INVITATION TO BID (ITB) FOR SALE OF GAS FROM MAIWAND X-1 Well

1. Introduction

Mari Petroleum Company Ltd (MPCL) is the Operator of Block- 28 Exploration License (Block-28) located in two Districts Kohlu and Sibi of Balochistan Province. The Block-28 is owned by a joint venture comprising Mari Petroleum Company Limited (MPCL) with 95% interest share and Oil & Gas Development Company Limited (OGDCL) with 5% interest share.

The JV plans to carryout extended well testing (EWT) operations over newly discovered gas reservoir in its Maiwand X-1 Well. EWT production from the well is available for sale at the wellhead at natural flowing conditions to interested buyers. MPCL invites offers from companies interested in purchasing Gas from Maiwand X-1 well ("Gas"). The average Gas production is estimated to be approximately 3 MMscft per day subject to the well deliverability and its sustainability during EWT period.

Preference will be given to the Buyers, who shall ensure/confirm consumption of Maiwand X-1 gas in Balochistan Province.

2. Validity Period of GSA

The Gas is being offered for sale, initially for a period of 2 years, extendable for further period of up to 2 years under the terms and conditions specified in Gas sales agreement ("GSA") to be executed between MPCL and the successful company, which is provided at **Annexure-A**. The attached GSA is a draft document and any of the terms and conditions therein may be amended, modified, or revised by MPCL prior to its execution.

3. Submission of Offers

Interested companies shall:

- a. Submit their Technical and Commercial Bids in separate sealed envelopes clearly marked "TECHNICAL/COMMERCIAL BID [...strikethrough which is not applicable] FOR PURCHASE OF MAIWAND X-1 GAS"; along with name of company submitting the bid.
- b. The Commercial Bid shall specify the price of gas in USD/MMBTU, Payable in PKR
- c. The Technical Bid shall contain duly filled Technical Evaluation form (Annexure-B), signed and stamped Declaration (attached with ITB document) and acceptance of terms and conditions of the draft GSA.
- d. The sealed bids should be reached during office hours (from 8.00 am to 4:00 pm) at MPCL head office located at 21, Mauve Area, 3rd Road, G-10/4, Islamabad on or before May 8, 2024.

4. Instruction for Bids Submission

4.1 Acceptance of all clauses of the draft GSA is required. Exception to any clause should be clearly stated. Please note that acceptance of Article 3 (Sales Gas Supply & Quality) Article 4 (Delivery Point), Article 5 (Measurement), Article 6 (Buyer's Facilities), Article 7 (Pricing & Payment Terms), Article 8 (Bank Guarantee), Article 11 (Termination) and Article 14 (Force Majeure) are mandatory requirements and

exceptions cannot be allowed against the same. Preference will be given to the offers which have the least exceptions or deviations to the terms and conditions included in the draft GSA.

- 4.2 The bidder shall furnish as part of its bid, a Bid Security as specified below:
 - a. The bid security amounting to PKR 1,000,000 (Pak Rupees one million only) shall be in the form of a demand draft/pay order in favor of Mari Petroleum Company Limited, which shall remain valid for the period of at least 6 months from the date of bid submission. The bid security for successful bidder shall be returned immediately upon submission of security deposit mentioned in Clause 6 below.
 - b. The bid security of unsuccessful bidder(s) shall be returned as promptly as possible upon the award of contract.

5. Bids Validity

Bids shall be valid for at least 90 days from the date of submission.

Security Deposit

Upon signing of GSA, the bidder shall submit a bank guarantee in PKR equivalent to the value of **90 days** of gas sales volume calculated for 3 MMscft per day gas at the offered gas price.

7. Other Terms and Conditions

- 7.1 Each Company shall bear all costs associated with preparation and submission of its bid including all costs incidental and ancillary thereto. The MPCL shall in no case be responsible or liable for the costs regardless of the outcome of the bidding process including cancellation of the process for any reason whatsoever.
- 7.2 No bid shall be entertained in the form of email, telex, fax, or telegram etc.
- 7.3 Bids once submitted cannot be withdrawn. No revision / amendment in the submitted bids shall be entertained under any circumstances.
- 7.4 Bids received from bona-fide companies who have downloaded the tender documents shall be entertained.
- 7.5 At any time prior to the deadline for submission of bids, a modification in bidding documents in the form of an addendum may be issued to all bidders in response to a clarification requested by a any bidder or whenever the MPCL considers it necessary to issue such a clarification and/or amendment. Any clarification / amendment issued (in general) shall be in writing and shall be addressed to all the prospective bidders who have downloaded the tender documents.
- 7.6 The offered volume of **3 MMscft** per day is an estimated volume; subject to actual production pattern of Maiwand X-1 Well deliverability.

