

Ref. : No. 3087/ME Date: 21.11.2012

Attn.: Company's Head
(under mail list)

Re: Notice to Bidders No.2 on Tender No. 148/2012 for the Provision of Well Completion and Workover Services for the West Qurna (Phase 2) Project

Dear Sirs,

The Operator received questions from Bidders concerning Tender No. 148/2012 for the Provision of Well Completion and Workover Services for the West Qurna (Phase 2) Project. The answers were prepared by the Operator for the use by Bidders in preparing their Bids. The clarifications are attached to this Notice as Appendix 1.

Attachment: Appendix 1 on 9 pages.

Sincerely,

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Tender No. 148/2012 for the Provision of Well Completion and Workover Services for the West Qurna (Phase 2) Project					
Question No	Reference to the Tender Documentation			Bidder's Question	Company's Answer
	Chapter	Schedule/ Section/ Clause No.	Subject		
1.	Chapter II-ITB	Article 3.6	Bid Bond	Our service bank offers us a new version of Bid Bond, because they could not accept some terms in the original version of Bid Bond in Tender Documents. Please check the attached Form of Bid Bond and kindly confirm if it is acceptable for your side	The Bidder is strongly recommended to keep the original wording of Bid Bond
2.	Chapter II-ITB	Article 3.6	Bid Bond	Would you please give us a Sample Form of Certified Cheque?	Certified Cheque shall be provided in the form approved by the Bidder's Bank
3.	Chapter II-ITB	Article 3.6	Bid Bond	Can we remit LUKOIL MID-EAST LIMITED 1 million United States Dollars cash by telegraphic transfer to replace the Certified Cheque?	The Bid Bond shall be provided either in a form of bank guarantee or certified cheque.
4.	Chapter IV-Draft Contract	Appendix 1 – Scope of Work Attachment 1- Equipment Specification	Requirements to Slickline Equipment	680 DAN (1500 lbs) pull at surface (3 loads) - Please specify “3 loads” .	“3 loads” means – Maximum available Pull on line at surface should be at least 1500lbs X 3 , i.e 4500 lbs
5.	Chapter IV-Draft Contract	Appendix 1 – Scope of Work Attachment 1- Equipment Specification	Requirements to Slickline Equipment	The well head pressure control equipment for slickline 10000 psi W.P. is inconsistent with BOP 15000 psi W.P. and stuffing box 15000 psi W.P. Please clarify which one is required?	Slickline PCE of 10000 psi W.P. is required for the operations planned. Slickline PCE of 10000 psi W.P. meets Company minimum pressure control requirements for Slickline operations.
6.	Chapter IV-Draft	Appendix 1 – Scope of Work	Requirements to Equipment	Single Phase Bottomhole Samplers are tripped with DST or slickline?	Both Single Phase Bottomhole Samplers deployment options shall be considered:

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	Contract	Attachment 1- Equipment Specification	for Downhole Testing Services	Please clarify.	- Single Phase Bottomhole Samplers shall be deployed by the slickline and actuated by two means: pressure and timing device. - Single Phase Bottomhole Samplers deployed by the DST string
7.	Chapter IV- Draft Contract	Appendix 1 – Scope of Work Article 6.3.8	Well Completion Activities	Can the workover rig base be trailed between jobs without undress the rig? If so, is the foundation layout in <i>148_Draft_Contract_Foundation_C luster 5</i> available for workover rig?	If the workover rig move with erected mast within the well pad complies with Rig Contractor's Safe Rig Move Procedure and does not create any difficulties as per the Simultaneous Operations at the well pad – the move could be performed. Rig Move between well pads with erected, half erected mast or equipment will not be considered and hence, allowed by the Company
8.	Chapter IV- Draft Contract	Appendix 1 – Scope of Work Article 15.6	Well Control Equipment	There is inconsistency between the requirement for BOP pump (equipment requirement: 345bar; service requirement: 10Kpsi). Please clarify which one is required?	345 bar pressure is required by the Company
9.	Chapter IV- Draft Contract	Appendix 1 – Scope of Work Attachment 1- Equipment Specification	Specification Workover Rig Equipment, point 6.1.2.	The pump capacity 600 kw is inconsistent with the document 148_Draft_Contract Last Version as of 18 Oct 12, page 69, "10 . High Pressure Mud Circulating System, Power: 2 x 600 HP". Please clarify which one is required?	10" High Pressure Mud Circulating System, 2 x 600 Horse Power Pumps are required
10.	Chapter IV- Draft	Appendix 1 – Scope of Work	Specification Workover Rig	Please specify the detailed requirements for 3½ tubing.	Rig Contractor shall have as its own and provide the Company with 3-1/2" premium

