Sensitivity of Transverse Vs Longitudinal fracs with respect to fracability and frac efficiency should be investigated.
- 3.1.11 Post frac production forecast for above mentioned scenarios.
- 3.1.12 In case the results of above steps warrant a frac job in any or all of the three reservoirs, then provide onsite supervision for the execution of frac job and this may also include onsite updating of the model, based on the Data Frac.
- 3.1.13 In case results show fracing is not viable (e.g. due to thin tight layers, or absence of top/bottom barrier layers etc.), evaluate feasibility of matrix stimulation.
- 3.2 **Phase-II**
This phase will include Construction of **3D** Geo-Mechanical Earth Model and Fracture Feasibility study based on 1D models and provided surfaces, for all available wells/data of tight SML, SUL & HRL reservoirs in the tentative Area of Interest (AOI) as shown in Enclosure-2 for each reservoir, by undertaking the same sequence of steps as mentioned in Phase-I as well as utilizing available **3D Seismic** and **AVO Inversion** data. Commencement of Phase-II will be dependent upon the warranted results of various activities in Phase-I.

3.3 Data Availability

- 3.3.1 For data collection a team of experts from consulting firm will visit OGDCL office in Islamabad. The team will comprise of at least three professionals; one from each discipline i.e. Geologist, Geo-mechanical Engineer and Petrophysicist.
- 3.3.2 The team will review and scrutinize the data during their stay in Islamabad and will provide report about the quality of available data.
- 3.3.3 Following data will be available for geo-mechanical analysis:
- 3D seismic data of 315 Sq. Km (Figure-2), along with recent AVO Inversion data for building **3D** Geo-Mechanical Earth Model.
 - Geological, lithological and petrographical data, such as field geological report, geological cross-section map, and structural map with well locations, stratigraphic column and formation tops, etc.
 - Petrophysical data, such as processed DSI/Sonic Scanner logs and other conventional open-hole logs (GR, NPHI, RHOB, CALI, DTCO, DTSM and ELAN volume, etc.).
 - Well data (X, Y, KB, surveys), casing points, cementing, well completion diagrams and work-over history.
 - Production and pressure data, such as reservoir pressure, fluid mobility, drawdown, production history.
 - Ditch cutting samples, friction angle, Poisson's ratio, Young's modulus, porosity, density, grain size analysis, thin sections etc.
 - Pertinent drilling and fracturing data, such as daily drilling reports, end of well reports, mud log, mud type/chemistry, and stress measurements (LOT/XLOT etc.).
- 3.3.4 OGDCL will provide different Sedimentological & Reservoir Characterization studies performed by other consultants from time to time during development phases of the field.
- 3.3.5 Data collection must start with signing of the contract/service order and to be completed within two (02) weeks. Any delay in collection of data within specific time of two (02) weeks will be on part of the consultant.
- 3.3.6 All geological, geophysical, drilling, production testing, well logs, core and fluid analysis data required for study will be available to the consultant free of charge. Such material will be the property of OGDCL and JV partners. The consultant will treat all data and information supplied by OGDCL and those acquired by him during the study with utmost confidentiality and will sign an agreement of confidentiality in the same contract/service order.
- 3.3.7 All such type of data collected by the consultant in this regard will be returned to OGDCL after the completion of the study.

3.3.8 OGDCL will also provide adequate space to the consultant during their visit to OGDCL for data collection/review or presentation.

