



OIL & GAS DEVELOPMENT COMPANY LIMITED
Procurement Department

Fax : 051-9209673 & 9209803-7
Telex : 5892 OGDG PK & 5867 OGDG PK

Phone : 9218058
Cable : OILGASCORP

No. PROC-FB/LCB/D-4778-A/770040/2021 Date : 26-JUL-2021
To HALLIBURTON WORLD WIDE LIMITED ✓
Supp. No 20779
Address 8th Floor, Dusit Thani Complex (Commercial Tower) Muroor Street, PO Box 57, Abu Dhabi, UAE


Subject: Purchase Order No. PROC-FB/LCB/D-4778-A/770040/2021 For Procurement Of TRICONE BITS ALONG WITH NOZZLES Against Your Quotation No. NIL
Dear Sir,




We are pleased to issue purchase order in response to your above cited bid as detailed below :-

Sr. No.	Description	Index No.	UOM	Qty	Unit Value C & F BY SEA USD	Total Value C & F BY SEA USD	Item Type
1	BIT, ROCK, 17-1/2", IADC CODE 435M, 7-5/8" REG PIN CONN. TYPE A02D2RC, ALONG WITH JET NOZZLE & NOZZLE KEY (DETAIL ATTACHED)	16-01-046-F	Number	5	13,287.0000	66,435.00	WELL
2	BIT, SIZE 12-1/4" (311.2), THREAD 6-5/8" REG. PIN IADC 137M, TYPE: A3GD2RC, ALONG WITH JET NOZZLE & NOZZLE KEY (DETAIL ATTACHED)	16-01-178-F	Number	20	6,597.0000	131,940.00	WELL
Total :						198,375.00	
USD One Hundred Ninety Eight Thousand Three Hundred Seventy Five Only							

Indent # DRLG/MP/D-4778/A/21
Name & Address of Manufacturer HALLIBURTON-DRILL BITS & SERVICES, USA & NARZEDZIA, POLAND
Delivery Period 02 MONTHS Port of Shipment USA, UAE
Country of Origin POLAND Port of Discharge KARACHI
Banker's Address HSBC BANK MIDDLE EAST, PO BOX # 66, DUBAI, UAE. A/C # 020-753257-100. IBAN # AE15020000020753257100. SWIFT CODE: bbmeaad
Special Note I. DELIVERY PERIOD IS 02 MONTHS FROM THE DATE OF LC ESTABLISHMENT. II. ALL THE CONTENTS OF TENDER DOCUMENTS, SOR, YOUR TECH/FIN BIDS AND SUBSEQUENT CORRESPONDANCE ARE INTEGRAL PART OF THIS PURCHASE ORDER.

*"Condition of Contract (General/Special) of tende enquiry, should be treated a part of the Purhcase Order".
Letter of credit shall be established as per Terms & Conditions attached herewith.*


SYED EJAZ ABBAS RIZVI
 Manager (SCM) Foreign
 Oil & Gas Development Co. Ltd.
 Islamabad
MANAGER (SCM) FOREIGN


MAD USMAN ANZA
 SE(DMP)-III
 Est. 2923

 By: 
Samer Zaki Azzam
 BD Manager, S/Gulf
 Halliburton Worldwide Limited

ATTACHMENT TO PO#770040(M/S HALLIBURTON,UAE)

INDEX #	SR # OF PO	DETAILED DESCRIPTION OF BITS(TRICONE BITS)	BITS QTY REQUIRED	ACCESSORIES QTY REQUIRED
16-01-046-F	1	Size <u>17-1/2"</u> IADC <u>435M</u> , Teeth/Insert count: 150+, Chiesel shaped inserts, gage proteced by back row inserts Min 50% Diamond Enhanced "D" Feature, Thick Shirttail hardfacing, Shirttail protection by TC inserts on entire length of shirttail, Superior Seated Journal Bearing. Good to Run on PDM. 7-5/8" API REG PIN.	5	<u>05 NOS.</u> NOZZLE PLIER <u>10</u> SETS EACH OF 16/32", 18/32" , 20/32" NOZZLES & 22/32" NOZZLES FOR 5 NOS 17-1/2" ROCK BITS. (02 SETS OF EACH SIZE NOZZELS).
16-01-178-F	2	Size <u>12-1/4"</u> IADC <u>137M</u> , Premium Dual Cap Hardfacing, gage proteced by back row inserts , tooth count 100+Min 50% Diamond Enhanced "D" Feature, Thick Shirttail hardfacing, Shirttail protection by TC inserts on entire length of shirttail, Superior Seated Journal Bearing. Centre Jet, Good to Run on PDM. 6-5/8" API REG PIN (C.Jet size 16/32" Preinstalled in each bit)	20	<u>20 NOS.</u> NOZZLE PLIER. <u>40</u> SETS EACH OF 14/32",16/32",18/32" & 20/32" NOZZLES FOR 20 NOS 12-1/4" ROCK BITS. (02 SETS OF EACH SIZE NOZZELS)