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	Contract	Attachment 1 - Equipment Specification	Equipment, point 2.5.	Please specify "metal-to metal", "3000".	connection (gas tight) tubing utilized as working string only. Company requires: 3-1/2" OD tubing, 9.3 ppf, L80 grade premium connection (gas tight seal, preferably VAMTOP connection)
11.	Chapter IV- Draft Contract	Appendix 1 – Scope of Work Attachment 1 - Equipment Specification	Specification Workover Rig Equipment, Drill String Components	There is no description and requirement for new tubing string of 4-1/2" VAM TOP, 12.6 ppf. Please specify the detailed requirements for new tubing string of 4-1/2" VAM TOP, 12.6 ppf (specifications and quantities).	Rig Contractor is not required to provide 4-1/2" VAM TOP, 12.6 ppf tubing. 4-1/2" VAM TOP tubing will be provided by the Company and Rig Contractor is only requested to handle (run/pull) the 4-1/2" tubing and shall have all handling equipment as requested in Appendix 1, Paragraph No 21 Tubular Running Equipment page 72 out 206
12.	Chapter IV- Draft Contract	Appendix 1 – Scope of Work	High Pressure Mud Circulating System	The feed line from choke manifold to the separator shall have a working pressure of 5,000 psi. Please specify the detailed requirements for poor boy degasser.	The Company sets the following minimum required operating margins for the "Poor Boy" Degasser: Vessel Diameter: 600 – 800 mm Treating Capacity: 200 – 240 m3/h Fluid Discharge: 6" – 8" Fluid Weight: 1.25
13.	Chapter IV- Draft Contract	Appendix 1 – Scope of Work	Offices and Camp Requirements	There is no description of Offices and Camp Requirements. Please specify.	Offices and Camp Requirements are outlined in Appendix No 1 "Scope Of Work", Article 35 Offices and Camp Requirements Page 81 out 206
14.	Chapter IV- Draft Contract	Appendix 1 – Scope of Work	Slickline Service	Customer has requested 10 & 15K SWP for the PCE, please confirm if this is correct Safe Working Pressure & Test Pressure	Slickline PCE of 10000 psi W.P. is required for the operations planned. Slickline PCE of 10000 psi W.P. meets Company minimum pressure control

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					requirements for Slickline operations. Minimum ID for Slickline PCE 4.06 in.
15.	Chapter IV- Draft Contract	Appendix 1 – Scope of Work	Slickline Service	Please confirm the required inside Diameter (ID) for the PCE	
16.	Chapter IV- Draft Contract	Appendix 1 – Scope of Work	PLT/RMT/TC P services	Please confirm that Bidder needs to include the cost of PLT/RMT/TCP services according to the scope of work defined in the ITT	PLT/RMT/TCP costs shall not be included; due to provision of these services will be arranged by the Company
17.	Chapter IV- Draft Contract	Appendix 1 – Scope of Work	Scope of Work	Bidder understanding of the scope of work is the following: Workover services on existent 108 wells that have been already drilled previously and Completion services of 67 New wells that are yet to be drilled. So total firm scope is 175 wells.	Total scope firm number of wells is correct; 175 wells has been estimated for workover and initial completion operations, but during the execution of the contract additional number of wells could be added or subtracted to the scope of work, as per re-occurrence of operations.
18.	Chapter IV- Draft Contract	Attachment 4- Well Completion Schedule Page 112,113 out of 206	Well Completion Schedule	Please confirm the above is correct. Bidder noticed that the Well Completion Schedule that is included into the contract has two Work-over Rigs №1 and two Work-over Rigs №2 schedules. Please confirm the schedules of Work-over Rig №3 and Work-over Rig №4?	Confirmed 2 rig schedules specify the rig activity for 4 (four each) rigs
19.	Chapter IV- Draft Contract	Attachment 4- Well Completion Schedule Page 112,113 out of 206	Well Completion Schedule	Bidder kindly request Company to provide Attachment 4 - Well Completion Schedule in Microsoft Project format (.mpp) with assigned rig numbers.	Attached to this NTB#2

