



Notice Inviting Offers for Exploration and Development of Oil & Gas Blocks in India under Hydrocarbon Exploration Licensing Policy (HELP)



Ministry of Petroleum & Natural Gas
Government of India

Ministry of Petroleum & Natural Gas
Government of India

2017



Sl. No.	Notice Inviting offers (NIO	Page No.
1	Notice Inviting Offers for Exploration and Development of Oil & Gas Blocks in India under Hydrocarbon Exploration Licensing Policy (HELP)	1-34
2	Notice Inviting Offers for Reconnaissance of Oil & Gas Blocks in India under Hydrocarbon Exploration Licensing Policy (HELP)	36-63

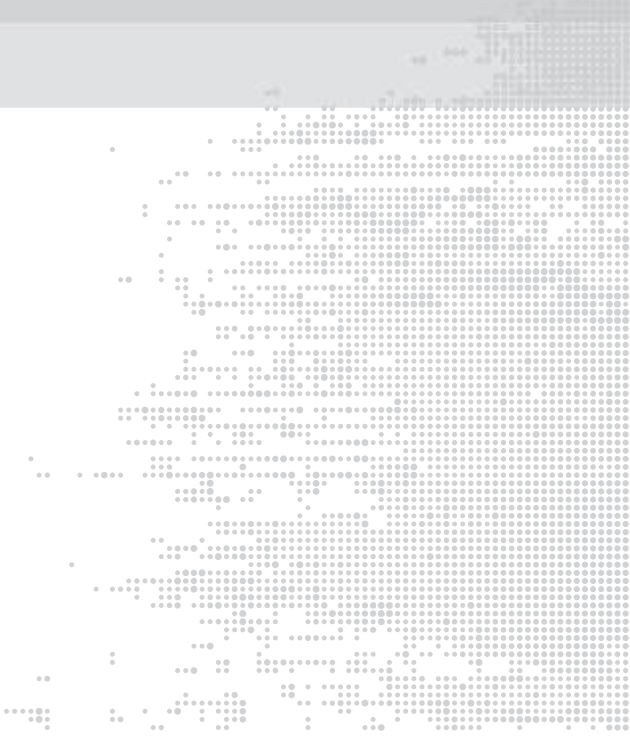


TABLE OF CONTENTS

Sl. No.	Contents	Page No.
1	Announcement	1
2	Main features of terms offered	2
3	Biddable Terms:	3
4	Bid Qualifying Criteria	5
5	Bid Rejection Criteria	8
6	Bid Evaluation Criteria	9
7	Availability of Information	11
8	Other terms and conditions	12
9	Location map of offered blocks on sedimentary basins map	18
10	Details of blocks on offer	19
11	Basin wise distribution of offered blocks	20
12	Historical categorization of total sedimentary basins	21
13	Geological set-up of sedimentary basins of offered blocks	22
14	Additional technical details of the blocks on offer:	23
15	Historical categorization of total sedimentary basins	24
Annexure 1-	Format for Submission of Bids for the Offered Oil & Gas Blocks	25
Annexure 2 -	Additional Corporate information	31
Annexure 3 –	Purchase of Data	32
Annexure 4 -	Proforma of Bid Bond to be submitted by the Bidder	33





1 Announcement

- (i) With the objective to augment domestic production of Petroleum, the Government of India (**“Government”**) announces the offer of [---] blocks under the new Hydrocarbon Exploration and Licensing Policy (**“HELP”**) through International Competitive Bidding (**“ICB”**).
- (ii) Companies are invited to bid for exploration, development and monetisation of [---] blocks likely to contain both conventional and/or unconventional hydrocarbon resources, distributed in [...] sedimentary basins. A total of [...] [Onland BlocksShallow Water BlocksDeep Water BlocksUltra Deep Water Blocks and [...] [Frontier Blocks are on offer. Companies, either alone or in consortium of unincorporated or incorporated joint ventures, may bid for one or more blocks. Requisite technical and financial capabilities are qualifying criteria as mentioned in the Chapter 4 of this document. Bids would be evaluated on the basis of the Committed Work Programme and the Fiscal Parameters

#Note: The words and phrases not defined in this document shall have the same meaning as defined in the Model Revenue Sharing Contract (hereinafter referred to as “MRSC”) or Reconnaissance Contract (hereinafter referred to as “RC”), as the case may be.



2 Main features of terms offered

These blocks shall be awarded to successful bidder by entering into a Revenue Sharing Contract (“**RSC**”) with the Government along the lines of published Model Revenue Sharing Contract (“**MRSC**”). The RSC is in line with the Government’s efforts to promote ‘Ease of Doing Business’ and is based on a simple and easy to administer contractual model with minimum regulatory oversight for exploration and development of Petroleum reserves . Some of the attractive features of the terms offered by the Government are as under:

- (i) The Contractor is allowed to explore and extract both conventional and unconventional hydrocarbons under a single license.
- (ii) The Contractor is allowed to carry out exploration activity throughout the contract period.
- (iii) Bidding criteria consists of two components: Biddable Work Programme and Biddable Government Share of Revenue at different revenue points.
- (iv) Biddable Work Programme consists of exploration only, which is to be completed within initial 3 (three) consecutive contract years (“**Initial Exploration Phase**”) and extension(s) thereto, if availed for all types of blocks.
- (v) Government Share of Revenue (net of royalty and taxes on sales) shall be payable by the Contractor commencing from the onset of production.
- (vi) There is a provision for constant revenue sharing for initial period of 2 (two) years in case of Onland Blocks, 3 (three) years in case of Shallow Water Blocks and 5 (five) years in case of Deep Water Blocks and Ultra Deep Water Blocks irrespective of the revenue levels to incentivize investment of the Contractor.
- (vii) Up to 100% (hundred percent) participation by foreign companies is allowed .
- (viii) Exemption from customs duty is provided on imports required for Petroleum Operations as per extant Government policy.
- (ix) Cess under Oil Industry (Development) Act, 1974 (“**OIDB Act**”) shall not be applicable on crude oil production from these blocks.
- (x) The Contractor will have freedom of pricing and marketing of Petroleum produced from these blocks. The price of Petroleum will be discovered by the Contractor on arm’s length basis.
- (xi) In order to incentivize offshore exploration, a graded system of reduced royalty rates would be applicable as per para 8(xix) of this document.
- (xii) Assignment of Participating Interest (“**PI**”) has been eased.
- (xiii) Arbitration and Conciliation Act, 1996, based on United Nations Commission on International Trade Law (UNCITRAL) model, would be applicable.
- (xiv) Predetermined Liquidated Damages (“**LD**”) have been specified for unfinished the Committed Work Programme.
- (xv) One-time bank guarantee (“**BG**”) shall be applicable for the committed/ subsequent work programme as the case may be.