10/08/21

MUHAMMAD USMAN AWAN
SE(DMP)-IT
Ext: 2923

10/08/21

MUHAMMAD YUNUS
Manager (D&MP)
Ext: 3821



[Handwritten signature]

OTHER TERMS AND CONDITIONS OF THE PO/LC TO BE STRICTLY COMPLIED BY THE BENEFICIARY

(CFR Karachi Basis)

1. CONSIGNEE:

The goods must be consigned to the L/C establishing bank and notify party Oil & Gas Development Company Ltd. (OGDCL), Plot No. 21, OGDCL Warehouse, West Wharf Road, Karachi. Telephone No. 021-32311108, 32313119, Fax No. 021-32311040, E-mail: abdulwaheed_kunbhar@ogdcl.com

2. PACKING:

The Packing of the merchandise must conform to the International Standards and the packing list along-with Commercial Invoice must be placed inside the container without fail.

3. MARKING:

3.1 Must bear the Purchase Order No. as Shipping Marks, Country of Origin and Weight in Kilograms (Gross/Net). The marks must tally with shipping documents like Bill of Lading (B/L) and manifest there should not be any difference.

3.2 In addition to the above mentioned shipping marks, the following procedure of color code marking is to be adopted / made on each side of the package/box/container while dispatching the material:

"There will be an isosceles triangle with or less than six inches side, triangle side marked in black lines, letters "OGDCL" inscribed inside, the letters to be not less than 1½" tall and will be in black. On big packages/boxes/containers, the sides or triangle and letters will be increased appropriately. Underneath the triangle there will be two color code bars in "GREEN" color size six inches in length and 1½" in width. If the above color codes marking is not appropriate/suitable, the sizes and color may be changed".

3.3 Each item of the consignment should also be marked with item # of the Purchase Order.

4. SHIPPING DOCUMENTS:

Shipping documents shall consist of the following:

4.1 Original Clean Master Bill of Lading on Freight Pre-Paid Basis signed by the carrier or their authorized agent showing clean shipped on board. Freight forwarders, Third party, Short form, blank back and House Bill of Lading is not acceptable.

4.2 Detail invoice showing commodity description, quantity, unit/total price, etc containing original signatures.

4.3 Packing List, (Showing total number of packages, gross/net weight & measurement and Box No. in case of more than one boxes such as Box No. 1/10, 2/1010/10 and so on and detail of equipment in each box.

4.4 Certificate of origin.

4.5 Mill inspection/quality certificate/test report showing analysis (in case of chemicals only)

4.6 Certificate of compliance of the credit terms as per clause No. 2 in respect of Packing.

4.7 Insurance declaration. A copy of Fax OR E-mail sent to Insurance Company in compliance to the Clause No. 9 hereunder.

4.8 Copy of E-mail sent in compliance to the Clause No. 6.1 hereunder.

4.9 A copy of pre-shipment third party inspection report issued by third party inspector duly accepted / verified by OGDCL prior to shipment (where applicable).

5. INSTRUCTIONS FOR COMPLETING SHIPPING DOCUMENTS:

5.1 The shipping invoice should be marked on top in capital words.

a) Complete, first and last consignment (if all the contractual material is shipped in one lot.)

b) First partial shipment/second partial shipment (and so on). Final and last shipment as the case may if shipments are effected in parts.

5.2 All invoices should be signed, and must indicate value of each items total value and also show 'SHIPPING MARKS' as provided in the contract.