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20.	Chapter IV-Draft Contract	APPENDIX № 3 COMPENSATION	Cellar to Cellar move	Company specified Infield Rig Move Fee as lumpsum for moving “from one Pad to another location (Pad) within Contract Territory”. Bidder asks Company to specify how will the moves from one cellar to another cellar within the same Pad be paid?	The moves from one cellar to another cellar within the same Pad will not be paid
21.	Chapter IV-Draft Contract	Attachment 1 SPECIFICATION RIG WORKOVER EQUIPMENT Well Control System	BOP	Company is requesting 13 5/8” 5K BOP, will an 11” 5K BOP Be accepted. Bidder believes that 11” BOP will be enough for the anticipated work and being smaller will be much easier to handle during operations.	Company sets the minimum BOP requirements as: 13-5/8” Bore, 5K, double rams + annular, H2S service BOP stack as per the completion design of the wells involves the handling and running through the BOP 13-5/8” OD equipment.
22.	Chapter IV-Draft Contract	Attachment 1 SPECIFICATION RIG WORKOVER EQUIPMENT	Mud pump	Company is asking for 2 X 600HP mud pumps. Will 2 X 400HP mud pumps be acceptable if offered by Bidder?	2 x 400 HP mud pump will not be acceptable. Company sets the minimum requirement for 2 x 600 HP mud pumps
23.	Chapter IV-Draft Contract	Attachment 4 Well Completion Schedule (Page 112 & 113 of 206)	Workscope	Attachment 4 showing only 60 wells whereas Article 6.3.9 Workover Rig Allocation of Appendix 1 shows 67 wells. Please confirm Quantities of wells	67 wells for initial completion operations
24.	Chapter IV-Draft Contract	Attachment 4 Well Completion Schedule (Page	Workscope	Attachment shows workover wells with 18 and 16 days, whereas Attachment 6 shows 14 days for	For all activities related to Well Completion the timelines given in Attachment 6 shall prevail

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		112 & 113 of 206)		majority of wells. Please confirm what time line to be used.	
25.	Chapter IV-Draft Contract	Appendix No. 3, Table 2 and 4	Price Tables	In Table 2 contractor to include Coiltubing and Stimulation Services, but in Table 4 Crew rate is requested separately. Please confirm the intentions of this split.	Price breakdown for Coiled Tubing Services included in Table 4 splitted to CT Package, Nitrogen Package and CT Crew. In Table 2 Coiled Tubing Services include CT Package, Nitrogen package and CT Crew with no split. Price breakdown for Stimulation Services included in Table 4 splitted to Stimulation Package and Stimulation Crew. In Table 2 Stimulation Services include Stimulation Package and Stimulation Crew with no split
26.	Chapter IV-Draft Contract	Appendix 1, Attachment 6, Table 2, Item 15	Wireline	PLT is mentioned , but in workscope it is not requested, please confirm if running PLT is part of Lumsump or Company will provide this service from his sub contractor.	PLT services will be arranged by the Company
27.	Chapter IV-Draft Contract	Appendix 1, Attachment 6, Table 1,2,3	Wireline	Please confirm if Electric Wireline will be provided by Contractor or Company will arrange that.	Electric Wireline will be arranged by the Company
28.	Chapter IV-Draft Contract	Appendix 1, Attachment 6, Table 1,2,3	Completion Equipment	Please confirm if Company will be providing all completion equipment including but not limited to ESP pump and services, Injection Packer, Completion Jewlery etc.	Company will provide the completion equipment including: ESP, completion jewelery, production/permanent packers, Sub-surface safety valves, 4-1/2" premium connection tubing etc.
29.	Chapter IV-	Appendix 1,	TCP Guns	Please confirm if Company will be	Provided by the Company TCP guns will

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	Draft Contract	Attachment 6, Table 1,2,3		providing all TCP guns and running services.	be run by the Rig Contractor under direct supervision of the TCP specialist.
30.	Chapter IV-Draft Contract	Appendix 1, Attachment 6, Table 1,2,3	TCP Guns	If Contractor is required to provide TCP please clarify the perforating interval length for DST#1 and DST#2 and expected downhole Temperature	Rig Contractor is not required to provide the TCP.
31.	Chapter II-ITB	Form 7, Table 2,3,4	Green Burners	Please clarify the Scope of Work for the Green Burner which only mentioned in the compensation table.	Green Burner shall be assigned to the project, included to the list of Well Testing Equipment (as per Appendix No 3, Compensation, Table 2) and shall be available for the Company to utilize
32.	Chapter IV-Draft Contract	Appendix 1, Attachment 6, Table 1,2,3	Workscope	Please confirm %age of wells with ESP and with Natural flow completion.	62% ESP 38 % Natural Flow
33.	Chapter IV-Draft Contract	Attachment № 1 to Form 7, Table 3, Item 4.1	Workscope	Item 1.2 requesting 180 m3 of brine, whereas in Appendix-1, Attachment 5-Workover Services Outlines, Table 1, Item 1.2 requesting 200 m3 of 1.2 SG brine. Please confirm which number to use.	180 m3 of 1.2 SG brine should be used for estimation.
34.	Chapter IV-Draft Contract	Attachment № 1 to Form 7, Table 3, Item 5.2	Workscope	No Testing Services are requested to include, but Green Burner are included please confirm if Testing services to be included in Workover activities? And what about Green Burner?	Testing Services shall be included in Workover Activities as per requirements outlined in Appendix No 1, Scope of Work (page 75 out of 206). Green Burner shall be assigned to the project, included to the list of Well Testing Equipment (as per Appendix No 3,