4 **REPORTS AND PRESENTATIONS (i.e. Deliverables)**

4.1 **Reports**

- 4.1.1 The consultant will submit a complete report on data review and short listing of candidate/candidates first.
- 4.1.2 After selecting candidate the consultant will submit at the end of every fortnight as well as after completion of each activity, a detailed progress report to OGDCL in soft copy, covering the work performed during that period/activity so as to get the results of each activity reviewed and approved by Qadirpur Joint Venture.
- 4.1.3 The consultant will submit only **soft copies** for **Draft** reports in all activities/phases.
- 4.1.4 Final reports of all activities/phases will be submitted as one hard copy complete set for each JV partner and one hard copy complete set for OGDCL as a final copy of each phase as well as complete soft copies.
- 4.1.5 Final report for each phase (or as required) will be submitted to OGDCL (both hard & soft copies) after incorporating the suggested information/improvements within one week of oral presentation so that approval for next phase may be accorded.
- 4.1.6 A phase-wise draft report (soft copy) of the study should reach OGDCL at least one week ahead of oral presentation, which includes the results of that particular phase or all phases in case of final report.
- 4.1.7 After final presentation, the consultant will provide four copies of the final report along with four copies of management executive summary with necessary amendment/changes as an outcome of discussion in presentation.
- 4.1.8 Final report will be submitted within one week after the receipt of the comments from OGDCL on draft report and incorporating/amending the same in the final version.
- 4.1.9 The report will include in detail, all aspects of the study with the conclusions and recommendations derived from the study.

4.2 **Presentations**

During the course of study as performed in accordance with Clause-2.5 above, there will be two oral presentations at Head office OGDCL Islamabad. Consultant will present all the work done in below mentioned milestone events to OGDCL professional and JV partners in two days, first day presentation will be to OGDCL only and on the second day the presentation will be to JV Partners and OGDCL professionals.

- 4.2.1 First oral presentation will be made at the end of Phase-I, if warranted by each activity of Phase-I.
- 4.2.2 Second oral presentation will be made at the end of Phase-II, if warranted in Phase-I.
- 4.3 The final version of the 1D/3D MEM model and Frac Feasibility & Design data will be preserved for a period of five years so that if OGDCL & JV partners desire update or incorporation of any additional data, it could be obtained without much difficulty.
- 4.4 The Consultant has to supply OGDCL with a copy of computer outputs of each activity/phase right after their completion readable on OGDCL computer as well as hard copy.
- 4.5 The consultant will provide all the final work on electronic data storage device so that study could be updated on OGDCL's computers when required.

5 **TIMING**

- 5.1 The total time of the study will be 24 weeks from the date of signing of the contract, inclusive of time for data collection (02 weeks), presentations (01 week) and draft report review (01 week). A detailed work plan should be submitted with the Technical Proposal.
- 5.2 Study completion date will be determined when hard/soft final report is delivered by Contractor to OGDCL as per clause 4 REPORTS AND PRESENTATIONS (i.e. Deliverables) of this TOR.
- 5.3 OGDCL is bound to provide the complete data as mentioned in Clause 3.3 Data Availability of this TOR within two weeks from the date of signing of the contract.
- 5.4 If OGDCL fails to provide said data within two weeks then project completion date will be extended accordingly.
- 5.5 If Contractor fails to collect the said data within specific time of two (02) weeks then the delay caused will be on the part of the consultant/contractor.

6 **PARTICIPATION/TRAINING OF OGDCL PROFESSIONALS**

- 6.1 Consultant will associate two (02) OGDCL's Reservoir department professionals, for duration as approved by OGDCL for not more than two weeks, in performing the study. However, OGDCL will bear all the expenses of participation of OGDCL's professionals in the study.
- 6.2 The consultant will impart comprehensive training regarding steps for construction of 1D/3D geo-mechanical earth model as well as Frac feasibility and frac designing, to one or both Reservoir department professionals mentioned at

Clause-6.1 above, as approved by OGDCL management, at consultant's office/facilities, during their participation.

- 6.3 Accomplishment of all kind of Work/Studies will be responsibility of the consultant. However, two OGDCL Reservoir department professionals will be attached with the consultant for sharing necessary inputs/experience related to Qadirpur field, as well as get the comprehensive training regarding construction of 1D/3D geo-mechanical earth model as well as Frac feasibility and frac designing.
- 6.4 It is strongly recommended that all technical work must be performed with active participation of OGDCL professional.
- 6.5 The consultant will take all necessary measures regarding visas (invitation letters & residence/hotel booking etc.) and will courier to the OGDCL Head Office in Islamabad from abroad. Any delay in the departure of OGDCL professional due to visa/tickets problems would have to be accommodated by the consultant in their Participation Plan.
- 6.6 Consultant will provide office space, computers, internet facility and international telephone/fax facilities.
- 6.7 The consultant shall propose a program for the participation/training of OGDCL's professionals in the study.

