



Cairn Oil & Gas Vedanta Limited

# GLOBAL EXPRESSION OF INTEREST (EoI) FOR "INTEGRATED DEVELOPMENT SERVICES IN THE <u>RJ-ON-90/1 BLOCK"</u>

Vedanta Limited (erstwhile Cairn India Limited merged with Vedanta Limited w.e.f. April 11, 2017, pursuant to NCLT order dated March 23, 2017) is a globally diversified natural resources company with interest in Zinc, Iron Ore, Aluminum, Copper, Power and Oil & Gas. Cairn Oil & Gas, a vertical of Vedanta Limited, is the operator of the Onshore RJ-ON-90/1 block, on behalf of itself and its Joint Venture (JV) partners Cairn Energy Hydrocarbons Limited (CEHL) and Oil and Natural Gas Corporation Limited (ONGC). The 'RJ-ON-90/1' block located in the Barmer Basin in North West India had the country's largest onshore discovery in 30 years and have 38 oil and gas discoveries with a total resource potential of ~6.4 Billion barrels of hydrocarbon in place. The block has several oil & gas fields across the entire block and are in different stages of appraisal & development. Some of these fields are currently on production with next stage field development plan to be executed.

## Brief Scope of Work

Vedanta intends to monetize and enhance oil & gas resource potential of the block to ramp-up and sustain peak production for several years. The project scope involves functional delivery across these areas mentioned below. Prospective OFS players and/or consortiums have to express interest in executing the entire scope of work:

Integrated development execution: Prospective OFS vendors/consortium would be responsible for the integrated development of fields including execution of the field development plan encompassing, integrated well construction services including drilling, testing, fraccing, completions, artificial lift and associated well services, development of surface facilities including early production facilities and pipeline. For additional reserves accretion, OFS vendors/consortium are expected to carry out Field development planning activities including Project planning and cost estimations, Commercial analysis & economic models.

To achieve these objectives, Vedanta invites global Oil Field Services (OFS) companies and/or consortiums, with integrated field development capabilities in the domains of subsurface (Geology & Geophysics, Petrophysics and Reservoir Engineering), integrated well construction services (drilling, testing, fraccing, completions, artificial lift and associated well services), field development planning (Project planning and cost estimations, Commercial analysis & economic models), and surface facilities development including early production facilities and pipeline for meeting the requisite objectives, to express their interest for pre-qualification to participate in the International Competitive Bidding (ICB) Process. Interested parties/consortiums would preferably need to demonstrate strong and integrated capabilities across the entire O&G value chain as well as past experience of executing similar developments.

#### **"SPECIFIC PRE-QUALIFICATION CRITERIA**

**NOTE: APPLICANT** wherever referred to in this document, would mean the leader of **CONSORTIUM** of Oil & Gas Services Companies (in case the bidder applies as a **CONSORTIUM**) or an Oil & Gas Services Company itself (in case the bidder applies as an individual company). **APPLICANT** will be required to meet the below mentioned pre-qualification criteria to legitimately express interest for collaboration with Vedanta.

## **KEY PRE-QUALIFICATION CRITERIA**

 <u>Financial performance</u>: Minimum annual average turnover of the APPLICANT in each preceding 2 financial years should be USD 200 Million with positive net worth as well as Liquidity ratio greater than 0.6 for bidder/leader of consortium in each of those financial years.

**APPLICANTs** are requested to submit company's financial performance documents (Audited Balance sheets, Profit and Loss Account & cash flow statement, Auditors Report and Notes to Accounts etc.) for last 2 (two) financial years. Latest financial statement **should not be older than 15 months** on the date of submission of response to Expression of interest.

## Additional points to be considered for evaluation of financial performance:

- Normally standalone financials of the bidding entity only will be considered. However, consolidated financials at the bidding entity level, if available, can also be submitted. Parent company or Affiliate's financials can be submitted and considered, subject to submission of Parent/ Affiliate company guarantee. This should be clearly mentioned in the EOI response.
- In case of **CONSORTIUM**, the financials of the leader of the **CONSORTIUM** (in whose name the bid is submitted) will be evaluated
- Evaluation will be done only on the basis of the published annual reports / audited financials containing Auditor's report, Balance sheet, Profit & Loss a/c and Notes to Accounts
- In case of unaudited statements (if there are no audit requirements for auditing of financials as per the local law), the financials shall be accompanied by a certificate from a Certified Accountant. Certificate should also mention the fact that there is no requirement of audit of the financials as per the local law
- All qualifications and exceptions brought out in Auditor's report and Notes to Accounts would be factored in while undertaking financial evaluation
- <u>E&P delivery capabilities</u>: The APPLICANT needs to certify in the table below on which of the specific E&P capabilities they possess either by themselves or as a part of a consortium.
  Please note that the APPLICANT (bidder or leader of the consortium) must have 'Integrated well construction services (Drilling, testing, well completions, fraccing, artificial lifts and associated well services) as core capability.

