

CONFIDENTIAL



TENDER DOCUMENTS

Name of the Commercial Public Tender (hereinafter referred to as "Tender"):

Providing of mud services for the well drilling operations

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A.1 Instructions for tenderers

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Part I General information

1 Identification of Contracting Authority

Trade name: **NAFTA a. s.**

Head office: Votrubova 1, 821 09 Bratislava, Slovak Republic

Registered: The joint stock company is registered in the Commercial Register with District Court Bratislava I, section: Sa, entry no.: 4837/B

Business identification number: 36 286 192

VAT identification number: SK2022146599

The contact addresses of the Contracting Authority:

The postal contact address: NAFTA a. s., Votrubova 1, P.O.BOX 815 05, 815 05 Bratislava 1, Slovak Republic

The electronic contact address:

Name: Jaroslav Kuník

Purchasing portal NAFTA a.s.: <https://nafta.1803sw.com>

Web sites: www.nafta.sk

2 Subject of procurement

- 2.1 The subject of the procurement is the providing of the mud services for the well drilling operations regarding to the requirements as follows:
- 2.2 The services joined with proposal, preparation and supervision of required parameters of the mud for drilling of the vertical and directional exploration well, including materials for its preparation, cleaning and conditioning of mud, for the solid phase regulation with dewatering unit, waste management and cuttings handling and loading during the drilling activity on drilling site. The designed mud drilling system must guarantee safe and quick drilling of the specific well.
- 2.3 Planned period of the providing of the subject of the procurement is 2019 - 2022.
- 2.4 A detailed definition of the subject of the procurement forms *Part B.1 Description of the subject of the procurement* in this Tender documentation.

3 Comprehensiveness of supply

The tenderer shall submit a bid covering all the subject of procurement.

4 Source of finance

The subject of procurement is financed from the Contracting Authority funds.

5 Type of Contract

- 5.1 Frame contract on the provision of services.

5.2 The detailed limitation of Contractual terms and conditions for service provision comprises of the following parts of this Tender Documents:

B.1 Description of the subject of procurement

B.2 Method of determining the price

B.3 Commercial and contractual conditions

5.3 The Contracting Authority reserves the right to conclude the Frame contract on the provision of services with the several tenderers. To the tenderers, which the Frame contract on the provision of services based on the Contracting Authority's requests will be concluded with, will be sent the actual demands of the specific service and from the delivered proposals a best proposal will be selected. With the tenderer, who submitted the best proposal will be concluded the single purchase contract or the purchase order with the relation to the Frame contract on the provision of services.

6 Place and term of service provision

6.1 The place of service provision is the Slovakia territory. It will be more specified by the Contracting Authority in the Frame contract on the provision of services or in the purchase order.

6.2 Required term of service provision: for years **2019 – 2022**

7 Eligible tenderers

7.1 A bid may be submitted only by such a tenderer who: (i) requested and received the Tender Documents.

8 Submission of a bid

8.1 Any tenderer may submit only one bid. Any bid shall comprise all the documents in the order as given in point 16 and shall be submitted within the term given in point 21.2.:

8.1.1 Frame contract on the provision of services, set out by the Contracting Authority in the Tender Documents (Part *B.3*), signed by the tenderer, its statutory body or a member of its statutory body, or by another representative of tenderer, authorised to act on behalf of the tenderer in commitment relationships.

8.1.2 Records and documents required in the notification of the Tender and pursuant to this part of Tender Documents – part *A.2 Conditions of the participation of tenderers*.

8.2 The tenderer submits its bid in the electronic form pursuant to points 21 and 22 to the purchasing portal NAFTA a.s. and within the term of bid submission pursuant to point 21.2.

8.3 In case a bid does not comprise the draft of the Frame contract on the provision of services pursuant to point 8.1.1, the records and documents pursuant to point 8.1.2 and 16.1, such a bid shall be excluded from this Tender.

9 Variant solution

9.1 It is not allowed to submit a variant solution.

10 Validity of a bid

10.1 Any bid remains valid over the bid's period of firmness till **31.01.2019**.

11 Expenses for bids

- 11.1** The tenderer shall bear any expenses related to the preparation and submission of its bid, without any financial claim towards the Contracting Authority.