5.3 All containers of cargo must carry copy of invoice. A compliance certificate in this regard shall be provided along with the shipping documents. In case of noncompliance the beneficiary shall pay the penalty imposed by the Custom Authority.

6. SHIPMENT INTIMATION:

6.1 The beneficiary within 24-48 hours of making shipment must send fax OR E-mail to (1) Dy. Chief Material Officer, Plot No. 21, West Wharf, Karachi, Fax No. 0092-21-2311040, E-mail: abdulwaheed_kunbhar@ogdcl.com (2) Manager (Foreign Procurement, OGDCL House Plot No. 3 (New NO. 3013)F-6/G6, Blue Area, Jinnah Avenue, Islamabad. Fax No. 0092-51-9244210 & 0092-051-9209803-7, E-mail: ejaz_rizvi@ogdcl.com (3) Manager Accounts (Imports) on Fax No. 0092-51-9209803-7, E-mail: imtiyaz_sherazi@ogdcl.com (4) National Insurance Company Limited, Karachi on FAX No. 0092-21-99202734 OR E-mail: sanaullah.shaikh@nicl.com.pk OR gu'am.akbar@nicl.com.pk, OR info@nicl.com.pk intimating them the following:



- a) L/C numbers and Purchase Order / Contract No.
- b) Name of the Ship & Shipping Line.
- c) Bill of Lading No. & Date.
- d) Total CFR value of the consignment shipped.
- e) Port of shipment.
- f) No. of boxes/packages/pieces.
- g) Net and gross weight.
- h) Expected time of arrival (ETA) of ship.

SHIPMENT INSTRUCTIONS

- a) The contractor/supplier/vendor is requested to ensure that Commercial Invoice / Packing List shall be pasted on the inner side of the door of container for FCL Shipments and on Boxes / Crates / Cartons etc. for LCL Shipments. Non-Compliance to this instruction may result in penalty imposed by Custom Authorities which shall be recovered from the Contractor/Supplier/Vendor.
- b) Please ensure that in case of CFR purchase order / contracts the local charges at Karachi Seaport/Airport must be included in the freight cost.
- c) The freight forwarders/shipping agents at country of origin must include the corresponding local charges such as delivery order/port handling & container rentals for free time etc. company shall pay only the wharfage/demurrage charges. They should also ensure that there should be only one local agent of the shipping company who should handle such matters. In case OGDCL had to pay such charges, it shall be recovered from the contractor.

INSTRUCTION REGARDING TRANSMISSION/NEGOTIATION OF SHIPPING DOCUMENTS

8.1 ORIGINAL NEGOTIABLE DOCUMENTS:

- a) The beneficiary immediately upon making shipment(s) should negotiate the original clean shipping documents free from any discrepancy with negotiating bank as indicated in the L/C.
- b) If clean documents free from any discrepancy are not negotiated within negotiation period mentioned in the L/C, or if the documents are withheld by the Bank on account of any discrepancy whatsoever the demurrage or financial impact if any incurred due to late negotiation of clean documents will be on beneficiary's account.
- c) Original/negotiable documents must contain at least four sets of the shipping documents mentioned under Clause No 5 above.
- d) The original shipping documents should be dispatched through courier service by the negotiating bank at the beneficiary's cost within 24-48 hours after receipt from the beneficiary.
- e) The discrepant documents with minor discrepancies will be accepted subject to the consent of Procurement Department to facilitate prompt clearance of the consignment on the condition that demurrage, if any due to the discrepancies reported by L/C opening bank will be on beneficiary account.

8.2 NON-NEGOTIABLE DOCUMENTS:

- a) Complete sets of non-negotiable shipping documents along with one set of **Parts Catalogue, Brochures, Technical Literature** must be dispatched OR E-mailed to the Manager (SCM) Foreign at the following address immediately upon shipment is effected: -

MANAGER (SCM) FOREIGN
OIL & GAS DEVELOPMENT COMPANY LIMITED
OGDC HOUSE, PLOT NO. 3 (NEW NO. 3013),
F-6/G-6, BLUE AREA, JINNAH AVENUE,
ISLAMABAD, PAKISTAN.
PHONE NO. 0092-51-92002 3652
E-mail: ejaz_rizvi@ogdcl.com

- b) Complete sets of non-negotiable shipping documents must be dispatched OR E-mailed to Dy. Chief Material Officer at the following address immediately upon shipment is effected: -

DYPUTY CHIEF MATERIAL OFFICER,
OIL & GAS DEVELOPMENT COMPANY LIMITED,
PLOT NO. 21, WEST WHARF ROAD, KARACHI, PAKISTAN.
PHONE NO. 0092-21-2311108, 2313119-23 & FAX NO. 0092-21-2311040, E-mail: abdulwaheed_kunbhar@ogdcl.com

- c) The shipping documents should be couriered through any reliable courier company at shipper's cost so that the same must be received at least 10 days before arrival of the vessel.