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35.	Chapter IV- Draft Contract	Appendix - 1, Item 6.2.13	Workscope	If any mechanical failure occurs during bringing well into production, Contractor shall eliminate occurred failures at its own cost. Please define the extent of this Failure and Contractor responsibility. As Production may be jeopardised due to ESP failure which is provided by Company.	Compensation, Table 2) and shall be available for the Company to utilize 1. Extent of the failure and responsibilities related to the Standard Operating Procedures and failures resultant - shall be defined and outlined in Project Bridging Document. 2. Production may be jeopardized by malfunction or failure of ESP, or resultant of the alteration of the ESP running procedures, as: Damage of Power Cable, Slack Off on the ESP Alteration of pipe handling procedures etc. At the same time ESP running, installation and start-up procedures will be supervised by the ESP field engineer(s), and at least will comply with API RP 11s standards and procedures.
36.	Chapter IV- Draft Contract	Appendix-1, Item 23.1	Workscope	4 1/2" Tubing is requested in item 23.1 whereas in Attachment 1 under Specifications Workover Rig Equipment , page 87 of 206 item 2.5 requesting 3 1/2" Tubing. Please confirm which tubing to include.	For initial completion, and ESP installations - 4-1/2" VAMTOP premium connection tubing provided by the Company will be used. 3-1/2" Premium Connection Tubing on specified on page 87 of 206, to be utilized as workstring and DST string – shall be provided by the Rig Contractor
37.	Chapter IV- Draft	Appendix-1, Item 23.1	Workscope	Also confirm if this tubing is to perform two DSTs on two wells	Yes. 3-1/2" Premium Connection (gas tight seal connection) will be utilized for DST

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	Contract				and shall be included to the rig equipment list.
38.	Chapter IV- Draft Contract	Appendix-1, Attachment 6, Table 2	Time Estimates	Estimated total time is very low comparing with operations breakdown. According to operation breakdown there is 13 days (Item 3.2, 3.3, 5.2.5.3, 9.2.9.3, 11.2, 14.7, 14.8) only for Flow, Shut in and Build ups. Remaining 5 days are very low. Contractor Request Company to have a re- look.	Estimated time limits for the operations are given for information on the Company's requirements
39.	Chapter IV- Draft Contract	Appendix-1, Attachment 5, Table 6-10, and Form 3a	Time Estimate	For the rigless work, estimated no. of days are different between Form 3a and Attachment 5, Table 6-10. Please confirm the right number of days	The right number of days for Rigless work estimated no. of days is in Attachment 5, table 6-10. Please apply Attachment 5, table 6-10 for Rigless work estimated no. of days.
40.	Chapter IV- Draft Contract	Appendix-1, Attachment 5, Table 6, 7, 10, Attachment 6 Table 2	Payment	Requesting Diesel to Displace tubing volume. Please confirm where to include this as Form 7, Table 2, 4 does not have any Diesel mentioned in Well Tangibles.	Amount of Diesel required for Rigless activities (as per Appendix-1, Attachment 5, Table 6, 7, 10) shall be included to Attachment #1 to form 7, Table 4, as an extra Item #3.4
41.	Chapter IV- Draft Contract	Appendix-1, Attachment 5, Table 6, 7, 10,	Payment	Requesting Brine, Please confirm where to include this as Form 7, Table 4 does not have any Brine mentioned in Well Tangibles.	Amount of Diesel required (as per Appendix-1, Attachment 6, Table 2) shall be included to Attachment #1 to form 7, Table 2, as an extra Item #4.4 Amount of Brine required for Rigless activities shall be included to Attachment #1 to form 7, Table 4, as an extra Item #3