

Energy for India

CAIRN ENERGY INDIA PTY LIMITED

(Incorporated in New South Wales, Australia – ACN 002 066 784)

Reference No. - CEIL/C&P/EOI/MDPO/PR&OSRS/09

EXPRESSION OF INTEREST (EOI) FOR AN INTEGRATED PIPELINE REPAIR AND OIL SPILL RESPONSE SERVICE IN GUJARAT & RAJASTHAN FOR MANGALA DEVELOPMENT PIPELINE OPERATION

Cairn Energy India Pty Ltd. ("CEIL") is the operator of block RJ-ON-90/1 (the "Block") in India, and operates the Block on behalf of itself and its Joint Venture (JV) partners Cairn Energy Hydrocarbons Limited and Oil and Natural Gas Corporation (ONGC). The Block contains a number of major oil discoveries, including the Mangala field, the largest onshore oil discovery in India since 1985. CEIL and its JV partners have approval from Government of India (GOI) for a pipeline to transport crude oil from the Block at Barmer, Rajasthan to a coastal terminal facility in Gujarat.

The pipeline project involves a main 24" Oil Export Pipeline and a 8" Gas (fuel) Pipeline of approximately 670 km, pumping / terminals and related facilities for the transportation of 1, 50,000 to 1, 75,000 barrels of crude oil per day from the upstream process terminal at the Mangala field to the downstream terminal point on the Gujarat coast at Bhogat, in Jamnagar District.

CEIL shall require a pipeline repair and oil spill response contractor for their operational network at Barmer in Rajasthan to Salaya in Gujarat for their oil pipeline, gas pipeline, spur lines, terminals facilities and Above ground Installations (AGI).

The contract shall be for fixed services and would also include callout services to a defined extent for duration of three (3) years commencing December 2009/January 2010 with the possibility of a two (2) year extension.

CEIL seeks expression of interest (EOI) from suitably experienced Repair Service contractors, for the work which broadly encompasses the following:

1. Pipeline Repair

The Scope of Work for this part of the contract is to carry out emergency permanent or temporary repairs to the main oil and gas pipe lines on-shore, and in future off-shore oil pipeline. Pipeline Coating repair, Insulation repairs and reinstatement, HDPE sleeving and re-instatement will be included in the scope of work in order to achieve a integrated pipeline repair solution.

The Contractor shall supply to the CEIL; expertise, skilled manpower and equipment to carry out emergency repairs on the pipeline and its associated equipment in order to return the pipeline to normal operation. This will require assessment and development of specific repair plans covering the repair. All excavations shall be reinstated; returning the surrounding area to a pre-event environmental status.

Minimum Specialist equipment is listed below for pipeline diameters of 24", 10" and 8":

- Hot Tap and Stopple equipment with all accessories required for the above pipeline diameters
- Leak clamps, pressure containing sleeves, pressure containing clamps, composite wraps,
- Welding equipment with pipeline experienced coded welders
- Insulation equipment capable of injecting Poly Urethane Foam
- High Density Polyethylene wraps
- Vehicles to transport all of the above.
- Experienced pipeline repair manpower, hot tap operators, welding engineers, NDT specialists

2. Oil spill response

The Contractors overall scope will include the initial assessments of the spill including the volume, product condition, migration of the spill, and environmental conditions; deployment of spill containment and recovery equipment; employment of containment facilities for the oil and protection strategies for environment; the cleanup of impacted areas; exercising of decontamination procedures; ensuring proper waste management (including removal and disposal of all contaminated soils); exercising demobilization procedures; participation in post-exercise critiques and assistance with implement of lessons learned for future response operations.

The Repair Contractor will have to manage equipment/operation bases, along the pipeline route, in order to begin mobilization and respond within 4 hrs. The Contract will be based on 24hrs working until the integrity of the damaged equipment is again established and the equipment returned to a normal operation mode with the ground reinstated to pre-event conditions.

CEIL seeks Expression of Interest (EOI) from reputed & experienced Pipeline Repair and Oil Spill Response contractors for the above mentioned works. Only those companies possessing substantial and proven record of performance in executing similar jobs of equal magnitude should respond to this notice. Companies are requested, as a minimum, to submit the following documents and details:

- 1. HSE Systems:
 - a. HSE Statistics in terms of LTI/LTIFR/Near Miss Incidents for all projects executed in last 3 years.
 - b. Existing HSE Manual or Policy of the company.
- 2. Letter of Interest with detailed Company information as under:
 - a. Name of the parent Company.
 - b. Name, Address, Phone, E-mail of the company that would execute the Contract.
 - c. If a Joint Venture to be proposed, Name, Address, Phone, E-mail of all Joint Venture partners.
 - d. Organization Structure.
 - e. Size of Departments.
 - f. Procurement system & procedures of the company including size of Procurement Dept.
 - g. Material Control System.

- 3. Company's Financial Performance Documents (including JV Partner's financials, if proposed) i.e. Audited Balance Sheets, Profit and Loss Account & Cash Flow Statements for the last 3 years & following details separately:
 - a. Company Turnover based on last 3 audited Financial statements.
 - b. Company's Net Worth based on last 3 audited Financial statements.
 - c. Working Capital based on last 3 audited Financial statements.
 - d. Banker's name, Address and preferably a Solvency certificate from the bank indicating the credibility limit in financial terms.
- 4. Experience:
 - a. Lists of similar projects successfully executed in the last three years or currently under execution in India or abroad with completion certificates as applicable.
 - b. Separate List of similar Contracts executed in the last three years of order value equal to or greater than INR 25 Crores.
 - c. Detail of current commitments including percentage completion of the ongoing works.
 - d. Minimum of 05(five) years experience as repair contractors particularly dealing with oil and gas pipelines.
 - e. Should have never been black listed by Govt./PSU/Cairn India/Reputed Company
 - f. Should be registered with service tax authority(as applicable)
- 5. Manpower & Equipment Details:
 - a. Details of Key Members who shall be involved in the Project execution including their experience levels.
 - b. Detail of equipment owned by the Company relevant to execution of advertised contract.
- 6. Quality Systems:
 - a. Copy of current ISO Certificate or other certifications as applicable.
 - b. Certification of the Companies QA system by an accredited certification body.
 - c. QMS of the Company.
 - d. Dedicated QA Staff in the company.
 - e. Copy of registration certificate (Labour Law, EPF etc. as applicable)

The envelope should be subscribed with "<u>Reference No.</u> <u>CEIL/C&P/EOI/MDPO/PR&OSRS/09</u>. All information and documentation shall be provided at address below within 10 days of publication of this EOI by e-mail as attached PDF file and via courier to:

Director – P & SCM

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