9. **INSURANCE:**

Insurance from port of shipment/delivery will be covered by openers and declaration shall be made by the beneficiary to Insurance Company i.e. M/S National Insurance Company Limited, NICL Building, South Zone, Abbasi Shaheed Road, off Shakra-e-Faisal Road, Karachi (Pakistan). Fax No. 0092-21-99202734 or E-mail: "sanaullah.shaikh@nicl.com.pk" OR gulam.akbar@nicl.com.pk OR info@nicl.com.pk and Manager (Accounts) /OGDC LTD., Fax No. 0092-51-9209803-07 or E-mail: imtiazh_sherazi@ogdcl.com immediately after shipment giving full details of shipment e.g. value of shipment description of material, name of vessel, B/L with date, port of shipment, contract and Letter of Credit Numbers.

10. **DEMURRAGE DUE TO DELAY IN RECEIPT OF ORIGINAL / NEGOTIABLE DOCUMENT / TRANSSHIPMENT AND SHIPPING LINES AGENTS:**

10.1 If clean documents are not negotiated within negotiation period of the L/C or documents are withheld by bank on account of any discrepancy, the demurrage charges, if any incurred due to late negotiation of the clean documents and paid by the OGDCL. will be realized from the beneficiary directly by raising debit advice, or by deducting the amount paid from the L/C value or by encashing Performance Bond (where applicable) to the extent of demurrage amount. In case the demurrage amount exceeds the value of Performance Bond the balance amount will be payable by the beneficiary.

10.2 Transshipment is totally prohibited under this L/C. The beneficiary must ensure that no transshipment takes place against this L/C, and demurrage paid by OGDCL due to transshipment will be on beneficiary's account.

10.3 Any demurrage paid by OGDCL due to inconsistency in B/L and manifest will be recovered from beneficiary.

11. **LIQUIDATED DAMAGES.**

a) If the contractor fails to deliver any or all of the goods 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 up to maximum extent of 10 % of the contract value.

b) In case the Purchaser is satisfied that the delayed / defective shipment was due to some mistake or circumstances beyond the control of the contractor and the contractor has not intentionally or negligently contributed in the delay, the Purchaser may impose Liquidated Damages for not more than a sum equivalent to 0.5% of the delayed or defective shipment per week or part thereof for first two weeks, 1.00 % per week for next three weeks and 1.5% per week exceeding five weeks but not exceeding 10% of the contract value of the delayed/ defective shipment provided that the contractor takes immediate remedial measures for the replacement of defective shipment and takes prompt steps to mitigate the delay. The Purchaser may however, impose Liquidated Damages as per (a) above if the delayed or defective shipment has affected the project completion schedule or has resulted in production losses.

c) 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 to forfeit the Guarantee (if applicable) after intimating the supplier for such cancellation / forfeiture.

12. **AMENDMENT / EXTENSION OF L/C:**

The beneficiary will positively confirm shipment of all ordered goods within L/C validity or make request for extension of shipment and negotiation dates at least 15 to 30 days prior to the expiry of L/C. If shipment is not effected within L/C validity or request for extension is not received 15 to 30 days prior to expiry of L/C validity, no request for grant of extension in shipment and negotiation will be entertained under any circumstances. In case of extension in shipment/negotiation period, the beneficiary will be required to extend the validity of his performance bond (where applicable) accordingly. All charges on this account will be on beneficiary's account.

13. **CHARGES FOR L/C ESTABLISHMENT:**

13.1 All charges of credit opening bank for credit will be borne by the OGDCL.

13.2 All charges of corresponding bank such as negotiation of documents, adding confirmation to credit etc. will be to the account of beneficiary.