¹Subject to Indian Regulation on Foreign Investments



3 Biddable Terms:

Bids are invited for the Initial Exploration phase for all type of blocks falling in any of the Zones (as defined in Procedure for Operationalization of Open Acreage Licensing Policy).

(I) Bidders will be evaluated based on following parameters:

S.no	Parameter	Score (on a scale of 100)
1	Originator incentive	5
2	Work program commitment (for details refer Para 6.1)	45
3	Biddable Government Share of Revenue	50
	Total	100

Only the Bid Work Programme will be considered for evaluation purposes. Any contingent/conditional work programme will be ignored, while evaluating the bids. The Committed Work Programme is required to be completed in the Initial Exploration Phase

- (ii) After the expiry of the Initial Exploration Phase, provided that the Contractor has completed the Committed Work Programme or paid the LD for the unfinished Committed Work Programme, the Contractor shall have an option to proceed to the Subsequent Exploration Phase for an year or multiple thereof with maximum period of 3 (three) years by committing drilling of 1 (one) Well per year in the contract area (in case of Onland Blocks/Shallow Water Blocks) and 1 (one) Well for first 2 (two) years or more than 1 (one) Well for all 3 (three) years in contract area (in case of Deep Water Blocks and Ultra Deep Water Blocks), 3 (three) pilot Wells per year (in case of CBM blocks). In case of CBM, Successful Test Wells can be carried forward to Subsequent Exploration Phase and can be set-off against the committed number of Pilot Wells The Contractor has to pay requisite guarantees for the Subsequent Work Programme committed as provided for in Article 27 of the MRSC. The Subsequent Work Programme commitment can be made either upfront for complete Subsequent Exploration Phase or part thereof with an option to extend the Subsequent Exploration Phase in steps subject to para 8 (viii) of this NIO by committing additional Wells. The Subsequent Work Programme commitment for any extension along with the requisite additional BG, as per Article 27 of the MRSC, is to be submitted to the Government at least 30 (thirty) days prior to the expiry of the Subsequent Exploration Phase permitted based on the prior commitment.
- (iii) The “Revenue” for the purposes of determining the Government’s share of revenue under this contract shall be:
- (a) All amounts that are accruing to the Contractor, net of taxes on sales, on account of the Petroleum produced and saved from the contract area for the month, less
- (b) Royalty for that month.
- Computed by applying the weighted average selling price for the relevant month at the delivery point, subject to the provisions of valuation of Petroleum as per Article 19 of the MRSC.
- (iv) The bidder should bid percentage share of Revenue offered to Government at the Lower Revenue Point (“**LRP**”) which is equal to or less than [... million] of revenue per day and at the Higher Revenue Point (“**HRP**”) which is equal to or more than [...million] of revenue per day.



- (v) The percentage Revenue shares offered shall be non-zero positive whole number, such that, the percentage share of Revenue offered by the bidder to the Government at the HRP shall be higher than that offered at the LRP. Bids not fulfilling these requirements will be rejected.
- (vi) The percentage Revenue share to the Government between the LRP and the HRP shall be interpolated on a linear scale with a positive slope.



4 Bid Qualifying Criteria

- (i) Payment of Tender Fees (as per para 8(iv)) must be made by the bidder on or before the bid closing date
- (ii) A bid shall be submitted in format as prescribed in "FORMAT FOR SUBMISSION OF BIDS" covering all the information / details listed therein including Bid Bond as well as unconditional acceptance of the contract terms.
- (iii) The bidder must be a company singly or in association with other companies, through an unincorporated or incorporated venture.
- (iv) Notarized deed or declaration shall be submitted along with the bid that it is not in a state of bankruptcy, liquidation, cease of operations, receivership, or other similar state, and no process of being placed in bankruptcy, liquidation, receivership, or other similar process has been filed against him/her.
- (v) A copy of the memorandum and articles of association and by-laws of the applicant person, registration certificate along with the name of any sovereign state or legal entities or nationals of any sovereign state that directly or indirectly holds 50% (fifty percent) or more of the voting shares of each member of the bidder consortium, or otherwise has an interest that could constitute control shall be submitted. In case of group of companies, the group's structure and organization structure shall also be submitted.
- (vi) The net worth of the bidding company (ies) should meet the financial capacity criteria specified in para 4(xi) of the NIO. The net worth will be calculated in accordance with the method given in the "FORMAT FOR SUBMISSION OF BIDS". Bids not meeting the net worth criteria shall not be considered for further evaluation.
- (vii) The annual report including the audited annual accounts for the latest completed year and a certificate of net worth from the company's statutory auditor(s) based on the audited annual accounts for the latest completed year should be submitted. In case the parent company provides financial and performance guarantee for its subsidiary, then the annual report, annual accounts and net worth certificate in respect of the parent company should be submitted and the financial capability of the parent company shall be considered for evaluating the financial capability of a bidding company.
- (viii) Bidder shall submit board approved financing plan, clearly specifying the sources of funding for Work Programme submitted in the bid for Initial Exploration Phase. The financing plan shall be supported by necessary documents as may be required by the DGH.
- (ix) Any additional information supporting the financial capacity of the bidder, as deemed fit should be submitted.
- (x) Satisfaction of Technical Qualification Criteria (only for pre-qualification and nil weightage for bid evaluation)



Technical Qualification Criteria (only for pre-qualifications and nil weightage for bid evaluation)

The Operator would be required to meet the following technical qualification criteria as on submission date:

Sl.	Criteria	Onland	Shallow Water	Deep water/ Ultra-deep Water	CBM
1	Minimum Operatorship Experience (Experience of operatorship in oil and gas exploration and / or development and / or production in the last consecutive 10 (Ten) years)	1 year experience is mandatory	1 year experience is mandatory	1 year experience is mandatory	1 year experience is mandatory
2	Minimum acreage holding (sq. Km.): (for Onland, Shallow Water, Deep Water/ Ultra Deep Water Blocks and CBM block) in the last consecutive 10 (ten) years	Positive Optional if Point No. 3 is fulfilled			
3	Minimum average annual production for the previous 5 (five) years: (for Onland, Shallow Water, Deep Water/ Ultra Deep Water Blocks)	Positive Optional if Point No. 2 is fulfilled			

Note:

- (i) **“Operatorship Experience”** means experience of the party, appointed in accordance with laws of the respective country (ies), to conduct and execute exploration and/or development and/or production operations.
- (ii) Operatorship Experience in respective category of block is required for which bidder is applying, subject to:
 - a. Operatorship Experience in Deepwater/Ultra Deepwater block would be recognized as relevant for all type of blocks.
 - b. Operatorship Experience in Shallow water block would be recognized as relevant for Deepwater, shallow water and on-land blocks.
 - c. Operatorship Experience in on-land block would be recognized as relevant for on-land and Shallow water blocks.
 - d. Operatorship Experience in Coal Bed Methane (**“CBM”**) block would be recognized as relevant for on-land blocks.
- (iii) Acreage Holding (Petroleum Exploration License) means those areas where the designated Operator holds lease/license /permit etc., for exploration and/or development and/or production operations in accordance with the laws of respective countries.