7 GENERAL TERMS/CONDITIONS

- 7.1 It is highly preferred that all phases of the study should be completed at one location. This is for information of those bidders who have various offices at different locations and may be planning to carry out some parts of the study in any one of them. OGDCL feels that the interfacing between various stages of the study is very important.
- 7.2 The study shall be carried out by the same office invited to bid for the study.
- 7.3 The personnel who shall conduct the study should be dedicated fully to this study and shall be available throughout their relevant activity/phase of this study.
- 7.4 All geological, geophysical, drilling, testing, production, well logs, core and fluid analysis data required for the study will be available to the consultant free of charge. Such material will be the property of OGDCL. The Consultant will treat all data and information supplied by OGDCL and those acquired by him during the implementation of the study with utmost confidentiality.
- 7.5 OGDCL reserves the right to discontinue any study/any task/any service/any activity related to above scope of work at any stage. OGDCL reserves the right to reject the services of any consultant provided by the bidder at any time/any stage and hence it will be the responsibility of the bidder to provide the replacement without any delay accordingly.

8 **SUBMISSION OF PROPOSALS**

- 8.1 The bidders interested in undertaking this venture may submit their bid/proposal to the office of General Manager (GM) Supply Chain Management Department, OGDCL House, Jinnah Avenue, Blue Area, Islamabad.
- 8.2 Technical & Financial proposals should be given separately in two sealed envelopes clearly marked "Hiring of Services for Constructing Geo-Mechanical Earth Model and Performing Frac Feasibility & Design Study of Tight SML, SUL & HRL Reservoirs in Qadirpur Gas Field" (**Technical Proposal**) & (**Financial Proposal**).
- 8.3 **Technical Proposal**
- 8.3.1 The technical proposal must contain a brief history of consulting firm, the nature of services provided, the key projects undertaken and its experience in the field of constructing Geo-Mechanical Earth models, performing Frac Feasibility & Design studies and supervising frac jobs onsite. A soft copy on CD/DVD of the technical proposal should also be submitted along the hard copy.
- 8.3.2 Technical proposal should also contain a tentative work program, methodology and time schedule to complete each activity/phase of study. Detailed technical approach to perform various activities, as defined in the scope of work, shall also be submitted.
- 8.3.3 It should indicate other similar projects completed by the consulting firm and their manpower allocation along with their Resume. The Resume should be submitted in the following format:
- a) Academic Qualification.
 - b) Total overall relevant experience. Particularly emphasizing experience in Carbonate Reservoirs.
 - c) Overall experience/description of job assignments of the personnel with the bidding company.
 - d) Total overall experience of the person.
- 8.4 **Financial Proposal**
- 8.4.1 Bidders shall submit their financial cost estimates and invoices activity-wise, as defined in Clause-2.5 above, and will get payments only for the activity/activities unto which the successful bidder will carry out the study, accordingly.
- 8.4.2 Bidders shall also submit the cost of onsite supervision for a single frac job, so if the Qadirpur Joint Venture requires the successful bidder's services for onsite supervision, cost will be available.
- 8.4.3 For award/issuance of contract/service order, however, OGDCL will evaluate the bid on total cost basis.

8.4.4 OGDCL may arrange a pre-bid meeting on request to explain the present status of field and objective of study. The bidders will participate in the meeting at their own cost.