13.3 All charges for amendments / extension in L/C will be to the account of beneficiary.

14. **PAYMENT TERMS:**14.1 **FOR ORDER VALUE MORE THAN US\$ 200,000:**

The eighty percent (80%) payment will be made against each shipment upon submission of original shipping documents to the LC opening bank, whereas balance twenty percent (20%) payment will be released after receipt, inspection and acceptance of material at OGDCL Stores. Furthermore, payment of balance twenty percent (20%) will be released upon issuance of Acceptance / Delivery Certificate from OGDCL to L/C beneficiary confirming receipt & acceptance of material along with submission of commercial invoice of remaining value.

14.2 **FOR ORDER VALUE LESS THAN OR EQUAL TO US\$ 200,000:**

The seventy percent (70%) payment will be made against each shipment upon submission of original shipping documents to the LC opening bank, whereas balance thirty percent (30%) payment will be released after receipt, inspection and acceptance of material at OGDCL Stores. Furthermore, payment of balance thirty percent (30%) will be released upon issuance of



Acceptance / Delivery Certificate from OGDCL to L/C beneficiary confirming receipt & acceptance of material along with submission of commercial invoice of remaining value.

14.3 Payment to Chinese companies shall be made in Renminbi. If prices are quoted in any other currency the order shall be placed in equivalent to Renminbi. Bid prices will be converted to the Renminbi at the selling exchange rate officially prescribed by State Bank of Pakistan for similar transaction on the date of opening of bids specified in the tender notice.

BLCBD-4778-A2021

Purchase Order # PROC-F _____ Accepted by:

Signature

Name of the signatory in Block Letters.....Samer Zaki Azzam

Company Title of the Signatory.....BD Manager, Southern Gulf

Company Seal.....



[Handwritten Signature]
28/07/2021

Purchase Order Issuance Authority:
Oil & Gas Development Company Ltd.

SYED EJAZ ABBAS RIZVI
Manager (SCM) Foreign
Oil & Gas Development Co. Ltd.
Islamabad

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Scope of Work for TPI

Full Process inspection will be carried out by nominated TPI Company at the manufacturing facility from the start of production (1st Day). In addition to full process inspection of the bits as per API 7-1, TPI Company will also perform the following tasks

- A. Verification of full ultrasonic inspection where applicable
- B. Verification of carats of each PDC Bit cutter (This information will also be provided on official letterhead as per clause 16 of TOR)
- C. Visual Inspection for any defects
- D. API Drift where applicable
- E. Verification that Cutters installed on PDC Bits being supplied to OGDCL are of USA origin.
- F. Verification of mill test certificates
- G. Verification that all equipment is brand new and unused
- H. Verification that all material (quantities & specifications) and documents are in accordance with Purchase order and API 7-1 Specifications
- I. Verification of all Raw Materials (required/used for manufacturing of bits) certificates for country of origin.
- J. Verification of documents for Carrat content against each size of cutters being supplied to OGDCL.

**Information for 3rd Party Inspection against Purchase Order No.
PROC-FB/LCB/D-4778-A/770040/2021 for Procurement of Tricone Bits along
with Nozzles**

1	Purchase Order No.	PROC-FB/LCB/D-4778-A/770040/2021 Dated: 26 th July, 2021
2	Amount of Purchase Order	USD 198,375/-
3	Name/address of Manufacturer	M/s Halliburton-Drill Bits & Services 16548 Donwick Drive Conroe, TX, US NARZEDZIA I URZADZENIA WIERTNICZE GLINIK SP ZO.O I Michalusa Street Gorlica, Poland
4	Name/address of LC Beneficiary	M/s Halliburton Worldwide Limited-UAE 8 th Floor, Dusit Thani Complex (Commercial Tower), Muroor Street, PO Box 57, Abu Dhabi, UAE
5	Local Agent / Contact Person	M/s Halliburton Worldwide Limited Plot # 205, Kurang Road, I-10/3, Industrial Area, Islamabad Tel # 051-8461000 fouad.jamil@halliburton.com
6	Inspection Location & Address:	
7	Description of Material	As per Purchase Order No. PROC-FB/LCB/D-4778-A/770040/2021 (copy attached)
8	Scope of Work	As per attachment