12 Conditions of the Tender

- 12.1** The Contracting Authority reserves the right to not accept any of the submitted bids in the case where all the bids exceed the amount of funds that the Contracting Authority has allocated in the budget for ensuring the subject of procurement.
- 12.2** The Contracting Authority reserves the right to restrict the number of tenderers after submission of bids and to invite the tenderers determined in this way to individual negotiations about the contract terms and conditions.
- 12.3** The Contracting Authority reserves the right to negotiate the proposal with the tenderer in several consecutive rounds with the possibility to invite tenderers to submit the updated quotation after each round of negotiations.
- 12.4** The Contracting Authority reserves the right to invite the tenderers to update the final quotation in the form of electronic auction.
- 12.5** Detailed information on the course and conditions of electronic auction shall be notified to the tenderers in a different manner.
- 12.6** The Contracting Authority shall conclude the contract with the tenderer only after approval of the results of this Tender pursuant to the internal rules of the Contracting Authority. The remaining tenderers shall be notified by the Contracting Authority in writing that their proposals for the contract conclusion were refused. The Contracting Authority shall not provide any further information.
- 12.7** The Contracting Authority reserves the right to change the published conditions of this Tender or to cancel this Tender even without stating the reason. The change of the published conditions of the Tender or the Tender cancellation shall be notified to all the knowing tenderers.
- 12.8** The Contracting Authority reserves the right not to select any tenderer or to conclude the contract with several tenderers.
- 12.9** The Contracting Authority reserves the right to refuse all submitted proposals.
- 12.10** All expenses related to the preparation (as well as eventual inspection), submission of the proposal and the related communication between the Contracting Authority and the tenderer shall be fully borne by the tenderer. Eventual failure in the Tender shall not entitle the tenderer to claim compensation of costs related to the participation in the Tender from the Contracting Authority. The tenderer shall not be entitled to the compensation of costs related to its participation in the Tender not even if its proposal was the winning one.
- 12.11** The Tender Documents shall be subject to the trade secret without any time restriction.
- 12.12** The tenderer takes notice of the fact that refusal of the proposal, not inclusion of the tenderer's proposal in the evaluation, not acceptance of the tenderer's proposal or cancellation of the tender fails to establish the right for submission of any remedies or other revision procedures.

Part II Communication and explanation

13 Communication between the Contracting Authority and the tenderers

13.1 The Contracting Authority shall provide explanations and other communication (hereinafter referred to simply as “**information**”) for the tenderers only in writing by email in the electronic form.

14 Explanation and supplementing the Tender Documents

14.1 Where there is a need to explain the Tender Documents, any tenderer may, pursuant to point 13, ask for an explanation directly through the purchasing portal NAFTA a.s.

14.2 A request of a tenderer for an explanation of the Tender Documents shall be deemed as having been delivered in time, if delivered to the Contracting Authority in writing in accordance to point 13 at latest 12th November 2018.

14.3 A common response to any request for an explanation of the Tender Documents submitted by any tenderer pursuant to points 13 and 14.2 is notified within three working days from the delivery of the respective request to all tenderers who took receipt of the Tender Documents.

Part III. Preparing a bid

15 Language of bid

15.1 The Contracting Authority allows bids to be submitted in the English language.

16 Content of a bid

16.1 Any bid submitted by a tenderer must comprise the following:

16.1.1 List of documents - the contents of the material;

16.1.2 Statement by the tenderer, confirming the following:

16.1.2.1 Veracity and completeness of all the documents and data given in its bid;

16.1.2.2 Affidavit of the fact that the tenderer has elaborated its bid based on the submitted specification in accordance with Slovakian legislation;

16.1.2.3 Information about the company registration from the income tax viewpoint in the Slovakia pursuant to point 19.4;

16.1.2.4 Records and documents pursuant to point 17 and part A.2 Conditions of the participation of tenderers;

16.1.2.5 Proposal for meeting individual criteria, i.e., properly and complete filled in Appendix no. 1 & Appendix no. 2;

16.1.2.6 Draft of the Frame contract on the provision of services pursuant to point 8.1.1, taking into account the following parts: B.1 Description of the subject of procurement; B.2 Method of determining the price; B.3 Commercial and contractual conditions.

16.2 Where a tenderer does not respond to any of the questions of the Bid Evaluation Committee, it shall be excluded from the Tender.

