

OIL & GAS DEVELOPMENT COMPANY LTD.
SALE OF "CONTENTS OF EVAPORATION POND" THROUGH SEALED BIDS

TERMS & CONDITIONS

Sealed bids are invited from the parties interested to lift and clean/fill the EVAPORATION POND from Sinjhor Gas Condensate Field of OGDCL located in the district Sanghar, Sindh on the following terms and conditions:

- 1) "The reserve price of the contents of the sludge is confidential which is exclusive of all taxes. Bidders are expected to offer price over and above the reserve price. Successful bidder registered for sales Tax shall have to pay sale tax @ 17% whereas un-registered bidders shall pay sale tax @ 20% of quoted price. Successful bidder will also pay income tax @ 10% of the aggregate value of quoted price plus applicable sale tax"
- 2) Bid bond equivalent to 25% of the quoted price in the shape of demand draft must be submitted along with the bid, which should be in the name of OIL & GAS Development Company Limited, Islamabad, Bids received without bid bond will not be entertained.
- 3) Properly sealed bids may be addressed to Field Manager Sinjhor Gas Condensate Field clearly marked as "**BID FOR THE CONTENTS OF SLUDGE in Evaporation Pond**". The bids must be submitted in the office of Field Manager latest by ----- till 1100 HRS. the bids shall be opened at -----HRS on the same day in the presence of bidders or their authorized representatives who may wish to be present.
- 4) The successful bidder will be informed by the field manager through letter of intent (LoI) to enter into a sale purchase agreement (copy attached) subject to vetting by legal department of OGDCL by tendering ... (A) unconditional irrevocable and without recourse confirmed bank guarantee of amount equivalent to 25% of bid value from any schedule bank and (B) 100% total bid amount with 10% income tax + sale tax in the shape of demand draft in favor of **OIL & GAS Development Company Limited**, Islamabad within ten (10) days from the date of LOI. If the bidder fails to fulfill the said requirements, OGDCL shall cancel the bid and forfeit the 25% bid bond.
- 5) Once the documents are cleared by head office, both parties shall sign the agreement.
- 6) Upon satisfactory evidence and confirmation of such payment, field manager shall handover the physical possession of the waste sludge pit in writing to successful bidder.
- 7) Successful bidder should provide the tax number, circle and zone (if any) so that income tax could be deposited on his behalf.
- 8) The bidder shall be responsible for safe and sound lifting of contents of evaporation pond and restoration to its original condition and to the entire satisfaction of the field manager within 30 days from the date taking possession of the waste sludge pits.
- 9) The bidder shall complete and do all work on own risk, cost and expenses whatsoever in nature and shall be responsible for Zilla Tax, Octroi Charges or any other tax, duty or charges etc.

whether present or future.

- 10) OGDCL shall have all right to forfeit, confiscate wither either bid bond or bank guarantee or both in case the bidder fails to perform any obligation under agreement or fails/delays the execution of Agreement.
- 11) **The seller has all the rights to cancel, withdraw / amend or to annul the whole bidding process without assigning any reason and incurring liability.**
- 12) The bank guarantee and bond shall be released by the OGDCL upon a completion certificate issued by the field manager that the bidder has successfully discharged all its obligations under the agreement.
- 13) The contractor of its employees shall always comply with the safety regulations at the site and instruction issued by field manger pertaining to security of men and material of company shall also be binding on the contractor/its employees.

AGREEMENT

This **AGREEMENT** is made at Islamabad as of this ----- day of -----2018 by and between the OIL & GAS Development Company Limited, a public limited liability Company incorporated under the Companies Ordinance, 1984, having its registered office at OGDCL house, Jinnah Avenue, Sector F-16, Blue Area, Islamabad (hereinafter referred to as seller, which expression shall include where the context may admit include its successors-in-interest and assigns); AND

Mr. -----CNIC No. _____ S/O -----
Resident of -----
----- hereinafter referred to as "Buyer" which expression shall include, where the context may admit, its successors-in-interest and assigns).

WHEREAS the buyer has been awarded the contract for lifting / removal of the contents of (oily sludge) of Specific evaporation pond located at Sinjhora Gas Condensate Field being the highest bidder at the risk and cost of the Buyer.

AND WHEREAS, the parties named herein above intend to enter into an agreement for lifting / removal of the contents (- oily sludge / wax -) from evaporation pond and cleaning / leveling of the subject pond on the terms and conditions set out herein, as under: -

1. The Buyer has paid as sum of Rs. ----- to Seller as the cost of the contents of waste sludge / wax in the form of bank draft.
2. The Buyer has submitted an un-conditional irrevocable and without re-course confirmed bank guarantee of Rs. -----/- (Rupees. -----only) from a schedule bank of Pakistan valid for one year, in addition of Rs. -----/- being bid bond and
3. The Seller will be authorized to get this bank guarantee and bid bond encashed and forfeited respectively in case the Buyer fails to clean and restore the area within a period of thirty (30) days to the entire satisfaction of the Seller or in case the Buyer has caused any damage to the property of the Seller.
4. That Buyer, after obtaining clearance from the site in-charge, will undertake to accept the said piece of the land in the present condition without any claim, objection or whatever of any nature for removal of contents (oil sludge) of evaporation pond.
5. After taking possession, the Buyer will commence activity in a specific order starting lifting of contents (oily sludge / wax) and levelling / restoration of evaporation pond.

