

### SHELL NIGERIA EXPLORATION AND PRODUCTION COMPANY LIMITED (SNEPCo) TENDER OPPORTUNITY



#### PROVISION OF OIL COUNTRY TUBULAR GOODS & SERVICES (CASING & TUBING) and

PROVISION OF OIL COUNTRY TUBULAR GOODS & SERVICES (LARGE BORE)

TENDER REF: CW649364 NipeX Ref No: SNEPCO.00000231

## **1.0 INTRODUCTION**

Shell Nigeria Exploration and Production Company Limited (SNEPCO), operator of Oil Mining Lease 118 (OML 118) on behalf of itself and other Co-Ventures consisting of Nigerian Agip Oil Company Limited, Total Energies Nigeria and Esso Exploration and Production Nigeria (Deepwater) Limited under a Production Sharing Contract (PSC) with Nigerian National Petroleum Company

(NNPC) Limited hereby invites reputable and competent registered Nigerian companies who are duly with the Nigerian Upstream Petroleum Regulator Commission (NUPRC) to do business, with proven experience and expertise in the Provision of Oil Country Tubular Goods and Services to apply to be considered for inclusion into the bid list of the tender.

# 2.0 SCOPE OF WORK/SERVICE REQUIREMENTS

The scope is for the Provision of Oil Country Tubular Goods and Services (big bore, casing, and tubing (both carbon steel and CRA (corrosion resistant alloys) metallurgy) with own in-country threading capability. The detailed specification of OCTG sizes would be as per SNEPCo Deep Water Well Archetype, with associated accessories (Crossovers, Box-To-Pin Connectors) for the completion of at least Thirty (30) sub-sea wells within OML 118 Field Development.

Manufacture of all supplies must comply with API Spec 5DP (ISO 11961), API 5CT, API 5CRA (ISO 13680), API 5B1, API 5B, API 5L, API 5pc 7-2:(ISO10424-2), BS EN10204, API Specification Q1, ISO 9001: 2015, Standard DS1 Vol 1, ASNT, SNT-TC-1A latest edition and other referenced standards. Tenderers shall ensure all required materials per item, are sourced from SHELL approved and certified OCTG mills.

Rig ready to run equipment (OCTG) will be delivered on consignment to match the drilling operations.

Tenderer facilities & infrastructure (assets, equipment, technical office and administrative space, storage, workshop, assembly area, repair & maintenance, testing, laboratory, etc) shall be functional in Nigeria.

Successful Tenderer shall provide OCTG Consignment supply of the following:

- Supply of accessories required to convert the pipes to "Rig Ready" strings for installation.
- Provision of repair related OCTG Accessories and services
  - Connector fabrication, Connector welding, Tubular, and thread repairs of OCTG Pup joints and Crossovers for both carbon steel and corrosion resistant alloy (chrome) tubulars.
  - Supply of OCTG accessories (bar stock, couplings, protectors, pipe dopes and storage compounds etc) required to
    execute the associated services.
- Adequate storage and inventory management by contractor of all OCTG material consigned to Shell, meeting highest API standards, and complying with Shell procedures and best practices as part of Pipe Management Services.
- Pre loadout preparation (handling & loading; painting & stencilling (i.e., stripes, ID markings); laser tally; full length drifting, connection testing; bundles & slings; lifting accessory fabrication (i.e., pad eye, slings)
- Transportation and handling OCTGs materials and associated accessories between Vendors plants and Shell work sites (or quayside) and storage locations (Ladol).
- Provision of all consumables required for proper racking of OCTG materials, including for chrome materials.
- The consignment vendor shall be given access to Shell rented pipe shed facility at Ladol to provide visibility and take existing stock into their consignment planning process.
- Strategy is such that custody transfer of consignment will happen at Ladol (i.e., Shell pre-determined supply base location) for onward transportation by Shell assigned logistics vendor to the rig.

### **3.0 MANDATORY REQUIREMENTS**

- To be eligible for this tender exercise, interested suppliers are required to be pre-qualified in the **1.01.04** Supply of Casing and Pipes category of the NipeX Joint Qualification System (NJQS). All successfully pre-qualified suppliers in this category will receive an Invitation to Technical Tender (ITT).
- To determine if you are pre-qualified and view the product/service category you are listed for; open <u>www.nipex-ng.com</u> and access NJQS with your log-in details, click on '*Continue Joint Qualification Scheme tool*', then on '*Check my supplier status*' and then click '*Supplier product group*'.
- If you are not listed in the product/service category but you have registered with the Nigerian Upstream Petroleum Regulatory Commission (NUPRC) to do business in the Nigerian Oil & Gas Industry, contact the NipeX administration office at 8 Bayo Kuku Road Ikoyi, Lagos with your NUPRC certificate as evidence for verification and necessary update.
- To initiate the NJQS pre-qualification process, access <u>www.nipex-ng.com</u> to download the application form, make necessary payments and contact NipeX office for further action.
- To be eligible, all tenders must comply with the Nigerian content requirements in the NipeX system.