17 Compliance with the conditions of the participation of tenderers

- 17.1** Compliance with the conditions of the participation of tenderers in the Tender pursuant to point 16.1 shall be assessed based on the records and documents submitted pursuant to the requirements stipulated in part A.2 Conditions of the participation of tenderers.
- 17.2** The tenderer may submit also other record or documents as required in part A.2 Conditions of the participation of tenderers, points 2 and 3, while it proves the required facts.
- 17.3** Where the participant fails to submit any among the required records and documents, or it fails to respond any of the questions by the Contracting authority within the explanation of bids, or it does not meet the conditions of the participation in the Tender pursuant to part A.2 Conditions of the participation of tenderers, the tenderer shall be excluded from the Tender.

18 Requirement for Bid bond Guarantee

- 18.1** The Bid bond Guarantee is not required.

19 Currency and contractual prices given in a bid, VAT

- 19.1** The proposed prices must be set out pursuant to part B.2 Method of determining the price.
- 19.2** The contractual price proposed by the tenderer must be given in EURO.
- 19.3** Where the tenderer is a payer of value-added tax (hereinafter only as "VAT") in Slovakia, it must give the proposed contractual price as follows:
- 19.3.1** Proposed contractual price, excluding VAT,
- 19.3.2** Rate of VAT and amount of VAT,
- 19.3.3** Proposed contractual price, including VAT.

Where the tenderer is not a payer of VAT in Slovakia, it shall give the proposed contractual price as a whole, excluding VAT. Simultaneously, the tenderer shall advise of this fact in its bid.

- 19.4** Information about the company registration from the income tax viewpoint in Slovakia.
- 19.4.1** If the potential contract partner has an operation in Slovakia from the viewpoint of tax purposes, we require a statement that it pays advances for its income tax.
- 19.4.2** If the potential contract partner does not have an operation in Slovakia from the viewpoint of tax purposes, we require an affidavit whose contents is as follows:

"The supplier hereby states that it has no permanent operation in Slovakia according to the Treaty on Prevention of Double Taxation between Slovakia and the country of the supplier's residence. The supplier also states that it has concluded no contract on the basis of which a permanent operation could be established. If the supplier establishes a permanent operation in Slovakia according to the relevant Treaty on Prevention of Double Taxation or if it concludes a contract on the basis of which a permanent operation could be established, it will notify the client of this fact within 30 days at the latest. In case

of any breach of these obligations the supplier undertakes to pay to the Contracting Authority for any costs or expenses arising to the Contracting Authority in this relation.”

20 Design of a bid

- 20.1** Documents demonstrating the compliance with the participation criteria for tenderers or candidates who are established outside Slovakia must be submitted in the original language – at the same time – translated in to the English language. Where the tenderer or candidate has not been established in Slovakia, and the country in which he is established does not issue any of the documents referred to the Terms of Tender, they may be replaced by a solemn declaration in accordance with the regulations in the country in which he is established.

Part IV.

Submission of bids

21 Place and term of the bid submission

- 21.1** It is required to submit bids via purchasing portal NAFTA a.s. by the deadline for bid submission.

- 21.2** The deadline for bid’s submission ends **on 19th November 2018.**

22 Supplementing, amending and revoking bids

- 22.1** The tenderer may additionally supplement, amend or revoke its submitted bid at anytime until the lapsing of the deadline for bid submission pursuant to point 21.2.

- 22.2** Supplementing or amending the bid may be done through revoking the original bid based on an application signed by the authorised person of the tenderer sent via purchasing portal NAFTA a.s. and delivering of a new bid within the term for bid submission.

Part V.

Evaluation of bids

23 Confidentiality of the tender process

- 23.1** Any information concerning the examination, explanation, mutual comparison of the bids and recommendations shall be deemed as confidential until acceptance of the bid.

- 23.2** The information that the tenderer has marked as confidential in its bid shall not be disclosed.

24 Assessing of bids

- 24.1** Only such bids that comply with the following shall be included in the bid evaluation process:

- 24.1.1** They contain the essentials set out in point 16, and concurrently

- 24.1.2** They comply with the requirements and conditions stipulated in the notification of announcing the Tender Documents and herein.

