

## **GLOBAL EXPRESSION OF INTEREST FOR INTEGRATED DEVELOPMENT SERVICES FOR INFILL WELLS OF RAAGESHWARI DEEP GAS FIELD WITHIN RJ-ON-90/1 BLOCK**

Cairn Oil and Gas, Vedanta Limited (“COG”) is India’s largest private upstream O&G company with operating interest in several producing fields in India contributing ~25% of India’s domestic production. Cairn Oil and Gas, 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), located in Barmer district, in the state of Rajasthan, India. Cairn Oil and Gas holds 70% participating interest in the block which contains 38 major oil and gas discoveries, with significant gas potential in the southern area.

Raageshwari Deep Gas (RDG), discovered in 2003, is a tight gas field situated in the southern area and is under production since 2010. The RDG field infrastructure currently consists of 30 producing wells, 1 waste disposal well, 7 well pads, intra-field pipelines, a central gas processing facility and a pipeline for evacuation of produced gas to nominated buyers. 42 gas producer wells are being developed in the ongoing project.

Cairn Oil and Gas has a vision to achieve 50% of India’s crude production and contribute to India’s energy security. In this regard, Cairn has embarked on an exciting growth journey to achieve world class recovery factors in our diverse reservoirs in the Rajasthan basin.

Cairn Oil & Gas on behalf of itself and its Joint Venture (JV) partners issues this EOI for the end to end integrated well construction of 27 infill producer and 2 wastewater disposal wells in RDG, related development surface facilities and application of production technology

### **Brief History of RDG Field**

The Raageshwari Deep Gas field, situated within the RJ-ON-90/1 Contract Area, was discovered in 2003 by well RJ-E-1 (later renamed Raageshwari-1). Raageshwari Deep Gas is a low permeability retrograde gas condensate reservoir, with excellent gas quality. Raageshwari Deep Gas field contains low permeability reservoirs consisting of Fluvial-lacustrine clastics (Fatehgarh) overlying older volcanic (Basalt and Felsic) lithologies with permeabilities in the range of 0.01- 1md.

The main objective of Raageshwari Deep Gas development was supplying the power and heating fuel needs of the northern Rajasthan fields particularly to Mangala, Aishwariya and Bhagyam. Later the commercial potential of RDG field was realised through the hydraulic fracturing campaigns. The plan is to increase the offtake from the RDG field by drilling and completing 27 infill well, for which the EOI is being floated through this document.

### **Brief Scope of Work and Bids**

Cairn Oil and Gas intends to fast track the development of the RDG field with the infill campaign in order to maximize the resource monetization with cost optimization.

To achieve these objectives, Cairn Oil and Gas, invites global Oil & Gas Service/EPC companies and/or consortiums, with field development capabilities for end to end Integrated Gas well construction (including drilling, completion, hydraulic-fracturing, testing and associated well services), Development of surface facilities (EPC for Gas terminal expansion, well pad, intra-field network and evacuation facilities / pipeline) and application of Production technology for enhancing the well productivity and ultimate recovery, to express their interest for pre-qualification to participate in the International Competitive Bidding (ICB) Process. Interested companies/consortiums would preferably need to demonstrate strong and integrated development capabilities as well as past experience of executing similar projects successfully.

The salient features will be:

- Drilling & hydro-frac of 27 new wells from 7 existing and 1 new well pad
- Drilling and completion of 2 Wastewater disposal wells
- Installation/ Augmentation of surface facilities + construction of 1 new well pad (Gas Well Pad-2).

NOTE: The envisaged work program shall be awarded to companies having proven capabilities in field development for end -to- end integrated well construction and / or development of surface facilities for Raageshwari Deep Gas (RDG) to ramp-up oil and gas production. The contract may or may not be awarded to single entity or two entities. Therefore, the documents to be submitted separately for integrated well construction and separately for surface facilities development.

### **Specific Pre-Qualification Criteria**

**NOTE: APPLICANT** wherever referred to in this document, would mean the leader of CONSORTIUM of Oil & Gas Services/EPC Companies (in case the bidder applies as a CONSORTIUM) or an Oil & Gas Services/EPC Company itself (in case the bidder applies as an individual company). APPLICANT should necessarily have core competence on 'integrated gas well construction' and/or 'EPC of integrated gas surface facilities'. Additionally, APPLICANT will be required to meet the below mentioned pre-qualification criteria to legitimately express interest for collaboration with Cairn Oil and Gas.

### **Key Pre-Qualification criteria**

#### **1. Financial Capabilities:**

1. Turnover in each of the immediately preceding two financial years should be equal to or more than the estimated average annual contract value
2. Positive net worth in each of the immediately preceding two financial years
3. Liquidity ratio shall not be less than 1.00 in each of the preceding Two (02) financial years

Also, note –

- i. 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/holding company financials can be submitted and considered, subject to submission of financial guarantee and commitment letter, as described under (ii)
- ii. Where the bidding entity is unable to meet the Financial Evaluation Criteria, Parent/Holding Company Audited Financials can be considered, subject to:
  - a) Submission of Financial guarantee in the form of 10% Bank guarantee of contract value
  - b) Commitment Letter from Parent/Company to provide financial support to the bidding entity
- iii. 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
- iv. 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. Integrated Development capabilities:** The **APPLICANT** must demonstrate the following integrated development capabilities (directly or as a part of the **CONSORTIUM**) or a significant part of the overall development capability:

**Section 1: (For integrated well construction)**

- I. **Integrated Gas Well construction:** Drilling, completions, hydraulic fracturing and testing, associated well services
- II. **Reservoir Management / Production Enhancement:** Including but not limited to well workovers, re-fracturing etc.

