



STERLING OIL EXPLORATION AND ENERGY PRODUCTION COMPANY LIMITED (STERLING)

OPERATOR OF THE ONSHORE BLOCKS OML 143, OML 146, OPL 2005 & OPL 2006 PSC

ADVERT FOR TENDER OPPORTUNITY FOR ONSHORE DRILLING SERVICES IN BLOCK OML 143, OML 146, OPL 2005 & OPL 2006



1. INTRODUCTION

Sterling Oil Exploration and Energy Production Company Limited (SEEPSCO), Sterling Global Oil Resources Limited (SGORL), Sterling Exploration Limited (SEL) and Sterling International Resources Limited (SIRL) under the group of companies herein referred to as "Sterling" plans to engage the services of qualified service provider(s) for provision of various services for Sterling PSC Blocks i.e. OML 143, OML146, OPL 2005 & OPL 2006 and invites interested and pre-qualified vendors with relevant experience and capacity for technical tendering opportunity for the Onshore Drilling Campaign in OML 143 Block, OML146, OPL 2005 & OPL 2006. The Work is expected to commence in Fourth quarter of 2016. The work locations shall be within SEEPSCO's areas of operations in the Niger Delta. The estimated primary duration of this contract is two years with an option to extend it for another one year.

2. SCOPE OF WORK/SERVICE REQUIREMENTS:

2.1 Provision of MWD LWD and Directional Drilling Services (OLD No.: SEEPSCO/3300071/15) (New Shopping Cart No.: 1000000640) CATEGORY: 3.04.08 (MWD/LWD Services) & 3.04.31 (Directional Drilling Services)

Vendor shall be able to provide following services for drilling vertical, deviated, horizontal and side track wells.

- All equipments including but not limited to perform directional drilling (mud motors, Rotary Steerable Systems, Stabilisers, etc.) to drill to requested inclination and azimuth.
- Qualified directional drillers and MWD-LWD engineers
- Software and hardware for survey data management, well planning, anti-collision scanning, BHA behaviour prediction, torque and drag calculations and hydraulic calculations.
- Measurement while drilling (MWD) tools and services (inclination, azimuth, tool face, gamma ray etc).
- Logging while Drilling (LWD) tools and services (gamma ray, resistivity, density, neutron, sonic, formation pressure while drilling etc).
- Complete set of North seeking Gyro equipment and other deviation monitoring equipment like MSS, EMS etc.
- Look ahead tools and services to drill and log horizontal reservoir sections, reservoir modeling.
- Facilities for real time data transfer to Lagos/any other base.
- Qualified Gyro Surveyors.

2.2 Provision of Mud Logging Services (Old No.: SEEPSCO/3300072/15) (New Shopping Cart No.: 1000000641) CATEGORY 3.04.07 (Mud Logging Services)

Vendor should provide Computerized-Advanced Mud Logging Data Acquisition System and Geological Services, including Unit, personnel, consumables and surface equipment. A proper gas detection unit should form part of the service. The mud logging services should also include online transmission of data to the base office which should be accessible over internet in a secure way. Vendor should also be capable of providing services of expert Pressure Engineer to monitor while drilling in overpressured zones. The Geological Services should include sample catching and description and appropriate reporting on daily basis to the field/office base.

2.3 Provision of Wireline Logging Services (Old No.: SEEPSCO/3300073/15) (New Shopping Cart No.: 1000000642) CATEGORY: 3.04.10 (Electrical Logging and Calibration Services), 3.04.24 (Wireline Services) & 3.04.29 (Cased Hole Logging Services (Gyro, Perforation, PLT, Gauges)

Vendor shall provide latest-generation technology for open hole and cased hole logging services. Vendor shall provide Wireline Logging services which are applicable to water/synthetic based and oil based mud system in different hole sizes.

Vendor shall supply equipment (Unit and all appropriate tools), personnel, to perform both Wireline conveyed electrical logging /perforation and Pipe Conveyed logging/Perforations to record logs in highly deviated and horizontal wells (TLC or equivalent) in open hole and cased hole. Vendor should also be capable of providing Tractor or CTU conveyance of appropriate tools that may be required to be run in highly deviated and horizontal wells.