In addition, the **APPLICANT** must demonstrate the following integrated E&P capabilities (directly or as a part of the **CONSORTIUM**):

- a) **Geosciences, Petrophysics & Reservoir Engineering**: G&G capabilities, resource and reserve evaluation and certification, Exposure to diverse datasets and in different basins, Integrated Geological and Geophysical Workflows, Well Log Analysis, Petrophysical Modelling, Petroleum Systems Modeling, Objective quantification of geologic chance factors and uncertainty, Quantitative Geological Risk Assessment, Well Test Analysis, Pressure Transient Analysis and other capabilities in Reservoir Engineering techniques, Commercial analysis & economic models
- b) **Integrated Well construction**: drilling, testing, well completions, fraccing artificial lifts and associated well services
- c) **Field development planning**: Project planning and cost estimations, Commercial analysis & economic models, Field development planning
- d) **Surface Facilities development including early production facilities and pipeline** -EPC project execution including all the aspects of project management, procurement, design & engineering, construction & installation, testing & pre-commissioning, and commissioning

Capability	Does the bidder/consortium have this capability? (Yes or No)	If No, does the bidder/consortium plan to sub- contract? (Yes or No)
End to end delivery capability:		
Geosciences & RE, Integrated Well		
construction, Field development planning,		
Surface Facilities (including early production		
facilities and pipeline) EPC execution in		
upstream oil & gas industry		
Geosciences & Reservoir Engineering:		
Seismic evaluation, G&G capabilities,		
resource and reserve evaluation and		
certification, other RE/Sub-surface evaluation		
Integrated well construction services:		
drilling, testing, well completions, fraccing		
artificial lifts and associated well services		
Field development planning: Facilities		
design engineering and field development		
planning, Economic Analysis		
Surface Facilities development including		
early production facilities and pipeline: EPC		
project execution including all the aspects of		
project management, procurement, design &		
engineering, construction & installation,		
testing & pre-commissioning, and		
commissioning in upstream oil & gas industry		

Please mention the following details against each capability:

3. <u>Health, Safety, Environment and Quality (HSEQ)</u>: APPLICANT (Bidder/all members of the consortium) must have a comprehensive Health, Safety, Environmental and Quality Management systems in place.

**APPLICANTs** are requested to submit the following documents related to HSE and Quality:

- a) HSE Management System, Policy, Manuals and Procedures
- b) LTI statistics for past 3 years
- c) HSE certifications/accreditations
- d) Quality manual, policy and procedures
- e) Quality certifications/accreditations

#### Documents to be furnished in the Proposal for Pre-Qualification

- 1. Letter of interest from the **APPLICANT** on their letter head.
- 2. In case of bidding as a consortium, the division of the scope of work shall be submitted along with a Memorandum of Understanding (MoU)/declaration of intent.
- 3. Financial performance documents as listed in the <u>Pre-qualification criteria 1</u> (Financial performance)
- 4. E&P delivery capabilities table to be completed as listed in <u>Pre-qualification criteria 2 (E&P</u> <u>delivery capabilities</u>
- 5. Past case studies (last 10 years) supporting specific E&P delivery capability if mentioned as yes in the table in <u>Pre-qualification criteria 2</u>
  - a. instances of execution of projects demonstrating entire set of capabilities as listed in <u>Pre-</u> <u>qualification criteria 2</u>
  - b. number of Subsurface Evaluation and Reserves Estimation undertaken
  - c. instances of integrated well construction campaigns completed including number of wells (drilling, testing, hydro-fraccing, well completions, artificial lifts and associated well services)
  - d. field development planning for projects leading to recoverable reserves
  - e. instances of execution of surface facilities development projects including early production facilities and pipeline, demonstrating strong track record of this capability in upstream oil & gas industry
- 6. HSEQ performance documents of the bidder/all members of the consortium as listed in <u>Pre-</u> <u>qualification criteria 3</u> (HSEQ)
- 7. Declaration specifying that the APPLICANT is not under liquidation, court receivership or other similar proceedings
- 8. <u>Any other documents</u> in support of APPLICANT's credentials and experience and expertise, relevant to Vedanta opportunity areas

#### **ANNEXURE - SPECIFIC RELEVANT EXPERIENCE**

Provide case study for an integrated project completed / on-going from the last 10 years, demonstrating specific capability requested. The case study should necessarily include:

- a) Capability demonstrated
- b) Client Name with Address
- c) Existing client situation / client context
- d) Name of the APPLICANT / CONSORTIUM MEMBER who was involved in this project
- e) Project description done by **APPLICANT / CONSORTIUM MEMBER** (mention project name and details)
- f) APPLICANT's or CONSORTIUM MEMBER's role & responsibilities in the project
- g) Project start & completion date

- h) Project Value in USD
- i) Contact person of client along with contact no. & e-mail id
- j) Details on approach adopted, technology applications (proprietary, access to technology applications, implementation etc.), resources deployed, etc.
- k) Outcomes (e.g. reserves accretion, schedule reduction etc.)
- I) Other remarks (e.g. contractual details, partnerships, sub-contractors, etc.)
- m) Local base for support/service etc.

The interested bidders/consortium should evince interest to participate in the Expression of Interest by clicking on the "Evince Interest" link against the corresponding EOI listing on our website i.e. <u>www.cairnindia.com</u> and submit their contact details online. Further to this, interested contractors would be invited to submit their response via smart source (e-sourcing platform). The contractors would be requested, as a minimum, to submit the above documents and details for pre-qualification via smart source with fourteen (14) days of publication of Expression of Interest. In case of any clarifications, the interested bidders can communicate at <a href="mailto:response@cairnindia.com">response@cairnindia.com</a>.