

Mobil Producing Nigeria Unlimited

An **ExxonMobil** Subsidiary

Operator of the NNPC/MPN Joint Venture



Tender Opportunity: Provision of Downhole Completion Equipment & Services for Year 2016-2019 Drilling and Workover Program - NipeX Tender Number: 0400251

1.0 INTRODUCTION

Mobil Producing Nigeria Unlimited (MPN) operator of the NNPC/MPN Joint Venture (JV) plans to install and service Downhole Completions Equipment in wells at its offshore exploration, appraisal, and production location(s) in NNPC/MPN JV acreages.

MPN anticipates Agreement award to more than one bidder at the lowest responsive evaluated price/rate. Anticipated Agreements term is two (2) years with an optional one (1) year term extension. Contract commencement is expected in the fourth (4th) quarter of 2016.

2.0 SCOPE OF WORK

Tenderer(s) will be required to provide downhole completions equipment, personnel and associated services.

The scope of work for downhole completion equipment includes but not limited to the following:

1. Open hole stand-alone screens
2. Wire wrapped screens
3. Packer systems
4. Packer system accessories
5. Gravel pack accessories
6. Tubular accessories
7. Profile nipples
8. Flow couplings
9. Intelligent completion systems
10. Gas lift mandrels and accessories
11. Subsurface safety valves and accessories

The work will be performed on up to three (3) Jackup drilling / workover rigs operating in offshore Nigeria. The wells are drilled up to a depth of 16,000ftMD (most wells are below 12,000ftMD) and completed in unconsolidated multi-darcy formations that range in a pressure/temperature of 1500 psi / 140 deg Fahrenheit to 8000 psi / 275 degrees Fahrenheit. Equipment and materials provided must be compatible with and capable of operating in the Nigeria offshore environment. Maximum anticipated surface pressure is approximately 10,000 psi. The wells will be drilled with both Water Base Fluids (WBF) and Non Aqueous Fluids (NAF).

Company's wells are drilled and completed in highly permeable, unconsolidated sandstone formations. The majority of the formations produce relatively benign fluids (standard temperature and pressure with no CO₂ or H₂S) with the exception of the OSO condensate reservoir that is HPHT and contains CO₂. Wells are designed to maximize recovery from the reservoir and prevent sand production. All completions are installed via a jack-up drilling and workover rig in two stages;

1. The lower or sand face completion which includes stand-alone screens, open hole gravel packs or cased hole gravel packs,
2. The upper or tubing completion which includes 2-3/8" to 5-1/2" tubing assemblies with gas lift mandrels, nipples, subsurface safety valve and a seal assembly.

Some wells may require deviated trajectories (including horizontal trajectories) to intersect objective zones. Typical wells will consist of the following:

- 30" Casing driven in place
- 20" Casing at 26" hole TD (drilled with salt water and gel sweeps)
- 13-3/8" Casing at 17-1/2" hole TD (drilled with Water Based Mud)
- 9-5/8" Casing at 12-1/4" hole TD (drilled with Non Aqueous Fluid)
- 7" or 7-5/8" Casing or Liner at 8-1/2" hole TD (drilled with Non Aqueous Fluid)
- Some wells may require additional casings (16", 11-3/4", 7-5/8" and/or 5")
- Tubing sizes range from 2-7/8" up to 5-1/2".

3.0 MANDATORY REQUIREMENT

- (a) To be eligible for this tender exercise, interested Tenderers are required to be prequalified in the 3.04.21 (Well Completion Services) category in NipeX Joint Qualification Scheme (NJQS) database. All successfully pre-qualified suppliers in this category will receive Invitation to Technical Tender (ITT).
- (b) To determine if you are prequalified 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.
- (c) If you are not listed in this product/service category and you are registered with DPR, please contact NipeX office at 30 Oyinkan Abayomi Street, Ikoyi Lagos with your DPR certificate as evidence for verification and necessary update.
- (d) To initiate the JQS pre-qualification process, access www.nipex-ng.com to download application form, make necessary payments and contact NipeX office for further action.
- (e) To be eligible, all tenders must comply with the Nigeria Content requirements in the NipeX system.