Vendor should also provide tools for free point location, tubing puncture and chemical cutters, fishing and all necessary services. High caliber personnel (engineers and operators) able to run advanced electrical logging devices in the wells are required. Vendor should also be capable of providing interpretation of the results of logging services as appropriate.

2.4 Supply of Drill Bits (Old No.: SEEPSCO/3300085/15) (New Shopping Cart No.: 1000000701) CATEGORY: 1.01.12 (Drill Bits)

Bidder shall be able to supply Milled tooth bits, insert bits, RSS bits and PDC bits along with nozzles, Nozzle pliers, bit breaker etc.

2.5 Supply of OCTG (Old No.: SEEPSCO/3300086/15) (New Shopping Cart No.: 1000000704) CATEGORY: 1.01.04 (Casing, Tubing, Liner, Connectors and Accessories (OCTG))

Supply of various sizes of casing, tubing and pup joints as per API spec-5CT, API spec-5L including premium / gas tight casings and tubing (As per NCD guidelines all the Casing / Tubing pipes should be threaded in Nigeria. Non-compliance will lead to disqualification).

2.6 Supply of Wellheads and X Mass Tree (Old No.: SEEPSCO/3300087/15) (New Shopping Cart No.: 1000000706) CATEGORY 1.01.09 (Wellhead Equipment, X-mas Trees and Accessories)

The scope of the contract shall include but not limited to the following: Supply of 5,000 PSI and 10,000 PSI Wellhead and X-Mas Tree systems, spares for these systems as per API spec 6A and 6D. (As per NCD guidelines bidder should ensure that the utilization of in-country assembled wellheads. Non-compliance will lead to disqualification)

3. MANDATORY REQUIREMENTS:

- To be eligible for this tender exercise, interested Bidders are required to be pre-qualified in the Product/service Category (as mentioned against each tender under Sl. No. 2 'Scope of Work/Service Requirements' above) in NipeX Joint Qualification System (NJQS) database. All successfully pre-qualified Bidders in above category by the Bid close date will receive invitation to technical tender.
- Please note, interested bidders including their sub-contractor(s) shall be required to:
 - Meet all JQS mandatory requirements to be listed as "PRE-QUALIFIED" for a category in the NJQS database.
 - Meet all Nigerian Content requirements stated in this advert in their responses to the invitation to technical tender.(Failure to meet the Nigerian Content requirements is a "FATAL FLAW".)
- To determine if you are pre-qualified and 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'.

- If you are not listed in a product/service category noted above, and you are registered with DPR to do business for this category, please contact NipeX office at 30, Oyikan Abayomi drive, Ikoyi, Lagos with your DPR Certificate as evidence for review and necessary update.
- To initiate and complete the JQS prequalification process, access www.nipex-ng.com to download the application form, make necessary payments and contact NipeX office for further action.

4. NIGERIAN CONTENT REQUIREMENTS:

Sterling Oil Exploration and Energy Production Company Limited (SEEPSCO) is committed to the development of the Nigerian Oil & Gas business in accordance with the Nigerian Oil and Gas Industry Content Development Act 2010 (NOGICD Act) enacted by the Federal Government of Nigeria in April 2010.

Pursuant to enactment of the NOGICD 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 of the Act and any other target as may be directed by the Nigerian Content Development and Monitoring Board (NCDMB).

Interested bidders shall comply with the provisions of the NOGICD Act and all applicable regulations. Bidders that do not meet the Nigerian Content criterion will not be allowed to participate in next tender stage.

Nigerian Content (NC) in Nigeria Oil and Gas industry is defined as:

"The quantum of composite value added to or created in the Nigeria Economy by a systematic development of capacity and capabilities through the deliberate utilization of Nigerian human, material resources and services in the Nigerian Oil & Gas industry."