**Section 2: (For development of surface facilities)**

- III. **EPC of integrated gas surface facilities:** Development of gas processing facilities, well pads and intra-field pipeline
- IV. **Evacuation facilities:** Development of trunk/cross country pipeline etc.

- Please mention the following details against each capability:
  - a) Whether the **APPLICANT** has the capability? (Yes / No)
  - b) If the **APPLICANT** doesn't have the capability, will it be addressed by **CONSORTIUM**? (Yes/No)
  - c) If the **APPLICANT** doesn't have the capability, will it be addressed by a sub-contractor? (Yes/No)
  - d) If capability addressed by **CONSORTIUM**, name(s) of finalized/likely **CONSORTIUM PARTNERS**
  - e) If capability addressed by subcontractors, name(s) of finalized/likely subcontractors
- **For each of the above capabilities**, please separately submit details of completed / on-going medium to large scale projects **in last 7 years** – where the **APPLICANT** or any **CONSORTIUM MEMBER** has demonstrated the respective capability in a similar context. Please submit project details as per **Annexure 1**. In case, any project qualifies for more than one capability, please clearly state the same.

**3. Quality, Health, Safety and Environment (QHSE): APPLICANT (Bidder/all members of the consortium)** must have a comprehensive Health, Safety and Environmental Management system in place.

- **APPLICANTs** are requested to submit the following documents related to HSE:
  - a) QHSE Management System/ HSE Policy, HSE Manuals and Procedures
  - b) LTI statistics for past 3 years
  - c) Valid Quality and HSE certifications (ISO, OSHAS, etc.)
- **ANNEXURE 1 - SPECIFIC EXPERIENCE RELEVANT TO THE OPPORTUNITY AREA**  
Provide case study for an integrated project completed / on-going from the last 7 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 INR/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. Development outcome, Brownfield developments, etc.)
- l) Other remarks (e.g. contractual details, partnerships, sub-contractors, etc.)
- m) Technical/Managerial capabilities deployed
- n) Local base for support/service etc.

- **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. Technical capabilities details as listed in Pre-qualification criteria 2 (Integrated Development capabilities)
4. Financial performance documents as listed in the Pre-qualification criteria 1 (Financial performance)
5. Details of relevant projects, for each capability, as requested in Pre-qualification criteria 2 (Integrated Development capabilities) in last 7 years (format as per Annexure 1). Details above to include -
  - a. number of gas wells developed (drilling, testing, well completions and associated well services)
  - b. number of hydraulic-fracturing jobs performed in gas reservoirs
  - c. instances of having executed facilities engineering and design for gas processing facilities
  - d. instances of having developed gas facilities of contract value greater than \$200 MM
  - e. instances of having developed trunk/cross country pipeline for gas projects of contract value greater than \$100 MM
  - f. instances of having executed Reservoir Management techniques in gas reservoirs
  - g. Reference client list for integrated gas projects completed/under execution for clients of international repute
  - h. Number of proprietary/patented technology developed in the O&G domain (sub-surface, drilling, hydraulic fracturing etc.) and instances of its implementation in gas reservoir
6. HSE performance documents of the bidder/all members of the consortium as listed in Pre-qualification criteria 3 (HSE)
7. Valid Quality Certifications / Accreditations
8. Quality Manual, Policy & procedures
9. Detailed company information with organizational structure, list of manpower with CVs of key personnel, capital equipment, India support base.
10. Complete administrative details of your company such as but not limited to nature of legal entity, registration details, office and site locations etc.
11. Specific execution strategy outlining engineering, procurement, and projects controls construction and commissioning functions along with geographical locations for each function
12. List of current contracts under execution with value of contracts and percentage completion
13. Experience of working in onshore locations
14. Support base in India/ Asia for future service requirements
15. Details of Technical /Managerial resources that will be allocated to this project (name, designation, experience, office location etc.)
16. List of proprietary / patented technologies in Oil & Gas domain developed and implemented
17. List of litigations in last 5 years, if any



18. Declaration specifying that the APPLICANT is not under liquidation, court receivership or other similar proceedings

19. Any other documents in support of APPLICANT's credentials and experience and expertise, relevant to Cairn Oil and Gas 's opportunity areas

All qualifications and exceptions brought out in Auditor's report and Notes to Accounts would be factored in while undertaking financial evaluation.

The interested contractors should evince interest to participate in the Expression of Interest by clicking on the "Evince Interest" link against EoI listing on the Cairn website i.e. <http://www.cairnindia.com> and submit their contact details online. Further to this, interested parties would be invited to submit their response via Smart Source (Cairn's e Sourcing Platform) within 21 Days from this publication.

In case of any issue faced by the vendor during the evincing of interest please contact [Manjushree.Samanta@cairnindia.com](mailto:Manjushree.Samanta@cairnindia.com)/[Drishti.Setia@cairnindia.com](mailto:Drishti.Setia@cairnindia.com)