GLOBAL EXPRESSION OF INTEREST (EOI) NO. OIL/KGB/EOI-7 FOR SUPPLY OF CASINGS FOR DRILLING HPHT EXPLORATORY WELLS IN NELP-VI BLOCK: KG-ONN-2004/1 IN EAST GODAVARI DISTRICT OF ANDHRA PRADESH & YANAM DISTRICT OF PUDUCHERRY, INDIA

1. Introduction

OIL India Limited (OIL) along with its partner GeoGlobal Resources, Barbados invites Global Expression of Interest (EOI) from interested and reputable contractors for the supply of API/Non-API grade casings with premium gas tight connections with relevant experience for the KG-ONN-2004/1 High Pressure High Temperature (HPHT) Onshore Exploratory Drilling Campaign. The JV has a commitment to drill 12 exploratory wells in the 549 sq. km. block area on the Eastern Coast of India.

Note: A) Only API approved mills having valid API 5CT certificate and complying to relevant ASTM & NACE guidelines through their directly owned subsidiaries or Processors who purchases plain end pipes and coupling stock from valid API approved mills complying to relevant ASTM & NACE guidelines only and do the heat treatment/ threading/ end finishing and testing by themselves & having valid API authorization and complying to ASTM & NACE guidelines are qualified to participate for Non API Casings. Any submission through agents or subcontractors or intermediaries will not be acceptable.

B) For API casings, other than above, supply houses/traders can also participate provided valid back-up authority letter from the manufacturer/processor (having valid API certificate) authorising them to market their product is enclosed.

2. Brief description, work scope and specifications

A 3000 HP land rig will be used to drill exploratory HPHT wells for this onshore gas field. It is scheduled to start operations by FEB, 2012. It has been planned to procure casings for three wells (+1 well back up) with option for additional wells. Tentative Casing diagram is provided in Annexure-1.

Tentative casings grades & sizes required:
   a) 30” X 65
   b) 20” J-55
   c) 16” C-110*/P-110/T-95
   d) 11 ¾” C-110*/P-110
   e) 13 5/8” C-110*/P-110
   f) 9 7/8” C-110*
   g) 9 5/8” P-110
   h) 7 5/8” C-110*
i) 7” Q-125/Q-125HC  
j) 7” Alloy  
k) 4 ½” P-110/Q-125  
l) 3 ½” T-95 tubing

All casing strings except 30” have to be seamless. 30” casing string could be either of seamless or ERW.

*C-110 or equivalent.

The sour gas grades T95 and C110 to fulfil the requirements of NACE MR0175/ISO 15156 standards.

The SSC resistance is tested according to method D of NACE TM0177-2005 standard.

3. Documents to be submitted:

To qualify for consideration, contractors are required to supply of the following documentation, with the specific chapters, separated by dividers, in the same order as set out here below (a) to (l). In addition, applicants must provide two clearly labelled (2) electronic copies (CD ROM) of the qualification documents.

a) A separate section summarizing the contents chapter by chapter of the qualification document.  
b) Contractor’s general structure and organisation, including the branch / sub-division dedicated to such activities.  
c) Details of company’s Health, Safety and Environmental Policy and Programme together with HSE Management System.  
d) Quality Assurance System certified ISO 9001 or equivalent.  
e) Details of relevant verifiable experience of similar HPHT & HPHT sour services that has been undertaken in the last ten (10) years, inside or outside India.  
f) Reference (including emails and telephone numbers) of three major customers that can be contacted for information / reference.  
g) Description and specifications of casing materials & proprietary connections currently being manufactured by the contractor together with proof of manufacturing & supply,  
h) QA/QC and safety standards that will be utilized in the execution of the work.  
i) Qualifier’s audited accounts for the past three (3) years.  
j) All relevant information concerning contacts, telephone, fax, e-mail of the contractor’s representative.  
k) Copy of current relevant API certifications.  
l) Provision of services for supply and installation of the equipment.  
m) Details on the amount of OCTG pipes manufactured & supplied in the last 10 years.  
n) Contractor should indicate best delivery schedule for the casings.
Failure to provide any of the listed documents or information shall negatively affect the qualification to participate in the tendering process. Notwithstanding the submission of this documentation, OIL is neither committed nor obliged to include any contractor on the tender list or award any form of contract to any contractor and/or associated companies.

Contractors are encouraged to provide the specifications of the range of products they offer which might be useful for this project.

Please note that this is not an invitation to tender. Full tendering procedure will be provided only to contractors that have been successfully qualified through this advertisement and this may consist of safety / technical audit of facilities/equipment to determine those suitable to provide this service.

4. Vendor Qualification Criteria

Vendors will be qualified based on the basis of 07 (seven) broad criteria:
1. Minimum 10 years of experience in manufacture & supply of casings of above mentioned sizes & grades (excluding C-110 or equivalent and T-95 grade & alloy) from the publication of this EOI.
2. Minimum 5 years of experience in manufacture & supply of sour grade casings (C-110 or equivalent, T-95 & alloy) from publication of this EOI.
4. Financial Strength of the company.
5. Project management of design & manufacturing activities.
6. The company should have all the necessary API certifications and should comply with the relevant ASTM & NACE guidelines.
7. Should have premium gas tight connection which had been in use in the industry for at least 5 years & existing facilities for threading the same.

Note: Experience criteria as indicated in para 3.0 and para 4.0 above will be reckoned from 19.07.2011.

Vendors willing to participate in the tender need to necessarily pre-qualify as per the above criteria irrespective of their past track record with OIL to supply Casings.

The definition of a HPHT well is a well where the undisturbed bottom hole temperature at prospective reservoir depth or total depth is greater than 350 °F (175°C) and either the maximum anticipated pore pressure of any porous formation to be drilled through exceeds a hydrostatic gradient of 0.8 psi/ft (representing an EMW of 1.85 SG or 15.4 ppg) or pressure control equipment with a rated working pressure in excess of 10000 psi is required.

Interested Parties having relevant experience and expertise are invited to submit their EOI at our e-mail id: oilkgbprojecteoi@gmail.com within 29/07/2011 by 14.00 Hrs. (IST) ,followed by hard copies and two(2) clearly labelled electronic copies (CD ROM) of the same through courier/post super-
scribing “Expression of Interest No. OIL/KGB/EOI-7 for Supply of Casings in the NELP VI Block KG-ONN-2004/1” at the following address.

General Manager (KGB&BEP)
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OIL reserves the right to (a) accept or reject any/all EOIs submitted by parties (b) cancel the process at any time without any liability and assigning any reason thereof.

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