

Mobil Producing Nigeria Unlimited

An **ExxonMobil** Subsidiary

Operator of the NNPC/MPN Joint Venture



Tender Opportunity: Provision of Downhole Rental Tools and Services

- NipeX Tender Number: 100001880

1. INTRODUCTION

Mobil Producing Nigeria Unlimited (MPN), operator of NNPC/MPN Joint Ventures requires Downhole Rental Tools and Services on wells located in their Joint Venture (JV) acreage for an anticipated contract term of two (2) years with an additional one (1) year optional extension period.

An open competitive tendering process through the NipeX portal will be adopted and contract will be awarded to more than one Tenderer at the lowest responsive evaluated price/rates.

2. SCOPE OF WORK

- (a) Tenderer(s) will be required to provide Downhole Rental Tools and Services. The scope of work shall include but is not limited to the provision of personnel and equipment associated with Downhole Rental Tools and Services. Contractor shall have adequate equipment and qualified personnel in Nigeria to provide services as specified for work on up to two (2) separate drilling units operating concurrently. Adequate equipment shall include back-up equipment for use during periods of scheduled and unscheduled maintenance. Contractor's staffing plan shall allow for scheduled and unscheduled time off without affecting ongoing services. Contractor shall provide adequate inventory of equipment, spare parts, materials, consumables, etc. to ensure uninterrupted services
- (b) The primary drilling string for the NNPC/MPN JV well shall be 5" with 4-1/2" NC50 connections
- (c) The contingency strings shall be 5-1/2" with HT55 connections; 3-1/2" with NC38 connections, and 2-3/8", 6.65ppf, S-135, Hydril WT23 connections
- (d) Drill Pipe, HWDP and tools with hard banding must conform to ExxonMobil Hard Banding Guidelines, EMTS for Hard Banding and Reapplication, XOM HB 001 Rev 2, which are in line with the DS-1 standard. Equipment shall have API stress relief groove and stress bore-back in pin and box connections as per DS-1, Table 3.1, Volume 3, page 68
- (e) Elastomers shall be compatible with drilling and completion fluids (e.g. Non-Aqueous Fluids) and wellbore temperatures (<300° F)
- (f) Contractor shall provide adequate stock and cycle time to replenish purchased components, spares, consumables and rental items removed from Contractor's inventory
- (g) Contractor's stocking program shall include sufficient backup for purchased components, spares, consumables and rental items
- (h) Contractor shall incorporate enough time in the restocking cycle schedule to permit customs clearance, equipment preparations, quality checks, etc.
- (i) All equipment and tools provided by Contractor must be inspected and calibrated before being transported to Company operating base, warehouse or drilling unit

3. NIGERIAN CONTENT

Company is committed to the development of the Nigerian Oil and Gas business in compliance with the Nigerian Oil and Gas Industry Content Development Act 2010 (NOGICDA) enacted by the Federal Government of Nigeria in April 2010.

As from the commencement of this Act, the minimum Nigerian Content in any project, service or product specification to be executed in the Nigerian Oil and Gas Industry shall be consistent with the level set in the Schedule to the Act and any other targets as may be directed by the Nigerian Content Development and Monitoring Board (NCDMB).

MPN requires their Contractors to comply with the Act, its attached Schedule and any applicable regulation developed by the NCDMB.

Nigerian Content (NC) in the Nigerian oil and gas industry is defined as:

"The quantum of composite value added to or created in the Nigerian economy by a systematic development of capacity and capabilities through the deliberate utilization of Nigerian human, material resources and services in the Nigerian oil and gas industry."

"Nigerian company" is a company formed and registered in Nigeria in accordance with the provisions of Companies and Allied Matters Act with not less than 51% equity shares by Nigerians.

Tenderers shall consider Nigerian content as an important element of their overall project development and management philosophy for project execution.