(xi) Financial Qualification Criteria

Following financial qualification criteria needs to be fulfilled by the bidder for Petroleum Operations Contract in proportion to their PI:

Type of bock	Net-worth* for one Sector (10'x10') (\$ mn)	Net worth for additional Sectors (\$ mn/Sector)
Onland/Frontier	5	1
Shallow Water	20	2
Deep Water	60	2.5
Ultra-Deep Water	90	3
CBM	2.5	0.5

*Net worth of the latest completed financial year.

Note : The net worth for an area of [1'x1'] will be pro-rated in proportion to the net worth requirement for 1 (one) Sector of size (10'x10').

Any bid failing to meet the above financial qualification would not be evaluated further

Note: For conversion to United States Dollar from other currencies, the currency exchange rate prevailing as on the date of the balance sheet or if not available, the latest currency exchange rate prevailing prior to the date of balance sheet shall be used. The bidder may provide in its the bid, such document showing Reserve Bank of India ("RBI") reference rate or rate quoted by any other bank, used by him for currency conversion

Net worth of the constituents of the bidder will be reassessed in proportion to their PI at the time of technical bid opening. At this stage, net worth of the bidder should be equal to or more than the higher of:

- Estimated expenditure for the Committed Work Programme; or
- LD equivalent value of the Committed Work Programme.

Any shortfall in the net worth is allowed to be supported by an equivalent BG in favour of the Government from a scheduled commercial bank. This BG will be released upon submission of the BG against LD as per Article 27 of the MRSC.



5 Bid Rejection Criteria

- (i) Any bid which does not conform to the any of the requirements of technical and/or financial pre-qualification criteria shall be rejected.
- (ii) Any bid which is without documentary proof of payment of Tender Fees for the block to be bid shall be rejected.
- (iii) Any bid which is not submitted in the format as prescribed in “FORMAT FOR SUBMISSION OF BIDS” incorporating all the information/details listed therein including Bid Bond, in prescribed format and value, as per Para 8(v) below, is liable to be rejected.
- (iv) Any bid which is submitted with any assumptions / deviations which are inconsistent or not complying with the terms listed in the NIO is liable to be rejected.
- (v) Any bid which is not accompanied by the annual report incorporating the audited annual accounts for the last completed year along with a certificate of net worth from the company’s statutory auditor(s), based on the last audited annual accounts certifying the net worth of the bidding company, is liable to be rejected. The Government at its sole discretion reserves the right to accept or reject any or all of the bids received without assigning of any reason, whatsoever.
- (vi) Any bid that does not meet the net worth requirement at bid evaluation unless the deficit is secured through required BG against deficit net worth shall not be considered for further evaluation.



6 Bid Evaluation Criteria

Bids will be evaluated based on the following criteria:

1. Work Programme Commitment

1.1. Work Program Commitment for E&P blocks (excluding CBM)

S.no	Activity	Marks	
(I)	2D Seismic surveys (API)	8	Bidder quoting highest 2D seismic survey (LKM) will be assigned 8 (eight) marks and others will be assigned marks proportionately
(ii)	3D Seismic surveys (API)	17	Bidder quoting highest 3D seismic survey (Sq.KM) will be assigned 17 (seventeen) marks and others will be assigned marks proportionately.
(iii)	Exploratory Wells	15	Bidder quoting highest number of Wells will be assigned 15 (fifteen) marks and others will be assigned marks proportionately
(iv)	Core analysis (for shale resources)	5	Bidder quoting maximum number of Wells with core analysis for target shale plays will be assigned 5 (five) marks and others will be assigned marks proportionately.

Note:

a) The target horizon for surveys, minimum target depth of Well(s) for Initial Exploration Phase and target horizon for Subsequent Exploration Phase to be drilled in the respective block will be as per Annexure -1 'FORMAT FOR SUBMISSION OF BIDS' for the offered oil and gas blocks of this document.

b) If the bidder bids for full area 3D then he will get full marks allotted to 2D as well.

1.2. Work Program Commitment for CBM blocks

S.no	Activity	Marks	
(i)	Exploratory core hole drilling including geophysical logging	25	Bidder quoting highest number of Wells gets maximum marks and others on pro-rata basis
(ii)	Test Wells	20	Bidder quoting highest number of Wells gets maximum marks and others on pro-rata basis

Exploratory core hole drilling including geophysical logging (Core hole should penetrate the technical basement i.e. at least 5 (five) meter thick sediments below the deepest coal seam).

2. Originator Incentive for all types of blocks

The Originator for the respective block will be assigned 5 (five) marks out of technical marks and other bidders will get 0 (zero) marks.

In case of a consortium submitting EoI, the same consortium without any change is liable to submit the



bid. The Originator Incentive would not be granted in case composition of the consortium changes at the time of bidding and the Participation Bond of such consortium would be forfeited.

Reconnaissance Contractor for a particular block, upon completion of at least 80% (eighty percent) of the work programme commitments, becomes eligible to submit an 'Intent to Migrate to Petroleum Operations Contract' ("**Intent to Migrate**"). Such Intent to Migrate would be treated as expression of interest to undertake Petroleum Operations Contract in that particular block. In such case, the Operator of the Reconnaissance Contract becomes eligible for an Originator Incentive.

3. Revenue share for all types of blocks

The Revenue share offered to the Government by the bidder at the LRP and at the HRP will be considered for evaluation.

The Net Present Value ("**NPV**") of Revenue share offered to the GoI by applying 10% (ten percent) per annum discount rate will be computed under 4 (four) scenarios taking into account 4 (four) notional production profiles. A simple average of the 4 (four) values of NPV of the Government share so arrived under the 4 (four) scenarios will be used for evaluation.

The bid with the highest NPV will be given the maximum marks and other bids will get points proportionately computed with reference to the Government NPV computed for the highest bid.