# 4.0 NIGERIAN CONTENT REQUIREMENTS

SNEPCo is committed to the development of the Nigerian Oil and gas business in compliance with the Nigerian Content Act 2010 for Nigerian Content Development.

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 of the Act and any other targets as may be directed by the Nigerian Content Development and Monitoring Board (NCDMB)

Tenderer(s) shall comply with all the provisions of the Nigerian Content Act that relate to this advert and in comply with the minimum Nigerian Content percentage for the scopes which are covered in the Schedule of the Act. This also includes and any other requirement that may arise from time to time not explicitly stated in this advert, but which apply to the services in fulfilment of the Nigerian Content Act, in the submission of their Tender.

Failure to fully comply with the Nigerian Content Act or demonstrate commitment to Nigerian Content Development Policy of the Nigerian government shall result in the disqualification of the tenderer from the bidding process.

As part of their submissions:

- i. Tenderer shall provide evidence of company Ownership Structure form CO2 and CO7, registration on NOGIC JQS and NUPRC certificate.
- ii. Only tenderers who have invested in Manufacturing of Line pipes, In-country threading, and Line pipe coating facility (approved by NCDMB) shall participate in this tender. Tenderer shall provide detailed description of the location of ownership of in-country facility (Line pipe manufacturing, In-country threading & Coating facility)
- iii. Provide evidence of what percentage of your key management positions is held by Nigerians and what percentage of the total work force are Nigerians. Also, show overall percentage of work to be performed in Nigeria and those by Nigerian resources relative to total work volume.
- iv. Tenderer shall comply with the latest approved version of NCDMB HCD guideline by committing (via a letter of undertaking) to providing Project-Specific training, man-hour, budget, skill development and understudy plan for Nigerian personnel utilizing OGTAN registered trainer(s) or other approved NCDMB training institution(s).
- v. Tenderer shall provide evidence of either of the under-listed NCEC demonstrating ownership of in-country facility to support this contract.
  - a. Category 1 or 2 Manufacturing and Related Services NCEC for in-country manufacturing of line pipes.
  - b. Category 1 or 2 Manufacturing and Related services NCEC for Pipe coating.
  - c. Category 1 or 2 Fabrication and Construction services NCEC for pipe threading facility.

NOTE: Failure to comply with the provision of the Nigerian Content Act 2010 or to demonstrate commitment to the development of the Nigerian Content Policy shall result in the disqualification of the tenderer from the bidding process.

## 5.0 CLOSING DATE

Only tenderers, who are registered with NJQS in the relevant Product/Service category and their registered status are current and not expired as at **closing time of 16:00hrs on April 12, 2023**, being the advert closing date shall be invited to submit Technical Bids.

# 6.0 ADDITIONAL INFORMATION

- All cost incurred in registering and prequalifying for this and other product/service categories shall be borne solely by suppliers.
- 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 authorized/responsible personnel is up to date in their
  company profile in the NJQS database.
- SNEPCo shall communicate only with authorized/responsible personnel of prequalified companies and not through unauthorized individuals or agents.
- All respondents to SNEPCo must ensure full compliance with the Nigerian Oil and Gas Industry Content Development Act, 2010. (NOGICD) All respondents should educate themselves on the requirements of the NOGICD and ensure full compliance. Non-Compliance is a FATAL FLAW.
- This advertisement of "Invitation to tender" shall not be construed to be a commitment on the part of NNPC/SNEPCo to award any form of contract to any company and/or associated companies, sub-contractors, or agents; nor shall it entitle any company submitting documents to claim any indemnity from NNPC/SNEPCo and/or any of its partners. NNPC/SNEPCo reserves the right to take final decision on any of the documents received in the pre-qualification/ Technical package.

Please visit NipeX portal at <u>www.nipex-ng.com</u> for this advert and other information and note that this tender will be processed through NipeX system.

NCDMB CERT NO: ES/NCDMB/SNEPCO/ADV/UPD/170323/ PROVISION OF OIL COUNTRY TUBULAR GOODS & SERVICES (OCTG)