8.4.5 The **financial** section of the proposal should contain:

- a) Activity/Phase-wise break down of the cost.
- b) Total cost of the study.
- c) The information mentioned above, in accordance with Clause-2.5& Clause-8.4.2, may be provided in the following format:

Phase	Description of Activity	Quantity	UOM	Unit Cost (US\$)	Total Cost (US\$)
Phase-I	Data review of +75 drilled, +5 under drilling wells & candidate selection	1	Lump sum		
	Construction of 1D MEM for selected candidate wells	3	Each		
	Frac Feasibility study for selected candidate wells	3	Each Well (Lump sum cost, irrespective of single / multiple stages, vertical / horizontal well)		
	Frac Designs for selected candidate wells	3	Each Well (Lump sum cost, irrespective of single / multiple frac designs for vertical / horizontal well)		
Phase-II	Construction of 3D MEM to the extent of defined Area of Interest (AOI) for recommended reservoirs	3	Each		
Final Presentation / Report		1	Lump sum		
Onsite Supervision	Frac Expert	1	Day rate must be quoted *For evaluation purpose only, 1 job = 5 days ** Payment will be made at actual number of days consumed at each job		
	Geo Mechanical Engineer	1			
Total Lump Sum Cost (inclusive of all applicable taxes duties and Levies, except Provincial Sales Tax/ICT Tax on services)					

- d) Financial evaluation will be carried out for Total lump sum cost (for Quantity as mentioned in above table) inclusive of all applicable taxes duties and levies except provincial sales tax/ICT tax on services, however, payment will be made for actual Quantity of work done in the individual activity as per Unit Cost, accordingly.

- e) Any bidder not following the financial format given in the table above, will be declared financially non-responsive.
- f) Price shall be inclusive of all taxes, duties, levies, and charges except Provincial Sales Tax (PST)/Islamabad Capital Territory (ICT) Tax on services. Provincial Sales Tax (PST)/Islamabad Capital Territory (ICT) Tax on services where applicable will be paid by OGDCL.
- g) The prices should be quoted in USD. However, payment to all Pakistan based companies will be made through cross cheque in 100% Pak Rupees, at actual, against verified invoices at official exchange rate prevalent on the date of payment.
- h) For Foreign based Companies, the payment will be made in US\$, at actual against verified invoices through Irrevocable Letter of Credit (LC).

9 EVALUATION CRITERIA

9.1 The **Technical** evaluation will be based on the following criteria.

	<u>POINTS</u>
a) Experience of the firm/consultant in carrying out such studies	05
b) Number of similar projects completed during last seven (07) years	15
c) Technical approach	45
d) Work plan including manning schedule	10
e) Skill/Technical transfer plan	05
f) Personnel (Qualification & Expérience)	<u>20</u>
Total:	100

Note : Details of Technical Evaluation Criteria is also provided in TOR (Annexure A).

- 9.2 Criteria for selection of the consultant will be based on Clause-3C of PPRA Rules (Least Cost Selection).
- 9.3 Technically responsive and financially lowest bidder will be hired for the services.
- 9.4 Bidders securing less than 70% points in any category in the technical evaluation will be treated as NON RESPONSIVE.
- 9.5 The **financial** proposal of technically NON RESPONSIVE bidders will not be opened.
- 9.6 Apart from detailed CVs of dedicated professionals for this project, the bidders will also provide the following information required for technical evaluation:
 - 9.6.1 The bidder shall provide, at its own expense, suitably qualified personnel to ensure efficient performance of the study to achieve the objectives. The bidder will designate in writing one of its staff as Project Coordinator.

9.6.2 The Project Coordinator shall act on behalf of the successful bidder and shall be responsible for supervising all of the consultant's Work responsibilities, and also for maintaining liaison between the Company and the consultant.

9.6.3 Consulting firm should submit the name, academic qualification and experience of the technical personnel to conduct the study. Alternative or substitute names should also be mentioned. The consultant should clearly mention team experience in similar studies and terrains (Pakistan, India, and Iran etc.).

9.6.4 A team comprised of geoscientists and engineers will work at all levels of study to ensure that the study meets all the requirements of OGDCL and for timely completion of work.