24.2 A bid shall be considered as valid, where it does not contain any restrictions or reservations, which are at variance with the given requirements and conditions. Any other bids of tenderers are excluded from the Tender.

24.3 A tenderer shall be notified of the exclusion of its bid, with a statement of the reasons for the exclusion.

25 Correction of errors

25.1 The Contracting Authority shall correct evident mathematical errors found in evaluating the bids in this way:

25.1.1 Where there is any difference between an amount stated in numbers and an amount stated in words, then the sum given in word is valid;

25.1.2 Where there is any difference between a unit price and a total price, and the given error has arisen as the consequence of incorrect multiplication of that unit price and the amount, then the unit price is valid;

25.1.3 Where there is an evident gross error of the unit price in the decimal point, then the total price of the item as it is quoted shall be valid, merely that decimal point is corrected;

25.1.4 Where there is incorrectly calculated a sum in the mutual summation or a subtotal of separate items and similar.

25.2 The Contracting Authority shall notify the tenderer immediately of any correction made.

25.3 The Contracting Authority shall excludes any bid from the bid evaluation process if:

25.3.1 The tenderer does not accept a corrected sum.

25.4 The tenderer shall be notified of the exclusion of its bid, with a statement of the reasons for its exclusion.

26 Explanation of bids

26.1 The Contracting Authority may ask tenderers for explanation of bids. However, it may not call for or accept any offer of the tenderer for a change, through which the bid is more advantageous.

26.2 The Contracting Authority shall ask the tenderer for a substantiation of its price proposal in the case, where a bid contains an unusually low price.

26.3 The tenderer must prove in the substantiation submitted that the quoted price comprises all the expenses and costs related to the service's provision.

27 Currency and evaluation of bids

Prices given in the tenderers' bids are evaluated in EURO.

Part VI.
Acceptance of Contract

28 Notification of the ranking of bids

28.1 A notification of the result of the assessment of bids shall be sent to every tenderer whose bid has been evaluated.

28.2 The successful tenderer (winner) shall be notified of the acceptance of its bid. Other tenderers shall be notified of their non-acceptance.

TENDER DOCUMENTS

A.2 Conditions of the participation of tenderers

A.2 Conditions of the participation of tenderers

Any tenderer must comply with the following conditions of the participation in the Tender:

1. The tenderer must comply with the conditions of the participation proving this through the submission of documents as follows:

- 1.1** A certificate of the relevant regional court that the tenderer is not in bankruptcy, that no bankruptcy and compensation proceedings is running against the tenderer, that no refusal was given to the petition for bankruptcy due to the lack of assets/property (these documents shall be submitted by juridical persons, as well as by natural persons). Such a certificate must reflect the current status at the time when the tenderer participates in the Tender;
- 1.2** A certificate of the relevant court that the tenderer is not in a winding up process (documents shall be submitted by juridical persons). Such a certificate by the court must be current, reflecting the real status at the time when the tenderer participates in the Tender;
- 1.3** A certificate of the relevant tax office not older than three months, that the tenderer has not registered any tax arrears in Slovakia or in the country of its registered office that have been enforced through the execution of a decision;
- 1.4** A certificate(s) of the relevant health insurance institution(s) not older than three months, that the tenderer is kept in the health insurance premium payer records and the tenderer has not registered any arrears of insurance premium in Slovakia or in the country of its registered office that have been enforced through the execution of a decision;
- 1.5** A certificate of the relevant social security institution not older than three months, that the tenderer is kept in the sickness and pension insurance premium payer records and the tenderer has not registered any arrears of insurance premium in Slovakia or in the country of its registered office that have been enforced through the execution of a decision;
- 1.6** A document proving the authorisation to do a business, where the subject of business is written down, authorising the tenderer to provide/deliver the services required:
 - 1.6.1** A trade licence or an extract from the Trade Register (shall be submitted by a natural person-entrepreneur and a budgetary organisation-entrepreneur);
 - 1.6.2** An extract from the Commercial Register (shall be submitted by a juridical person-entrepreneur registered in the Commercial Register);
 - 1.6.3** Other than trade licence issued pursuant to the specific regulations.

A document proving the authorisation to do a business must reflect the current status at the time when the tenderer participates in the Tender.