7 Availability of Information

The NIO with details of the blocks on offer, their geographical location on a map of India, the terms and conditions, bid format, price list, a copy each of the MRSC will be made available free of cost to companies. Copies of these documents may also be seen at website of Ministry of Petroleum & Natural Gas <http://www.petroileum.nic.in>, at website of DGH <http://www.dghindia.gov.in> and exclusive websites of National Data Repository ("NDR") (<http://www.ndrdgh.gov.in/>).

Geological information about the sedimentary basins is available for purchase in digital mode. The digital data set comprising seismic data, navigation data and Well log data, special reports like Well completion reports, etc., wherever available can be purchased on NDR (<http://www.ndrdgh.gov.in/>) as per their data and pricing policy.

Companies interested in inspection of data, purchase of data and for any further details in this regard may contact:

Directorate General of Hydrocarbons (Under Ministry of Petroleum & Natural Gas)

OIDB Bhawan, Plot No-2, Sector-73, Noida-201301, Uttar Pradesh, India

Phone: 0120-2472000, Fax: 0120-2472049, E-mail: xxxx

Website: <http://www.dghindia.gov.in>

<http://www.petroileum.nic.in>,

Bids shall be submitted online through e-bidding portal not later than 12:00 hrs. IST on [---], [....]. All documents as mentioned at [....] are to be submitted in duplicate in sealed envelopes super-scribed "Confidential Bid documents under Open Acreage Licensing policy for the block (s)....." not later than [12:00hrs] IST, [----] (Bid closing date) at DGH address mentioned above.

Bids shall be opened online at [13.30 hrs.] IST on the same day. Any change in the indicated schedule shall be communicated subsequently.



8 Other terms and conditions

(i) Parties to the Contract:

The parties to the contract shall be the Government and the successful bidder. The MRSC may be referred to for the detailed terms and conditions of the contract.

(ii) Type of Contract:

The contract shall be a revenue sharing contract in line with the MRSC published by the Government. Each of the companies participating in a consortium must have a minimum PI of 10% (ten percent) and the percentage participating share of each of the companies in the consortium should be specified in the bid.

(iii) Participation by Companies:

Bidding companies will have to:

- a) Provide audited financial statements, a board approved financing plan for funding Committed Work Programme and certificate of net worth from its statutory auditors in accordance with the bid format to prove its financial capability.
- b) Submit Bid Bond at the rate specified in para 8(V) below.
- c) Provide satisfactory proof of technical capability of the proposed Operator in accordance with the bid format.

(iv) Tender Fee:

Bidders will have to submit a non-refundable tender fee of USD 1,000 (United States Dollar one thousand) ("Tender Fee") through DGH payment gateway at the bidding stage.

Tender Fee will be waived of for the EoI submitting party/ Originator.

(v) Bid Bond:

Bidders will have to submit a bid bond of value USD 150,000 (United States Dollar one hundred and fifty thousand) ("Bid Bond") per Sector for POC for all types of blocks in the form of BG from a scheduled commercial bank valid for a period of 12 (twelve) months. A cap of USD 1,000,000 (United States Dollar one million) for block falling under Onland Block or Shallow Water Block category and USD 2,000,000 (United States Dollar two million) for blocks falling under Deep Water Block or Ultra Deep Water Block category is applicable. The Bid Bond and BG submitted in lieu of the net worth as per para 4(vi) will be released on submission of the BG as per Article 27 of the MRSC. If the contract is not signed by the bidder within 90 (ninety) days after the award of the block, the Bid Bond of the successful bidder will be forfeited. The Bid Bond for an area of [1'x1'] will be pro-rated in proportion to the Bid Bond requirement for one sector of size (10'x10').

The Originator will not be required to submit the Bid Bond. Participation Bond submitted along with the EoI would be valid at this stage.

(vi) Liquidated Damages:

The following LD shall be levied in case of unfinished work programme during initial and subsequent phases of exploration.



Test Method	Play	Liquidated Damages (USD)
Per line km of 2D Seismic (API)	Onland	2,500
	Shallow Water	1,000
	Deep Water	1,000
	Ultra Deep Water	1,000
	CBM	NA
Per square km of 3D Seismic (API)	Onland	5,000
	Shallow Water	1,500
	Deep Water	1,500
	Deep Water	1,500
	CBM	NA
Exploratory Well	Onland	1,000,000
	Shallow Water	3,000,000
	Deep Water	10,000,000
	Deep Water	12,000,000
	CBM	Corehole-250,000 Pilot Assessment Well – 650,000
Core analysis for Shale resources	All plays	250,000

(vii) Bank Guarantee:

One time BG shall be applicable for the committed/ subsequent work programme as the case may be. BG against the LD shall be an amount equal to the LD computed by applying the rates specified in the table 8 (vi) above.

(viii) Exploration Period:

The exploration period will be of 6 (six) years for all types of blocks.

a) The Initial Exploration Phase shall consist of:

- Initial 3 (three) consecutive contract years with a provision for single extension of maximum 1 (one) year for contract areas in Onland Block and Shallow Water Block; and
- Initial 3 (three) consecutive contract years with up to 2 (two) extensions of maximum 1 (one) year each in case of contract areas in Frontier Block, Deep Water Block and Ultra Deep Water Block.



Exploration Phase	Onland/Shallow Water/CBM	Deep Water/Ultra Deep Water/Frontier
Initial Exploration Phase	3 (three) years (plus provision for one year extension)	3 (three) years (plus provision for up to two extensions of 1(one) year each)
Subsequent Exploration Phase	3 (three) years (plus provision for 1(one) year extension)	3 (three) years (plus provision for up to 2 (two) extensions of 1(one) year each)
Exploration Period	6(+2) Years	6(+4) Years

- b) There will be no compulsory relinquishment after expiry of Initial Exploration Phase. However, the Contractor will have an option to relinquish entire area or part thereof after completion of Committed Work Programme or payment of LD for the unfinished Committed Work Programme.
- c) After the expiry of the Initial Exploration Phase, provided that the Contractor has completed the Committed Work Programme or paid the LD for the unfinished Committed Work Programme, the Contractor shall have an option to proceed to the Subsequent Exploration Phase for an year or multiple thereof with maximum period of 3 (three) years by committing drilling of 1 (one) Well per year in the contract area (in case of Onland Blocks/Shallow Water Blocks) and 1 (one) Well for first 2 (two) years or more than 1 (one) Well for all 3 (three) years in the Contract Area (in case of Deep Water Blocks and Ultra Deep Water Blocks), 3 (three) pilot Wells per year (in case of CBM blocks). In case of CBM, Successful Test Wells can be carried forward to Subsequent Exploration Phase and can be set-off against the committed number of Pilot Wells. The Contractor has to pay requisite guarantees for the Subsequent Work Programme committed as provided for in Article 27 of the MRSC. The Subsequent Work Programme commitment can be made either upfront for complete Subsequent Exploration Phase, or part thereof with an option to extend the Subsequent Exploration Phase in steps by committing additional Wells as per table below. The Subsequent Work Programme commitment for any extension along with the requisite additional BG, as per Article 27 of the MRSC, is to be submitted to the Government at least 30 (thirty) days prior to the expiry of the Subsequent Exploration Phase permitted based on the prior commitment.