9.6.5 Team of professionals will comprise of disciplines as given in table below:

Sr. No.	Disciplines
1.	Geology
2.	Petrophysics
3.	Geo Modeling
4.	Geo-mechanical Engineering
5.	Reservoir Engineering

9.6.6 Each team, excluding team leader, must not exceed more than two professionals. The consultant will ensure that once assigned to the team, personnel shall remain dedicated to the project till its completion and shall not be engaged in any other project at the cost of OGDCL's project.

9.6.7 Present contact number and email address should be mentioned on the CVs submitted for the dedicated team leader and team members.

9.6.8 In case of defection of any dedicated team member, the consultant will be responsible to engage a professional of similar domain/caliber.

Detail of Marking for Technical Evaluation Criteria.

- **9.1-a) Experience of Firm / Consultant: Total Marks 05**
- **Number of Geo-Mechanical Earth Models Constructed in the past 5 years**
 - 10 or more will get 2.5 marks
 - 5 to 9 will get 2marks
 - 1 to 4 will get 1.5 marks
 - No **Geo-Mechanical Earth Model** in the past 5 years will get 0 marks
- **Number of Frac Feasibility & Design studies in the past 5 years**
 - 10 or more will get 2.5 marks
 - 5 to 9 will get 2 marks
 - 1 to 4 will get 1.5 marks
 - No **Frac Feasibility & Design studies** will get 0 marks

Note:

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.....

Hereinafter called "THE BIDDER" having submitted the accompanying Bid with reference to OGDCL tender enquiry no. **PROC-SERVICES/CB/RMD-3322/2018** 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\$: 3,400/- (United States Dollars Three Hundred Four Thousand Only)** 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:
2.
 - i. Withdraw their bid during bid validity.
OR
 - ii. Fails to provide performance bond/or advance bank guarantees.
OR
 - iii. Submit forged document in support of their bid.
OR
 - iv. Fails to execute contract as per terms of contract.
OR
 - v. Fails to supply the short/wrong shipped items
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)**

Note: Bid Bond/Bank Guarantee/Security will not be acceptable with the banks whose Market Price per share is quoted below the Par Value at the Stock Exchange

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

Note: Performance Guarantee/Security will not be acceptable with the banks whose Market Price per share is quoted below the Par Value at the Stock Exchange

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.....2018,

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

AFFIDAVIT
(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:

4.2 That I am competent to swear this affidavit being proprietor/one or the partners/ Director of M/s _____

4.2 That M/s _____ is a proprietorship/partnership firm/company is participating in tender process conducted by OGDCL.

4.2 That I hereby confirm and declare that none of my/our group/sister concern/associate company is participating/ submitting this tender.

4.2 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.

4.2 That there is no change in the Name & Style, Constitution and Status of the firm, after Pre-qualification.

4.2 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)

ANNEXURE - G

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: _____

COMPLETION PERIOD: _____

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 & PST NUMBER (FOR PAKISTAN BASE
COMPANY ONLY) _____

ANNEXURE -F DULY ATTESTED BY NOTARY
PUBLIC. _____

PROVINCIAL REGISTRATION NUMBER _____

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: _____

COMPLETION PERIOD: _____

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

NTN , GST & PST NUMBER (FOR PAKISTAN
BASE COMPANY ONLY) _____

TOTAL QUOTED COST _____

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

M/s 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-FD/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 from the date of its acceptance by the contractor till completion of the job whichever is later unless earlier terminated under the provisions hereof. 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 PKR/USD. However, payment to all Pakistan based companies will be made 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).
- 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 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.
- 5.2 Indirect taxes (Provincial Sales Tax/ Islamabad Capital Territory Sales Tax on services) 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 non compliance 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, 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 its 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 period(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 delayed. 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, and 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 If otherwise mentioned in TOR, 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 If otherwise mentioned in TOR, 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: General Manager (-----)
Oil & Gas Development Company limited
OGDCL House, Jinnah Avenue, Sector F-6
Blue Area, Islamabad, Pakistan
Telephone: 0092 - 51-92002-3658
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 _____