- 1.7** The tenderer with its registered office out of Slovakia shall submit the documents required in points 1.1 to 1.6. Where in the country of its registered office some of the required documents are not issued, then the tenderer shall replace them by its affidavits in accordance with the regulations applicable in the country of its registered office.
- 1.8** Through an affidavit stating that its business activity has not been suspended, or it is not in any similar situation pursuant to law and regulations applicable in its country of its registered office.

2 In the bid the tenderer must submit the following information and documents proving its financial or economic standing:

- 2.1 A statement by the bank that the tenderer is able to meet its financial liabilities; this document may not be older than three months at the time of submission.
- 2.2 A certificate on the insurance of compensation of damages arising from the entrepreneurial risk.
Photocopy of the insurance policy on all devices to be used by the applicant to provide services, whether owned, leased or otherwise, against all risks, including loss (does not have to be a certified document).
- 2.3 A balance sheet or an extract thereof while its disclosure is required pursuant to the generally binding regulations applicable in the country of its registered office, or an account of assets and liabilities within last three years.
- 2.4 An overview of turnover in the area covered by the contract for the three (3) most recent fiscal years available, depending on when it was established or commenced operations.

If the tenderer uses double-entry accounting, it should submit its financial statements of profit and loss, and if the applicant uses single-entry accounting, it should submit its financial statements of receipts and expenditures, and these for the three (3) most recent fiscal years available, depending on when it was established or commenced operations.

The tenderer should also submit an affidavit, signed by a person authorized to act on behalf of the tenderer, providing an overview of turnover in the area covered by the contract for the three (3) most recent fiscal years available, depending on when it was established or commenced operations.

The submitted documents must be certified by the competent tax authorities or auditor, or equivalent office in the tenderer's country of establishment.

The Contracting Authority considers the area covered by the contract to be provision of the mud services.

3 The tenderer must submit within its bid the following information and documents proving its technical competence necessary for provision of the services:

- 3.1 The list of the provided services over the preceding three years.
- 3.2 A statement that the tenderer has available the means, mechanical and technical equipment:
 - 3.2.1 The Contracting Authority requires the tenderer to submit a quality certificate issued by an independent institution attesting to the tenderer's compliance with quality assurance standards.
 - 3.2.2 Information about the organisation, management and resources, including experts/specialists.
 - 3.2.3 Before a Contract is signed with the successful tenderer, the tenderer shall supply the Contracting Authority with all permits, licenses and approvals as required by the applicable Slovakian laws and regulations for rendering the services under such Contract. The permits, licenses and approvals for rendering the services that, under applicable Slovakian laws and regulations can be secured only after the

Contract is signed, must be timely provided by the tendered to the Contracting Authority before actual commencement of the services rendering.

TENDER DOCUMENTS

A.3 Bid evaluation criteria

A.3 Bid evaluation criterion

1. The only one criterion for evaluation of the bids is: **the price of the subject of the procurement**. Criterion consists one sub-criteria:

- a. price for a mud turn-key service for the drilling operations;

Prices shall be evaluated in EURO excl. VAT.

The price for the subject of procurement shall contain the item unit prices and also the calculation of these unit prices applied to the given technical conditions also in according to the part *B.1 Description of the subject of procurement*.

Please split the final price:

- A) In the amount of the tax base (including all related costs);
- B) In the amount of VAT (if applicable);
- C) In the amount of other taxes that may apply (e.g. withholding tax, etc.)

Each of the items will be evaluated separately and also the total price calculated on the basis of summary of the individual price items conjunction.

Appendix 1) - proposal of the tenderer for fulfilling the criterion

1. Trade name of the tenderer:

2. Address or residence of the tenderer:

3. Subject of procurement: **Providing of mud services for the well drilling operations**

Name of criterion:	Unit:	Proposal of the tenderer:
The price	Total price in EURO excl. VAT for a)	<i>Tenderer will complete price rounded for max. 2 decimal places</i>