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

The following are the Nigerian Content requirement bidders are expected to comply with in their technical submission:

- Demonstrate that the entity is a Nigerian Registered Company, or Nigerian Registered Company as the contracting entity in genuine alliance or joint venture with foreign company with details on scope and responsibilities of parties for this work. Such companies must show evidence of joint venture binding agreement duly signed by the CEO of both companies including evidence or plans of physical operational presence and set-up in Nigeria.
- Furnish details of company ownership and share holding structure. Also submit clear photocopies of your CAC Forms CO 2 and CO 7
- Provide evidence of what percentage of your key management positions is held by Nigerians and what percentage of the total work force are Nigerians show overall percentage of work to be performed by Nigerian resources relative to total work volume.
- Provide a Nigerian Content Plan providing a detailed description of the role, work scope, man-hours and responsibilities of all Nigerian companies and personnel that would be involved in executing the work; provide details of Nigerian Content focal point or manager.
- State proposed total scope of work to be conducted by Nigerian personnel (whether contracted directly or under subcontract agreements) with name and addresses including evidences of well equipped offices and workshop; attach past experience of such patronage.
- Specific to this project, provide detailed plan for staff training and development on engineering, project management and procurement (including all software to be used, number of personnel, name of Organization providing such training and evidence of past training record) for Nigerian personnel including description of any specific programs in place for transfer of technology and skills to indigenous businesses and Nigerians over the next five (5) years.
- Provide evidence of domiciliation of project management and procurement centres in Nigerian with physical address (not P.O Box).
- Location of in-country facilities (equipment, storage, workshops, repair and maintenance facilities and testing facilities.
- Contractor must be willing and able to provide evidence of maximization of made in Nigeria goods and services.
- Provide details on any other Nigerian Content initiative your company is involved in.
- Submit evidence of memorandum of Agreement (MOA) with NCDMB approved R&D clusters for the execution of the R&D activities.
- Provide evidence of any Memorandum of Understanding (MOU) with Oil and Gas Trainers Association of Nigeria (OGTAN) registered trainer to conduct classroom module of training and on the job attachment.
- Provide human capacity building development plan including budget which must be a minimum of 10% of project man-hours or cost. Training must be targeted at developing capacity other than bidder's personnel. Trainees will be nominated from a database maintained by NCDMB and the services of OGTAN registered trainers utilized to cover classroom modules.
- Provide details of equipment ownership.
- Interested bidders (Vendors, original Equipment Manufacturer-OEM's and EPC Contractors) are required to present Nigerian Content Equipment Certificate (NCEC) issued by Nigerian Content Development and Monitoring Board (or evidence of application for the certificate) in respect of any components, spares, equipment, systems and packages to be used in the proposed project under tender.

5. CLOSE DATE:

Only tenderers who are registered with NJQS Product/Category (as mentioned against each tender under Sl. No. 2 'Scope of Work/Service Requirements' above) by 16:00 hours, Tuesday, September 13, 2016 being advert close shall be invited to submit technical bid.

6. PLEASE NOTE THE FOLLOWING:

- Bidders eligible for this tender opportunity are expected to be pre-qualified in NJQS under the specified product/service category.
- Suppliers that are prequalified for this product/service category in NJQS must ensure that the name and contact details (physical address, email address and telephone number) of their company and authorised/responsible personnel is up-to-date in their company profile in the NJQS database.
- The invitation to tender (ITT) and any further progression of this tender shall be via NipeX. Interested bidders are therefore advised to ensure they are set-up in NipeX with a valid and active official company email address accessible by all in their organization as this shall be the only means to transmit the ITT.
- All costs incurred in preparing and processing NJQS prequalification shall be to the contractors' accounts.
- This advertisement shall neither be construed as any form of commitment on the part of SEEPSCO to award any contract to any company and or associated companies, sub-contractors or agents, nor shall it entitle pre-qualified companies to make claims whatsoever, and/or seek and indemnity from SEEPSCO and or any of its partners by virtue of such companies having been pre-qualified in NJQS.
- The tendering process shall be the NNPC contracting process requiring pre-qualified companies to submit technical tenders first. Following a technical review, only technically qualified contractors will be requested to submit commercial tenders.
- SEEPSCO / NNPC reserve the right to reject any and or all pre-qualified supplier at its sole discretion and at no cost whatsoever.
- SEEPSCO will communicate only with authorized officers of the pre-qualifying companies and NOT through individuals or agents.

Please visit the Nigerian Petroleum Exchange (NipeX) Public Opportunity Portal, www.nipex-ng.com for copy of this advertisement and any other required information