(Subsequent Phase)Year→	1 st	2 nd	3 rd
Onland/Shallow water	1 Well	1 Well	1 Well
Deepwater/Ultra Deep Water	1 Well		1 Well
CBM	3 Wells	3 Wells	3 Wells

(ix) Development and Production Period:

The development and production period will not exceed a period of 20 (twenty) years from the date of grant of mining lease (“ML”) in respect of all types of hydrocarbons. The development and production period may be extended with mutual agreement between the Government and the Contractor up to a period of 5 (five) years extendable further for a period of 5 (five) years or such other period as mutually agreed based on the estimated economic life. In this regard, the bidders are advised to refer Article 11 and other relevant provisions of the MRSC.

(x) Relinquishment:

- a) Any relinquishment in the Contract Area shall be in integer multiples of an area of size 1'x 1' as specified in the NDR.



- b) There is no compulsory relinquishment after the expiry of Initial Exploration Phase. However, the Contractor has an option either:
- To relinquish the entire Contract Area and the contract shall stand terminated; or
 - To proceed to the Subsequent Exploration Phase while retaining the entire Contract Area or part thereof by committing to complete the work programme for Subsequent Exploration Phase; or
 - To retain Discovery Areas and Development Areas (as the case may be) and relinquish other parts of the Contract Area.

In case the Petroleum production does not commence within the timelines as provided in Article 10 of the MRSC, the area will stand relinquished and the contract will be terminated. In case the production ceases for a period of more than 1 (one) year at any instance after the commencement of production then the Government may terminate the contract.

(xi) Committed Work Obligation:

The Contractor will be required to bid the work programme for the block and commit to carry out the Committed Work Program within the timelines as mentioned above and in Article 3 of the MRSC.

(xii) Development and Production period:

- The development and production period for the offered blocks would be a maximum of 20 (twenty) years from the grant of lease or till economic life of the field as per development plan submitted in the bid, unless the contract is terminated earlier in accordance with its terms, but may be extended upon mutual agreement between the parties for a further period of 10 (ten) years (2 (two) extension of 5 (five) years each) or such period as mutually agreed based on the estimated economic life.
- The Contractor must submit a request for such an extension 5 (five) years before the expiry of the existing contract. The Government reserves the right to approve the request for extension 4 (four) years before the expiry of the existing contract. If not approved within the stipulated time, such a request would be deemed to be rejected.

(xiii) Revenue Share:

The revenue share offered to the Government by the bidder at the LRP, which is equal to or less than USD 50,000 (United States Dollar fifty thousand) of revenue per day and at the HRP, which is equal to or more than USD 7,000,000 (United States Dollar seven million) of revenue per day will be considered for evaluation purposes.

(xiv) Valuation:

For valuation of crude, condensate and natural gas, refer to Article 19 of the MRSC.

(xv) Domestic Supply:

The Contractor shall be required to sell 100% (one hundred percent) of its entitlement to Petroleum from the contract area in the domestic market till India becomes self-reliant in Petroleum.

(xvi) Petroleum Pricing:

The Contractor will be free to sell the Petroleum, subject to para. (xv), through a transparent bidding process on arm's length sales basis.

(xvii) Assignment:

Assignments as provided under Article 26 of the MRSC are permitted with prior approval of the



Government. Approvals for requests for assignment would not be unreasonably withheld, subject to suitable guarantees as may be required, depending on the nature of the assignment. The Government shall respond on an assignment application within 120 (one hundred and twenty) days from the receipt of application, failing which application shall be deemed to have been approved.

(xviii) Management Committee:

A Management Committee ("MC") will be constituted, as per Article 6 of the MRSC, with representatives from the Government and the Contractor. The Government shall nominate 2 (two) member representing the Government in the MC, whereas each company constituting the Contractor shall nominate 1 (one) member each to represent the company in the MC or 2 (two) representatives in case the Contractor is a single party. The DGH will act as a secretariat to the MC.

(xix) Royalty:

The following royalty rates will be applicable as per relevant notification:

Type of hydrocarbons	Duration	Royalty rates (Oil)	Royalty rates (Gas & CBM)
Onland	-	12.5% (twelve point five percent)	10.0% (ten percent)
Shallow Water	-	7.5% (seven point five percent)	7.5% (seven point five percent)
Deep Water	First 7 (seven) years	No royalty	No royalty
	After 7 (seven) years	5% (five percent)	5% (five percent)
Ultra-Deep Water	First 7 (seven) years	No royalty	No royalty
	After 7 (seven) years	2%	2%

(xx) Oil Cess:

Oil cess (as per the OIDB Act) is not applicable.

(xxi) Customs Duty:

Customs duty is exempted on import of specific goods and services for Petroleum Operations.

(xxii) Income Taxes:

Income tax for the Contract Area (seven) will be governed by the Income Tax Act, 1961 as amended from time to time or substituted, as the case may be.

(xxiii) Data:

All data gathered during the course of operation under this contract shall be the property of the Government.

(xxiv) Local Preference:

The company may give preference to the use of Indian goods and services subject to quality, schedule, availability and competitive pricing.

(xxv) Employment & Training:

The company shall give preference to the employment of qualified Indian nationals and shall undertake appropriate training programs.



(xxvi) Transfer of Technology:

At the request of the Government, the company shall endeavor to render technical assistance to the Government or its nominees, upon negotiations.

(xxvii) Applicability of Laws:

Contract shall be governed by the applicable Indian laws.

(xxviii) Arbitration:

Arbitration procedures shall be as per the Indian law in this regard and will be held in India.

(xxix) General:

English language shall be the language of the contract.

(xxx) Right to accept Bids:

The Government reserves for itself the right to accept or reject any or all the bids at its sole discretion.

(xxxi) Right to ask clarifications on the Bids:

The Government, at its sole discretion, may ask any clarification(s) from the bidding companies in order to evaluate the bids.