4.0 NIGERIAN CONTENT

Company is committed to the development of the Nigerian Oil and Gas business in compliance with the Nigerian Oil and Gas Industry Content Development Act 2010 (NOGICD Act) enacted by the Federal Government of Nigeria in April 2010.

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

MPN requires their Contractors to comply with the Act, its attached Schedule and any applicable regulation developed by the NCDMB.

Nigerian Content (NC) in the Nigerian oil and gas industry is defined as:

"The quantum of composite value added to or created in the Nigerian economy by a systematic development of capacity and capabilities through the deliberate utilization of Nigerian human, material resources and services in the Nigerian oil and gas industry."

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

Tenderers shall consider Nigerian content as an important element of their overall project development and management philosophy for project execution.

As part of their submissions, Tenderers shall:

- (a) Provide a description of its committed infrastructure (asset, equipment, technical office, and administrative space, storage, workshop, assembly area, repair, and maintenance, testing, laboratory, etc.) in Nigeria (offices, equipment etc.) to support this contract, evidence that a minimum of 50% of all equipment deployed to work by multinational and international companies are owned by the Nigerian subsidiary.
- (b) Demonstrate that its entity is a Nigerian registered company, defined as a company registered in Nigeria in accordance with the provision of Companies and Allied Matters Act with not less than 51% equity shares by Nigerians. Provide details of its Ownership Structure. Submit certified true copies of CAC form (C02 and C07) including Memorandum and Article of Association. For Nigerian company in alliance with a foreign company or multinational, submit evidence of binding agreement of the alliance duly signed by the CEO's of both parties.
- (c) Submit a plan on how it intends to give first consideration to goods and services provided from within Nigeria, to meet 80% Spend NC target in line with the requirements of the Act.
- (d) Demonstrate key Management positions that are Nigerian Nationals and the percentage of the Company total workforce (direct and in-direct employees) that are Nigerians
- (e) Submit a plan on how it intends to provide Human Capacity Development and Personnel Training
- (f) Submit evidence of Memorandum of Agreement (MOA) with NCDMB approved R&D cluster for the execution of the R&D activities.
- (g) Provide evidence of application for NIGERIAN CONTENT EQUIPMENT CERTIFICATE (NCEC) issued by Nigerian Content Development and Monitoring Board (in respect of any components, spares, equipment, systems and packages to be used on the project

Tenderer's failure to comply with the NOGICD Act or demonstrate commitment to Nigerian Content development will result in Tenderer's disqualification.

5.0 CLOSE DATE

Only tenderers who are registered in the 3.04.21(Well Completion Services) category in NipeX Joint Qualification Scheme (NJQS) database as at **Thursday, April 28, 2016** being the advert closing date shall be invited to submit Technical Bids.

6.0 ADDITIONAL INFORMATION

- (a) Interested suppliers must be prequalified for this product/service category in NJQS
- (b) Full tendering procedure will be provided only to contractors that have been successfully prequalified in NJQS
- (c) This advertisement shall neither be construed as an Invitation to Tender (ITT) nor a commitment on the part of MPN to award a contract to any supplier and/or associated companies, sub-contractors or agents
- (d) The outcome of this tender may vary from plan and MPN reserves the right to award or not to award Agreements as a result of this tender including any subsequent clarification or negotiation
- (e) This advertisement shall not entitle prequalified companies to make any claims whatsoever, and/or seek any indemnity from MPN and/or its partners by virtue of such companies having been prequalified in NJQS
- (f) All costs incurred in registering and prequalifying for this and other product/service categories in NJQS shall be borne solely by suppliers
- (g) Suppliers that are prequalified for this product/service category in NJQS must ensure that their names 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
- (h) MPN shall communicate only with the authorized/responsible personnel of prequalified companies and not through unauthorized individuals or agents.

- **Please visit the NipeX Portal at www.nipex-ng.com for this Advert and other information**