As part of their technical tender submissions, prequalified Tenderers shall:

- (a) Provide a description of its committed infrastructure (asset, equipment, technical office, and administrative space, storage, workshop, assembly area, repair, and maintenance, testing, laboratory, etc.) in Nigeria (offices, equipment etc.) to support this contract, evidence that a minimum of 50% of all equipment deployed to work by multinational and international companies are owned by the Nigerian subsidiary.
- (b) Demonstrate that its entity is a Nigerian registered company, defined as a company formed and registered in Nigeria in accordance with the provision of

Company and Allied Matters Act. Provide details of its Ownership Structure. Submit certified true copies of CAC form (C02 and C07) including Memorandum and Article of Association. For Nigerian company in alliance with a foreign company or multinational, submit evidence of binding agreement of the alliance duly signed by the CEO's of both parties.

- (c) Submit a plan on how it intends to give first consideration to services provided from within Nigeria, to meet 75% spend NC target in line with the requirements of the Act.
- (d) Demonstrate key Management positions that are Nigerian Nationals and the percentage of the Company total workforce (direct and in-direct employees) that are Nigerians
- (e) Submit a plan on how it intends to provide Human Capacity Development and Personnel Training
- (f) Submit evidence of Memorandum of Agreement (MOA) with:
 - i. NCDMB approved R&D cluster for the execution of the R&D activities.
 - ii. Evidence of an approved application for NIGERIAN CONTENT EQUIPMENT CERTIFICATE (NCEC) issued by Nigerian Content Development and Monitoring Board (in respect of any components, spares, equipment, systems and packages to be used on the project
- (g) Tenderers' failure to comply with the NOGICDA Act or demonstrate commitment to Nigerian Content development will result in Tenderer's disqualification.

4. MANDATORY REQUIREMENTS

- (a) To be eligible for this tender exercise, interested contractors are required to be pre-qualified in the Drilling Tools and Retrievable Production Tools Product Group 1.01.03; Rental of Equipment Product Group 3.04.36 or Rental of Drill Pipe Product Group 3.04.24; Categories A-D in NipeX Joint Qualification Scheme (NJQS) database. **All successfully prequalified suppliers in this category will receive Invitation to Technical Tender (ITT).**
- (b) To determine if you are prequalified and to view the product/service category you are listed for: Open www.nipex-ng.com and access NJQS with your log-in details, click on continue Joint Qualification Scheme tool, click check my supplier status and then click supplier product group.
- (c) If you are not listed in a product/service category you are registered with DPR to do business, contact NipeX office at 30 Oyinkan Abayomi Street, Ikoyi Lagos with your DPR certificate as evidence for verification and necessary update.
- (d) To initiate the JQS pre-qualification process, access www.nipex-ng.com to download an application form, make necessary payments and contact NipeX office for further action.
- (e) To be eligible, all tenders must comply with the Nigerian Content requirements in the NipeX system.

5. CLOSE DATE

Only tenderers who are registered with the Drilling Tools and Retrievable Production Tools Product Group 1.01.03; Rental of Equipment Product Group 3.04.36 or Rental of Drill Pipe Product Group 3.04.24 of NJQS Product/Service Categories A-D as at **Tuesday, March 21, 2017** being the advert close date shall be invited to submit Technical bids.

6. ADDITIONAL INFORMATION

- (a) Interested suppliers must be prequalified for this product/service category in NJQS
- (b) Full tendering procedure will be provided only to contractors that have been successfully prequalified in NJQS
- (c) This advertisement shall neither be construed as an Invitation to Tender (ITT) nor a commitment on the part of MPN to award a contract to any supplier and/or associated companies, sub-contractors or agents
- (d) This advertisement shall not entitle prequalified companies to make any claims whatsoever, and/or seek any indemnity from MPN and/or its partners by virtue of such companies having been prequalified in NJQS
- (e) All costs incurred in registering and prequalifying for this and other product/service categories in NJQS shall be borne solely by suppliers
- (f) Suppliers that are prequalified for this product/service category in NJQS must ensure that their names and contact details (physical address, email address and telephone number) of their company and authorized/responsible personnel is up-to-date in their company profile in the NJQS database
- (g) MPN shall communicate only with the authorized/responsible personnel of prequalified companies and not through unauthorized individuals or agents.

- **Please visit the NipeX Portal at www.nipex-ng.com for this Advert and other information**