(xxxii) Consequence of furnishing false/misleading information/data:

Later on, at any stage after evaluation of the bids, if any information or data is found to be false or misleading or the bidder has suppressed any material fact which formed part of bid evaluation, the bid shall be liable to be rejected, and in case of award of block or execution of the contract, the award shall be withdrawn or the contract shall be liable for cancellation.



9 Location map of offered blocks on sedimentary basins map (to be finalised)



10 Details of blocks on offer

(to be finalised)



11 Basin wise distribution of offered blocks

(to be finalised)



12 Historical categorization of total sedimentary basins (to be finalised)



13 Geological set-up of sedimentary basins of offered blocks (to be finalised)



14 Additional technical details of the blocks on offer:
(to be finalised)



15 Historical categorization of total sedimentary basins

(to be finalised)



Annexure 1- Format for Submission of Bids for the Offered Oil & Gas Blocks

Please read this bid format along with the contract terms in this brochure, BEC provided in the NIO as well as the MRSC while formulating bid proposal. Bid not complying with the terms and conditions of the NIO or providing incomplete information may be liable for rejection without giving any opportunity to the bidding company. The bidder is expected to provide the required information in as much detail as possible so as to facilitate evaluation of the bid by the Government. No proposal from the bidder for change in any of the bid terms shall be entertained after submission of the bids. Any assumptions/deviations in a bid which are inconsistent with the contract terms listed in this brochure may render the bid liable for rejection. The Government at its sole discretion reserves the right to accept or reject any or all of the bids received without assigning any reasons, whatsoever. The Government reserves the right to seek any clarification/additional information to enable proper evaluation of bids. The bid application for a block, in duplicate, should provide the following information in such form and detail as specified. If needed, please attach additional documentation and provide clarity to the application. In case of consortium bid, please ensure that all parties to the consortium complete the corporate/financial information outlined. Bids not submitted in this format covering all the relevant information listed above are liable to be rejected.

I) Bidder Company / Consortium

a. Composition

S.no.	Name of Company/ Companies	Proposed Percentage of Participating Interest
1		
2		
3		

b. Operatorship

S.no.	Name of the proposed Operator(s)	Proposed Percentage of Participating Interest
1		
2		
3		

II) Description of the Block bid for:

BLOCK AS PER NIO	MAP REFERENCE NO. OF BLOCK AS PER NIO	APPROX. AREA OF THE BLOCK (Sq. Km.)	GEOGRAPHIC CO-ORDINATES OF THE BLOCK AS IN NDR	Minimum target depth/ target horizon (in meters) (from sea bed)
				[to be inserted from EoI/ Intent to Migrate]
				[to be inserted from EoI/ Intent to Migrate]



				[to be inserted from EoI/ Intent to Migrate]
				[to be inserted from EoI/ Intent to Migrate]

III (A) Corporate Information:

This information should be provided by all bidders. In case of a bid from a consortium, each member of the consortium should provide this information.

A	The bidding company's legal name	
B	In case of consortium bid, name of the Operator	
C	Place of incorporation or registration	Place : State : Country : Zip :
D	Authorised representative of the company for communication on the bid	Name : Designation : Address : Tel. : Facsimile :
E	Name and address of the Chairman of its Board of Directors	
F	The name and address of the Chief Executive Officer	
G	The name and address of shareholders holding more than 10% (ten percent) of company's stock	
H	Structure and details of the group, if any, to which the bidding company belongs including information on affiliates/parent company	
I	If parent company's financial and performance guarantee is proposed to be furnished, then please indicate percentage share-holding of the parent company in the bidding company and the status of the parent company in the group structure	
J	The business activities of the company	
K	Name(s) and address of parent company(ies) (where applicable).	Name : Address : Tel. : Facsimile : E-mail :



L	The company should submit its annual report including the audited balance sheets and profit and loss statements along with the schedule of notes forming part of the balance sheet and a certificate (in English language) of their net worth certified by the company's statutory auditors for the latest completed year. In case of parent company guarantee, this information of the parent company should also be provided	
M	Number of total corporate employees of the company	
N	Number of employees engaged in technical activities in E&P.	
O	Details of judgments/arbitral awards against the company or consortium members or any corporate member of the group of companies to which the bidder belongs in the past 10 (ten) years. Please mention the nature of the case	
P	Details of any anticipated material events, risks, activities or plans which will have significant impact either positively or negatively on the bidder's ability to perform its obligations in India under the contract	
Q	Has the bidder earlier worked in India? If yes, provide details	
R	Details of termination of or withdrawal from any earlier Production Sharing Contract in India by the bidding company or any member company of the bidding consortium	Yes/No

III (B) Additional Corporate Information:

This information should be provided by bidders and in case of a bid from a consortium, each member of the consortium should provide this information in the given format (Annexure -II)

IV) Committed Work Program:

Sl. No.	Name of Block	Type of Work	Physical Quantity	Estimated Expenditure (in US\$)
1		Exploration Wells		
2		3D Seismic Survey		
3		2D Seismic Survey		
4		Core analysis for shale		
Total				

V) Biddable share of government revenue:

Sharing of Revenue with the Government of India offered at various revenue levels:

Government share of Revenue:



Name of Block	Revenue	Percentage share of Revenue offered to the Government
	Less than or equal to LRP (USD [...] million per day)	
	Equal to or more than HRP (USD [...] million per day)	

The percentage share of Revenue offered by the bidder to the Government should be non-zero positive whole numbers, such that the percentage share of Revenue offered at the HRP is more than that offered at the LRP. Bids not fulfilling these requirements will not be accepted.

VI) Information of Financial Capability:

- The bidder is required to have adequate net worth as per the financial qualifying criteria.
- The bidder, in respect of each of the bidding company is required to submit the annual report including the audited annual accounts for the latest completed year and a certificate of net worth from company's statutory auditor(s) based on the latest audited annual accounts certifying the net worth of the bidding company. In case the parent company provides financial and performance guarantee, the annual report, annual accounts and the net worth certificate in respect of the parent company should be submitted and the financial capability of the parent company shall be considered for evaluating the financial capability of a bidding company.

VII) NETWORTH CALCULATION

The Net-worth of the bidding company/parent company shall be calculated in accordance with the method given below based on the latest completed year's audited annual account and annual report:

Name of the Company:

S.No.	Sub-Criteria	Amount* (US\$ mn)
A	Paid-up capital	
B	Reserve and Surplus	
C	Misc. expenditure to the extent not written off	
D	Networth = A + B - C	

Note:

Exchange rate used, if applicable, to convert figures in USD.