Appendix 2) – Price Schedule – itemized budget

Total price for a): mud turn-key service for the drilling operations					
Item no.	Description of item	Unit price in EURO excl. VAT	Number of the units	Type of unit	Total price in EURO excl. VAT
1	Total costs for mobilisation of the personnel, equipment, material and the dewatering unit including the rigging up of the equipment + maintenance.	<i>Tenderer will complete price rounded for max. 2 decimal places</i>	1	unit	<i>Tenderer will complete price rounded for max. 2 decimal places</i>
2	Total costs for demobilisation of the personnel, equipment, material and the dewatering unit including the rigging down of the equipment + maintenance.	<i>Tenderer will complete price rounded for max. 2 decimal places</i>	1	unit	<i>Tenderer will complete price rounded for max. 2 decimal places</i>
3	Total costs for transport of the personnel, equipment, material and dewatering unit.	<i>Tenderer will complete price rounded for max. 2 decimal places</i>	<i>Tenderer will complete number of units</i>	km	<i>Tenderer will complete price rounded for max. 2 decimal places</i>
4	Total costs for personal mainly: Mud Engineer, Solid Phase Control Engineer for the waste management - technician operating the flocculation unit for: a) conductor + surface section 12 1/4"; b) production section 8 1/2".	<i>Tenderer will complete price rounded for max. 2 decimal places</i>	1	unit	<i>Tenderer will complete price rounded for max. 2 decimal places</i>
5	Total costs for technical equipment, mainly: flocculation unit, mud – laboratory, 2 x centrifuges for: a) conductor + surface section 12 1/4"; b) production section 8 1/2".	<i>Tenderer will complete price rounded for max. 2 decimal places</i>	1	unit	<i>Tenderer will complete price rounded for max. 2 decimal places</i>
6	Total costs for material, mainly: chemicals + additives, screens for: a) conductor + surface section 12 1/4"; b) production section 8 1/2".	<i>Tenderer will complete price rounded for max. 2 decimal places</i>	1	unit	<i>Tenderer will complete price rounded for max. 2 decimal places</i>
Total price in EURO excl. VAT (is in line with the price quoted in the proposal for fulfilling the criterion)					<i>Tenderer will complete price rounded for max. 2 decimal places</i>
Volume of the VAT					<i>Tenderer will complete price rounded for max. 2 decimal places</i>
Total price in EURO incl. VAT					<i>Tenderer will complete price rounded for max. 2 decimal places</i>

Notes:

1. The localization of the type of this well is the EA – Trnava, Slovakia territory;
2. For item no. 3 please also indicate your number of units.

The well's conditions:

- See part B.1 of this tender documents.

Notice: the above mentioned parameters and amounts of services will be used only for tender evaluation. The figures for the offer procedure of the next specific well projects in the future during 4 years' time period of the Frame contract on the provision of services may vary.

TENDER DOCUMENTS

B.1 Description of the subject of procurement

B.1 Description of the subject of procurement

B.1.1 Subject of the procurement:

Provider must be able to execute the mud services for the well drilling operations on the territory of Slovakia and to supply the necessary material and equipment and personnel for this service.

B.1.2 Provider will undertake to the following services:

B.1.2.1 For the needs of drilling **vertical and directional exploration** wells it is necessary to provide the following items:

- Proposal an appropriate drilling mud system with mud properties description for drilling vertical and deviated wells approx. 2.000 m depth,
- Proposals of drilling mud systems with materials consumption and a budget by individual items,
- Preparing, conditioning and maintaining the drilling mud system on the drilling site according to an approved drilling program, waste management and cuttings handling and loading,
- Providing necessary chemicals, and mud loss additives,
- Keep file of consumption and stock of chemicals and materials,
- Periodical testing of the mud properties twice a day at minimum,
- Preparing daily mud report,
- Providing the necessary screens for the shale shakers and mud cleaner,
- Providing a skilled mud engineer and a solid control engineer for the waste management during the drilling all the intervals of the well.

The offered drilling mud systems must be proposed for the expected lithological profiles of the wells stated in the tables. There are water-bearing horizons with fresh water up to 500 m. The salinity of formation water gradually increases from this depth onward. The water-bearing horizons exist in the whole profile of wells.

Sand beds are formed by unconsolidated gravels and sands. Clays easily swell and dispersing. The drilling mud system must guarantee the stability walls of hole, prevent of cavities and swelling of the hole. The mud has to prevent dispersing of shale cuttings and enable easy to clean of mud.

