

Vedanta Limited

GLOBAL EXPRESSION OF INTEREST (EoI) FOR “INTEGRATED DEVELOPMENT SERVICES FOR THE TIGHT OIL FIELDS WITHIN THE RJ-ON-90/1 BLOCK”

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, its upstream Oil and Gas vertical, 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 was the country’s largest onshore discovery in 30 years and has 38 oil and gas discoveries including the prolific Mangala, Bhagyam and Aishwariya fields with a total resource potential of ~6.4 Billion barrels of hydrocarbon in place.

Brief History

Rajasthan Tight Oil Fields

The Rajasthan block also has several tight oil fields (with permeability ranging from 0.05 to 1 mD) and an overall resource potential of 2.5 Billion barrels of oil initially in place. The various fields are dispersed across the entire block and are in different stages of maturity. While the appraisal program has been completed for 2 fields (Aishwariya Barmer Hill and NL Barmer Hill) and the learnings have been applied to finalize the Field Development Plan (FDP) for submission to Joint Venture partners, the other fields (Mangala Barmer Hill, Vijaya & Vandana, DP) and Shakti (heavy viscous oil field) in the block are in different stages of appraisal and testing. The fields are in close proximity to the central oil processing terminal servicing the operational fields and the upcoming tight oil developments may be able to leverage the significant infrastructure already in place.

Brief Scope of Work

Vedanta intends to monetize the entire tight oil resource potential of the block on a fast track basis to ramp-up and sustain peak production for several years. To achieve these objectives, Vedanta invites global OFS companies and/or consortiums, with integrated field development capabilities in the domains of sub-surface(G&G, petrophysics and reservoir engineering), well construction (including drilling, fracking, completions and associated well services), surface facilities development and reservoir management/production optimization 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 large scale developments.

The project scope involves functional delivery across the below mentioned projects in 2 categories. Category-1 projects would include Aishwariya Barmer Hill and NL Barmer Hill while Category-2 projects would include but not limited to Vijaya and Vandana, Mangala Barmer Hill, DP Barmer Hill and Shakti. Prospective OFS players and/or consortiums can express interest in executing either one or both of the categories.

Category-1: Involves end to end development (including finalizing the Field Development Plan, integrated well construction, surface facilities development and reservoir management/production optimization)

1. **Aishwariya Barmer Hill (ABH)** – Prospective OFS vendors/consortium would be responsible for the integrated development of the ABH field. This would entail executing the existing field development plan or a revised field development plan to be suggested by the OFS vendor/consortium (sub-surface and surface facilities concept, well configuration), well construction (drilling, fracing and completions), development of surface facilities and reservoir management/production optimization.
2. **NL Barmer Hill (NL)** – Prospective OFS vendors/consortium would be responsible for the integrated development of the NL field. This would entail executing the existing field development plan or modified development plan to be suggested by the OFS vendor/consortium (sub-surface and surface facilities concept, well configuration), well construction (drilling, fracing and completions), development of surface facilities and reservoir management/production optimization.

Category-2: Involves design, planning and execution of the appraisal program and subsequent finalization of the Field Development Plan (FDP)

1. **Mangala Barmer Hill (MBH)** - Prospective OFS vendors/consortium would be responsible for the integrated appraisal design, planning and execution. Based on the results of the appraisal program, the vendor would be responsible for conceptualizing the field development plan (sub-surface and surface facilities concept, well configuration) for MBH field.
2. **Vijaya and Vandana (V&V)** - Prospective OFS vendors/consortium would be responsible for the integrated appraisal design, planning and execution. Based on the results of the appraisal program, the vendor would be responsible for conceptualizing the field development plan (sub-surface and surface facilities concept, well configuration) for V&V field.
3. **DP Barmer Hill (DP)** - Prospective OFS vendors/consortium would be responsible for the integrated appraisal design, planning and execution. Based on the results of the appraisal program, the vendor would be responsible for conceptualizing the field development plan (sub-surface and surface facilities concept, well configuration) for DP field.
4. **Shakti Field**- Shakti is a viscous heavy oil field (with permeability ranging from 1-5 D). Prospective OFS vendors/consortium would be responsible for the integrated appraisal design, planning and execution. Based on the results of the appraisal program, the vendor would be responsible for conceptualizing the field development plan (sub-surface and surface facilities concept, well configuration) for Shakti field

“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

1. **Financial performance:** Minimum annual average turnover of the **APPLICANT** in each **preceding 2 financial years** should be **USD 200 Million** with positive net worth 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

2. **Project Interest:** The **APPLICANT** needs to certify in the table below on which of the 2 categories (or both) the **APPLICANT** is interested in.

Category	Project	Yes or No
Category-1	Aishwariya Barmer Hill (ABH)	
	NL Barmer Hill (NL)	
Category-2	Mangala Barmer Hill (MBH)	
	Vijaya and Vandana (V&V)	
	DP Barmer Hill (DP)	
	Shakti	

3. **E&P delivery capabilities:** 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 **for both the category areas separately.**

Please note that the **APPLICANT (bidder or leader of the consortium)** must have either one or multiple of the following as a core capability i.e. Sub-surface, drilling and Petroleum Engineering

Capability	Does the bidder/consortium have this capability? (Yes or No)	If No, does the bidder/consortium plan to sub-contract? (Yes or No)
Sub-surface (G&G, Petrophysics and Reservoir Engineering)		
Drilling (design and execution)		
Petroleum Engineering (Completions, Fraccing, Testing and Flow back-design and execution)		
Field Development Planning /Integration		
Surface facilities development (EPC, Installation, commissioning etc.)		

4. **Health, Safety, Environment and Quality (HSEQ): 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 Pre-qualification criteria 1 (Financial performance)
4. Project category interest table to be completed as listed in Pre-qualification criteria 2
5. E&P delivery capabilities table to be completed as listed in Pre-qualification criteria 3
6. **Some past case studies supporting specific E&P delivery capability if mentioned as yes in the table in Pre-qualification criteria 3**
7. HSEQ performance documents of the bidder/all members of the consortium as listed in Pre-qualification criteria 4 (HSE)

8. List of litigations in last 5 years, if any
9. Declaration specifying that the APPLICANT is not under liquidation, court receivership or other similar proceedings
10. Any other documents in support of APPLICANT's credentials and experience and expertise, relevant to Vedanta opportunity areas

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. www.cairnindia.com 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.