The above information should be provided for the year for which the latest audited annual account and annual reports are furnished.

VIII) Priority Ranking for assessing Net worth

Where an Operator has submitted bids for more than one block as an Operator, priority ranking in terms of the Operator's relative interest in different blocks including all Onland Blocks, Shallow Water Blocks, Deep Water Blocks and Ultra Deep Water Blocks, should be indicated as follows:



Name of the Block (as per the NIO)	Map reference no. of block (as per the NIO)	Priority Ranking
		1 2 . . N

Note: Priority rank for each block has to be unique. If the bidder allocates same priority rank in its bids for two or more blocks, then its bids for those blocks are liable to be rejected.

IX) Documents to be submitted along with the Bid:

- A Bid Bond for each of the block bid.
- Proof of payment of Tender Fees.
- Letter of presentation and commitment from the bidding company, and/or from the parent company, wherever applicable.
- Certificate from statutory auditor of the bidding company regarding the net worth.
- Documents evidencing the legal existence of the bidding company (including the article of association and the memorandum of association and certificate of incorporation/registration).
- Documents in support of the financial and technical pre-qualification
- Audited annual reports, balance sheets and profit and loss statements in English language along with the schedule of notes forming part of the balance sheet for the latest completed year.
- Ample and sufficient power-of-attorney granted to a legal representative/ authorized representative of the company or leader of consortium.
- Consortium or association agreement, wherever applicable.
- Document whereby the parent company knows and endorses the bid and the contractual obligations of its affiliate or subsidiary, wherever applicable.
- BG in lieu of the net worth, as applicable.
- A board approved financing plan supported by necessary documents.

X) Production:

Annual production of (O+ OEG) for the last 10 (ten) years including in Onland Blocks, Shallow Water Blocks, Deep Water Blocks and Ultra Deep Water Blocks.



Year	Annual production of oil (MBBL)	Annual production of solution gas (BCF)	Annual production of free gas (BCF)	Annual production of O+ OEG (MMBOE)
FY[20..]				
FY[20..]				
FY[20..]				
FY[20..]				
FY[20..]				
FY[20..]				
FY[20..]				
FY[20..]				
FY[20..]				
Average				

Note: The figures should be provided for FY__ to FY __.

XI) Information on Technical Capability (Operatorship and Acrege Holding)

Operatorship Experience	Details
In Onland Blocks Shallow Water Blocks (up to 400m) bathymetry Deep Water Blocks Areas (400-1500 m bathymetry) Ultra Deep Water Blocks (beyond 1500 bathymetry)	Name of blocks
Acreage Holding (PEL, ML, RC) sq km	Names of blocks and sq km



Annexure 2 - Additional Corporate information

This information should be provided by bidders and in case of a bid from a consortium, each member of the consortium should provide this information in the format given.

(I) Proposed - For individuals (Board of Directors)

S. No.	Full Name of Board of Directors	Date of Birth	Parentage	Complete/ Permanent Address	Nationality	Passport No. and Issue Date	Contact address & Telephone no.

(ii) For Companies/Firms

S.No.	Full name of the companies and its foreign collaborator if any including details of Board of Directors as in (I) above	Date of Registration	Present and Permanent address including address of Head Office, Regional Offices and Registered Office	Link with other firm	Activities and other business owned	Name of CEO/ Partners	Shareholding pattern of Applicant / Investing Company	Details of earlier approvals, if any, (Ref. No. & Date)	Ultimate ownership of shareholding companies and the investing company along with detailed particulars of owners	Presence of investing companies and shareholders in countries across the world, including collaborations with other foreign companies



Annexure 3 – Purchase of Data

a) Purchase of Data

Geological information about the Sedimentary Basins is available for purchase in digital mode. The digital data set comprising seismic data, navigation data and Well log data, special reports like Well completion reports, etc., wherever available can be purchased on NDR (<http://www.ndrdgh.gov.in/>) as per their data and pricing policy.



Annexure 4 - Proforma of Bid Bond to be submitted by the Bidder



Notice Inviting Offers for Reconnaissance of Oil & Gas Blocks in India under Hydrocarbon Exploration Licensing Policy (HELP)



TABLE OF CONTENTS

Sl. No.	Contents	Page No.
1	Announcement	37
2	Main features of terms offered	38
3	Biddable Terms:	39
4	Bid Qualifying Criteria	40
5	Bid Rejection Criteria	41
6	Bid Evaluation Criteria	42
7	Availability of Information	44
8	Other terms and conditions	45
9	Location map of offered blocks on sedimentary basins map	49
10	Details of blocks on offer	50
11	Basin wise distribution of offered blocks	51
12	Historical categorization of total sedimentary basins	52
13	Geological set-up of sedimentary basins of offered blocks	53
14	Additional technical details of the blocks on offer:	54
15	Historical categorization of total sedimentary basins	55
Annexure 1-	Format for Submission of Bids for the Offered Oil & Gas Blocks	56
Annexure 2 -	Additional Corporate information	60
Annexure 3 –	Purchase of Data	61
Annexure 4 –	Proforma of Bid Bond to be submitted by Bidder	62





1 Announcement

- (i) With the objective to expedite the appraisal of Indian sedimentary basins and enhance domestic production of Petroleum, the Government of India (**“Government”**) announces the offer of [---] blocks under the new Hydrocarbon Exploration and Licensing Policy (**“HELP”**) through International Competitive Bidding (**“ICB”**).
- (ii) Companies are invited to bid for reconnaissance of [---] blocks likely to contain both conventional and/or unconventional hydrocarbon resources, distributed in [...] sedimentary basins. A total of [...] Onland Blocks [...] Shallow Water Blocks [...] Deep Water Blocks [...] Ultra Deep Water Blocks and [...] Frontier Blocks are on offer. Companies, either alone or in consortium of unincorporated or incorporated joint ventures, may bid for one or more blocks. Bids would be evaluated on the basis of Reconnaissance Work Programme and the price bidded for the reconnaissance data.