The proposed drilling mud system must meet functional requirements (transport of cuttings, cleaning and lubrication, cooling, stability against temperature, pressure, mechanical load, easy cleaning, microbiological stability, stability against calcite ions, with low content of solid phase, friendly to the formation, etc.).

The drilling mud system must not have a negative influence on the formation properties.

It provides a good inhibition and drill ability of reactive clays, keeps low (<40 kgm⁻³) or very low (<20 kgm⁻³) content of active clays, it enables high speed of drilling, etc.

We expect generally hydrostatic pressures in the whole profile of exploration wells, but we should assume cases where some intervals could be encountered with pressure

approximately 20% over hydrostatic pressure as a contingency.

We expect hydrostatic pressures in other formation that are water-bearing.

For drilling of horizon with hydrostatic pressure and lowest we require the drilling mud density in the range of 1.050 – 1.100 kgm⁻³.

For drilling of horizon with pressures higher than hydrostatic, we require the drilling mud density by 5 - 7% higher than the equivalent formation pressure.

The temperature in the total depth is cca 75°C depending of final well depth and locality. The fracture gradient below surface casing shoe is approx. 17 - 19 kPam⁻¹.

B.1.3 Basic well information:

Well design of the **exploration** well:

Location: Trakovice, Slovakia.

Interval	Drilled	Cased
Conductor	-	610 mm / 23 m
Surface	12 1/4" / 350 m	9 5/8" / 350 m
Production	8 1/2" / 1050 m	6 5/8" / 1050 m

Stratigraphic:	Notes:	Lithological:	Notes:
0 – 290 m	Pannonian	0 – 300 m	sands, sandy clays, shales
290 – 559 m	Upper Badenian	300 – 750 m	sandy clays, shales
559 – 875 m	Middle Badenian	750 – 1035 m	alternation of silty sands, shales
875 – 1 050 m	Lower Badenian	1035 – 1050 m	sandstones, shales

Formation Pressure: hydrostatic
 Max. temperature: 70°C
 Fracture pressure gradient: 18 kPa/m

Required density of the mud:

Surface interval: 1180 – 1200 kg/m³

Production interval: 1100 – 1130 kg/m³

Operation time:

Surface interval: 4 days

Production interval: 10 days

Shale shakers: MiSwaco BEM3

Mud cleaner: MiSwaco ALS 2

The tenderer shall be obliged to include the following in the bid:

1. A proposal of drilling mud for the exploration well containing at least: description of drilling mud, typical properties, composition of mud, requirements for materials including the price statement (by sections), instructions, summary of chemicals consumption and their costs, data about the flocculation unit, chemicals consumption, costs of the mud engineer and the solid control engineer, estimated consumption of screens according to the MESH with prices and mud laboratory.
2. References on the use of the proposed drilling mud while drilling exploration wells. We prefer mud types which components are biological decomposable and which are suitable for next processing e.g. to compost or soil i.e. do not need dump.
3. Possibilities of increasing density of the proposed system without adding the solid

phase as well as using CaCO₃ including the maximum possible density of drilling mud.

4. Possibilities of solving eventual losses of mud during drilling with the used additives.
5. A list of all additives composing the proposed drilling mud, cleaning mud with dewatering unit and unit prices for given additives.
6. A type of dewatering unit, which may be used for conditioning of the mud and its technical parameters.
7. A list of the necessary sizes of screens and their unit prices.
8. The daily rate for mud engineer, solid control engineer and mud laboratory.
9. The rate for mobilisation and the unit price for 1 km of equipment transport.
10. Option: State if you are able to provide cuttings loader (excavator) and the unit price for 1 day of its operation.

TENDER DOCUMENTS

B.2 Method of determining the price

B.2 Method of Determining the Price

The basis for elaborating a price quotation is the detailed specification given herein in part B.1 Description of the subject of procurement.

1. The price proposed by the tenderer shall be denominated in EURO.
2. The tenderer is obliged to quote (fill in) the prices to every item given in Appendix no. 2.
3. The Bid Evaluation Committee may ask the tenderer to explain and substantiate the commensurateness of the proposed prices, where the tenderer's bid contains an unusually low price or unusually high price.

TENDER DOCUMENTS

B.3 Commercial and Contractual Terms and Conditions

B.3 Commercial and contractual conditions

Draft of the Frame contract on the provision of services - (Separate .doc file)