The gas is available for sale in its raw form on "as is" basis at the wellhead and the attention of potential bidders is drawn towards the raw gas specifications, specified in **Annexure-C**.

- 7.7 The selection of gas buyer and the award of contract for sale of gas from Maiwand X-1 Well shall be based upon the most competitive and best terms offered, and MPCL shall have sole discretion in making such decision.
- 7.8 MPCL reserves the right to accept or reject any or all bids without assigning any reason. MPCL decision in this respect shall be final and binding upon all the parties.
- 7.9 Prospective bidders are required to comply with all applicable labour laws and regulations in the jurisdiction where the project is located, ensuring fair and ethical employment practices throughout the project lifecycle.
- 7.10 Bidders must adhere to all relevant environmental laws and regulations governing the project location, demonstrating a commitment to sustainable and environmentally responsible practices throughout the project implementation.
- 7.11 Bidders are required to uphold and promote human rights principles, complying with all applicable human rights laws and regulations at the project location. The successful bidder must demonstrate a commitment to fair labour practices, non-discrimination, and the protection of human rights throughout the project lifecycle.
- 7.12 Bidders must commit to conducting their business with integrity and in full compliance with anti-corruption laws. Any form of bribery, fraud, or corrupt practices will result in immediate disqualification from the bidding process. The successful bidder must uphold the highest ethical standards and maintain transparency throughout the project implementation.

8. Bid Opening

- 8.1 Time and manner of bid opening will be at MPCL's discretion. A committee formulated by the MPCL shall open and evaluate the bids as per Company's laid down procedure to determine the successful bidder, who shall be so informed accordingly. Commercial Bids of only technically qualified bidders will be opened.
- 8.2 The execution of the GSA and the award of contract shall be subject to requisite Government and corporate approvals. In case approval is granted, the MPCL shall inform the successful Company accordingly, without incurring any liability whatsoever, on the part of MPCL.
- 8.3 Unsolicited advice/clarifications and any attempt to influence the bidding process by the bidder(s) at any stage of evaluation are strictly prohibited and shall render its / their bid(s) disqualified.

8.4 All prospective bidders are advised to <u>carefully read</u> all terms and conditions enunciated in this document, the draft GSA and the annexes thereof prior to filling/submission of their bids.

9. Litigation

Without prejudice to any other right of the MPCL, a person shall be disqualified to participate in this bidding process if (i) they or any of their affiliates, subsidiaries and other connected persons such as shareholders and directors, are or have been at any time during the past five (5) years, involved in litigation, arbitration or any other dispute or event; with the any of the **E&P companies** or other companies in Pakistan.

10. Miscellaneous

The MPCL reserves the right to postpone, withdraw, cancel, or amend the bidding process and/or the quantities of gas offered for sale at any stage without assigning any reason and without any claim/compensation against MPCL and shall not have any liability towards any of the parties concerned.