6. The buyer shall be required to carry out the joint visit of evaporation pond with location In Charge and arrange to prepare the ROW / approach to said pond for buyer's vehicles strictly following the routes advised by location In Charge.
7. The Buyer will strictly follow the route advised by the Field Manager for shifting of sludge from the evaporation pond to avoid any loss or damage to oil & gas crossing and OGDCL's important installation at field.
8. The Buyer shall arrange tractors / dozers for making R.O.W for approach to the said pond, labor/ transport for the shifting of waste sludge and tractors / dozers for the leveling and filling of the waste pits at his own expense without any liability of whatsoever nature towards the seller.
9. The Seller shall not provide any boarding / logging, transport, loading / unloading and any other facility to the party of the Buyer working in the field.
10. The Buyer while handling sludge, shall comply with all safety and security measures which shall be advised by the Seller from time to time.
11. That the Buyer shall adopt all necessary measures for keeping the environment and surrounding area, including approach road, free from pollution or spillover etc, while transporting the sludge from E/pond.
12. The shifting / lifting of waste contents (Sludge) will be done by the Buyer in accordance with HSEQ's applicable standards through covered containers to avoid any spillage of waste contents on the roads.
13. Prime-movers / transport etc used by the Buyer shall be in good condition, such that there should not be any risk of spark from the engine / silencer of the vehicle.
14. Every vehicle used by the Buyer in the transportation of the sludge should have essentially at least one fire extinguisher of 12 Kg DCP.
15. The Buyer will strictly make a note of security measures in the Field area. The Buyer will under no circumstances lit fire, hurricane lamp petromax stove or cigarettes etc., which may cause fire at field / well site and its surrounding. Any damage will be at the cost and risk of Buyer.
16. The Buyer shall be bound to carry out the operations strictly in accordance with the explosive rules regarding the handling/lifting of waste sludge and shall indemnify the Seller for any loss caused by all or any violation of such statutory rules by the Buyer.

17. The operation under this agreement shall be carried out strictly in accordance with laws, rules and regulations in force as may be amended from time to time, in regulating the production, blending and marketing of petroleum products.
18. The entire shifting of the waste sludge shall be done strictly observing the store procedure of the Seller i.e. gate pass will be issued by the store representative in the presence of security representative for each waste sludge load and copy of the gate the same be deposited at main gate.
19. That the Buyer shall have to clean/ remove the **entire contents of specific pond but not the selective stuff only.**
20. That Buyer understand to remove/clear the contents (oily sludge) from E/pond only and will not encroach to other surrounding area. In the event the Buyer encroaches or removes any material from a place other than the specific pond allotted by the Seller, the Buyer will be liable for other damages apart from paying a fine imposed by OGDCL, which may be Rs. 10,000/- or above.
21. That the Buyer shall complete the work within 30 days from the date of taking physical possession/work order from the Field Manager, Sinjhoru Gas Condensate Field, failing which the agreement shall be liable to termination without any further notice at the risk and cost of Buyer.
22. The Buyer agrees to indemnify, defend and hold harmless the Seller (OGDCL), its affiliates and their representative directors, officers, agents and employees against any or all losses, claims, causes of action, suits, damages, expenses, and /or personal injury caused to incurred by the Buyer or its partner, officers, employees, against, workers in the course of performance of their obligations under this Agreement.
23. In case of any damage to the property of the Seller viz oil / gas pipeline and buildings occurred/resulted due to act or omission of the Buyer's employees, agent, machinery movement or any omission/commission of any act during the removing or cleaning or at filling, rectified/recovered from/ by the Buyer. The Buyer shall compensate, indemnify make the loss good to the Seller.
24. The Seller can terminate the contract without assigning any reason by giving fifteen (15) days prior notice without incurring any liability, what-so-over in nature.
25. The Seller reserves its right to stop forthwith the lifting of waste sludge by the Buyer in case of violation of any clause of the said Agreement or violation of any precautionary instructions either given in writing or verbally by location in-charge.

26. In case of any dispute, the lifting of waste sludge can be stopped forthwith by the seller till the issue is resolved amicably by the Buyer.
27. In case of any dispute, relating to the terms of this agreement, the same shall be referred to the managing director (M.D) of the seller (OGDCL) at Islamabad, who shall nominate an officer as sole orbiter. The verdict of the orbiter shall be final, conclusive and binding upon both the parties.
28. The evaporation pond will be properly cleaned and restored in original position by THE Byer to the entire satisfaction of Field Manager (Sinjhor).
29. The Buyer will only shift his personnel baggage and machinery from and to the location after obtaining clearance from the concerned location in-charge.
30. The Buyer shall obtain a satisfactory completion certificate from the location in charge at the time of completion of each assignment.
31. The bank guarantee and the bid bond shall be released by the Seller upon provision of completion certificate issued by the Field Manager.
32. The document annexed herewith titled sale of "contents (oil sludge) of waste pits" through sealed bids, Terms and Conditions as an annexure to the Agreement shall be considered as integral part of the Agreement.
33. Successful bidder registered for sales tax shall have to pay sale tax 17% whereas un-registered bidders shall pay sale tax 20% of quoted price. Successful bidder will also pay income tax @ 10% of the aggregate value of quoted price plus applicable sales tax.

**IN WITNESS WHERE OF the parties herein above have signed this Agreement on day -----
-----month-----and year-----first above written**

(FOR AND ON BEHALF OF SELLER)

(FOR AND ON BEHALF OF BUYER)

Name: -----
-

Name: -----

Designation: -----
-

Father Name: -----

OG No.-----
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CNIC No.: -----

Witness:

1.

Name: -----

-

Designation: -----

-

OG/S #: -----

Name: -----

Father Name: -----

CNIC #: -----

2.

Name: -----

-

Designation: -----

-

OG/S #: -----

Name: -----

Father Name: -----

CNIC #: -----