Annexure-B

Sale of Maiwand X-1 Gas, Technical Evaluation Form

Sr. #	Evaluation Item and Criteria	Yes	No
1	Bidder to share and confirm that they shall obtain a valid applicable OGRA license for sale/purchase of gas before commencement of operations and start of gas off-take from the company.		
2	Confirmation from the bidder that it shall provide all-new and/or refurbished fit for service, state-of-the-art equipment with a proven record of successful commercial operation on similar duty/service.		
3	Bidder shall provide equipment integrity certificates containing calibration certificates and thickness measurement at the time of execution of contract if finally selected.		
4	Bidder to provide a list of safety devices to be installed and their operational philosophy for handling compression package tripping scenarios/high- & low-pressure conditions		
5	Prior work experience in this area (gas processing/transportation/sale etc) Current and Past contracts.		
6	Proposed Facility Layout (Recognized 3 rd party engineering consultant).		
7	If Bidder or its representative intends to visit the Site to familiarize with the site conditions and other considerations & risks affecting the overall completion schedule, please specify.		
8	The bidder's team is well experienced and qualified to execute the project, bidder has provided the list of Technical Staff and qualification certificates.		
9	Confirmation from the bidder to comply with all applicable standards, codes, and guidelines to be applied for the design of process, mechanical, piping, electrical, instrumentation, civil, and for construction, installation, commissioning, and material selection for this Project.		
10	The bidder will be responsible for pre-cautionary safety measures and implementation of the Work Zone Safety Drawing / Plan during the execution of work at the site.		
11	Bidder to confirm the installation of a facility at the Site after award of contract.		
12	Precautions measures shall be taken by the bidder at his own cost, to ensure the safety of his staff and labour at all times throughout the period.		
13	Safety Protocols and Emergency Response Plan (Leakage, Fire, etc). List to be shared		
14	Availability of certified GTMs meeting the applicable HSE standards.		
15	The seller shall deliver the Gas to the Buyer at the delivery point after which risk and title to the Gas shall transfer to the Buyer. (GSA Article 4 – Delivery Point)		
16	The Bidder shall be solely responsible for taking delivery of Gas made available by the Seller downstream of the Delivery Point and for its storage/transportation/sales. (GSA Article 4 – Delivery Point)		
17	The Buyer and its employees shall strictly observe and comply with all applicable laws, rules, and regulations including but not limited to laws relating to safety, health cleanliness industrial security, medical requirements accident prevention and safeguarding of the environment, and safety standards. Applicable laws include but are not limited to: (GSA Article 4 – Delivery Point)		
	 Petroleum Rules, 1937 (for storage and Transportation of Petroleum and Inflammable Chemicals) 		

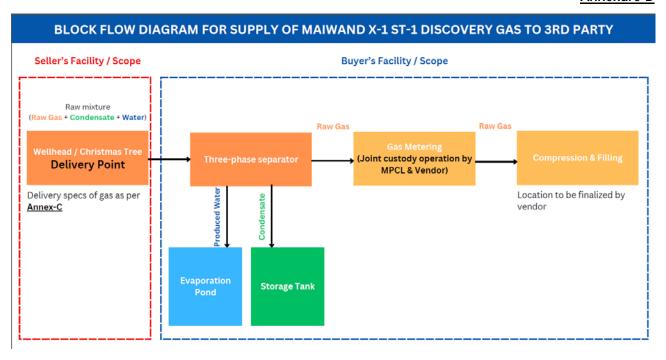
	ii. flammable Chemicals)		
	iii. Oil and Gas (Safety in Drilling and Production) Regulations, 1974		
	iv. Mines Act 1923		
	v. Pakistan Environmental Protection Act 1997		
	vi. Pakistan Environmental Protection Agency (Review of IEE and EIA) Regulations 2000.		
	vii. National Environmental Quality Standards.		
18	The quantity of Gas delivered shall be determined through the Seller's Gas meters equipped with 24/7 recording charts or online flow computation. Methods and standards used for the calculation of Gas quantity shall as far as reasonably practicable be such as are approved and accepted by the American Gas Association for such purpose. The measurement or reading of the Gas delivered to the Buyer at the Delivery Point shall be carried out by the Seller and shall be considered accurate, conclusive, final, and shall be invoiced accordingly.		
19	The heating value of Gas shall be determined either through online gas chromatograph or by sample analysis through a 3 rd party lab on monthly basis. In case of non-availability of the most recent information about heating value of Gas the last good known figure shall be used. The quality of Gas determined as stated hereof shall be final and shall be considered accurate and conclusive.		
20	The Buyer warrants that the Gas sold by the Seller hereunder shall be sold/disposed of in accordance with applicable Government policies/rules.		

Annexure-C

Indicative Gas Specification Sheet Maiwand X-1 Well

Sr. No.	Parameters	Value
1	Hydrogen Sulfide (ppm)	150-200
2	Carbon Dioxide (mol %)	<1
3	Nitrogen (mol %)	< 7
4	Calorific Value (btu/scf)	> 950
5	Delivery Pressure (Psi)	1-30
6	Water Contents	Saturated
7	Hydrocarbon Dew Point (°F)	> 32

Annexure-D



DECLARATION:

(To be filled/signed/stamped by the prospective bidder i.e., the Company on their Letter Head)

I/We hereby affirm that;

- i. [Name of the company] with current or any other title and style has not been involved in any dispute and/or litigation in any manner or kind with any E&P or other company in Pakistan.
- **ii.** That whatever is stated above is true and correct and any incorrect information will make me/us liable to legal proceedings.

ness 2: Name & CNIC Number