2 Main features of terms offered

These blocks shall be awarded to successful bidder by entering into a Reconnaissance Contract (“RC”) with the Government. The **RC** is in line with the Government efforts to promote ‘Ease of Doing Business’ with minimum regulatory oversight for Reconnaissance of Petroleum reserves. Some of the attractive features of the terms offered by the Government are as under:

- (i) The Contractor will have exclusivity for conducting reconnaissance in the Contract Area for the Reconnaissance Period.
- (ii) The Contractor will have an exclusivity to license the reconnaissance data to a third party for a period of 12 (twelve) years including the Reconnaissance Period.
- (iii) The Contractor is allowed to explore both conventional and unconventional hydrocarbons under a single license.
- (iv) Bidding criteria consists of two components: Biddable Work Programme and Biddable Price of Reconnaissance data.
- (v) Biddable Work Programme consists of exploration only, which is to be completed within initial 2 (two) consecutive contract years (“**Reconnaissance Period**”) and extension(s) thereto, if availed for all types of blocks.
- (vi) Biddable price of data will be the price at which the Contractor will license the reconnaissance data to a third party.
- (vii) There is a Technical Qualification Criteria for the RC.
- (viii) Up to 100% (one hundred percent) participation by foreign companies is allowed .
- (ix) Predetermined Liquidated Damages (“**LD**”) have been specified for unfinished Committed Work Program
- (x) One-time Bank Guarantee (“**BG**”) shall be applicable for the Reconnaissance Work Programme.

² Subject to Indian Regulation on Foreign Investments



3 Biddable Terms:

- (i) Bids are invited for conducting reconnaissance activities in any of the zones (as defined in the Procedure for Operationalization of Open Acreage Licensing Policy).
- (ii) The bidder scoring the highest marks against the evaluation matrix below will be declared winner, and subject to meeting all other conditions, will get into agreement with the Government for the RC:

S.no	Parameter	Score (on a scale of 100)
1	Originator incentive	5
2. (a)	Work Program commitment	95
2. (b)	Price of reconnaissance data	
	Total	100

- (iii) Only the Bid Work Programme will be considered for evaluation purposes. Any contingent/conditional work programme will be ignored, while evaluating the bids. The Reconnaissance Work Programme is required to be completed in the Reconnaissance Period.
- (iv) The Contractor shall have the exclusive right to license the Reconnaissance Data during the currency of the RC (excluding the Raw Data and Physical Oceanographic Data at a price submitted by the Contractor in its bid.
- (v) The bidder should bid the price of data for all types of reconnaissance data to be generated from Reconnaissance Work Programme submitted in its bid.



4 Bid Qualifying Criteria

- (i) Payment of Tender Fees (as per para 8(iv)) must be made by the bidder on or before the bid closing date
- (ii) A bid shall be submitted in format as prescribed in "FORMAT FOR SUBMISSION OF BIDS" covering all the information / details listed therein including Bid Bond as well as unconditional acceptance of the contract terms.
- (iii) The bidder must be a company singly or in association with other companies, through an unincorporated or incorporated venture.
- (iv) Notarized deed or declaration shall be submitted along with the bid that it is not in a state of bankruptcy, liquidation, cease of operations, receivership, or other similar state, and no process of being placed in bankruptcy, liquidation, receivership, or other similar process has been filed against him/her.
- (v) A copy of the memorandum and the articles of association and by-laws of the applicant person, registration certificate along with the name of any sovereign state or legal entities or nationals of any sovereign state that directly or indirectly holds 50% (fifty percent) or more of the voting shares of each member of the bidder consortium, or otherwise has an interest that could constitute control shall be submitted. In case of group of companies, the group's structure and organization structure shall also be submitted.
- (vi) The Originator and/or bidder for reconnaissance must have one of the following experience:
 - a) 1000 LKM (one thousand line kolimetre) of 2D seismic API experience; or
 - b) 300 sq. km. (three hundred square kilometre) of 3D seismic; or
 - c) Drilling experience of at least 5 Wells; or
 - d) Others surveys like CSEMMT etc. for at least 1000 sq. km. (one thousand square kilometre).
- (vii) The net worth of the bidder should be positive at the time of bidding. The net worth of the constituents of the bidder will be reassessed in proportion to their Participating Interest ("PI") at the time of technical bid opening. At this stage, the Net Worth of the bidder should be equal to or more than the higher of:
 - a) Estimated expenditure for the Committed Work Programme
 - b) LD equivalent value of the Committed Work Programme.

Any shortfall in the net worth is allowed to be supported by an equivalent BG in favour of the Government from a scheduled commercial bank valid for a period of 12 (twelve) months.
- (viii) The annual report including the audited annual accounts for the latest completed year and a certificate of net worth from the company's statutory auditor(s) based on the audited annual accounts for the latest completed year should be submitted. In case the parent company provides financial and performance guarantee for its subsidiary, then the annual report, annual accounts and the net worth certificate in respect of the parent company should be submitted and the financial capability of the parent company shall be considered for evaluating the financial capability of a bidding company.



5 Bid Rejection Criteria

- (i) Any bid which does not conform to the any of the requirements of technical and/or Financial Pre-qualification Criteria shall be rejected.
- (ii) Any bid which is without documentary proof of payment of Tender Fees for the block to be bid shall be rejected.
- (iii) Any bid which is not submitted in the format as prescribed in “FORMAT FOR SUBMISSION OF BIDS” incorporating all the information/details listed therein including the Bid Bond, in prescribed format and value, as per para. 8(v) below, is liable to be rejected.
- (iv) Any bid which is submitted with any assumptions / deviations which are inconsistent or not complying with the terms listed in the NIO is liable to be rejected.
- (v) Any bid which is not accompanied by the annual report incorporating the audited annual accounts for the last completed year along with a certificate of net worth from company’s statutory auditor(s), based on the last audited annual accounts certifying the net worth of the bidding company, is liable to be rejected. The Government at its sole discretion reserves the right to accept or reject any or all of the bids received without assigning of any reason, whatsoever.
- (vi) Any bid that does not meet the net worth requirement at bid evaluation shall not be considered for further evaluation, unless accompanied by the requisite BG. The BG shall be returned on submission of the BG against LD under Article 5 of the Model Reconnaissance Contract



6 Bid Evaluation Criteria

Bids will be evaluated based on the following criteria:

1. Work Programme Commitment

Sl.	Activity	Marks for quantum of work	Marks for Price of Data	Evaluation Method
1. Technical (Marks 90)				
1.1	2D*	20	8	<ul style="list-style-type: none"> Bidder quoting highest quantum gets the maximum marks for quantum of work Bidder quoting lowest price gets maximum marks for price of data Others get marks separately on pro-rata basis
1.2	3D*	35	10	
1.4	No. of Wells**	15	7	
2	Originator Incentive	5	-	Originator will get 5 marks others will get zero marks

*If the bidder bids for full area 3D, then he will get for full marks allotted to 2D

**Seismic surveys are to be conducted at the Target Horizon submitted. The Wells shall be drilled till the basement.

2. Originator Incentive for all types of blocks

The Originator for the respective block will be assigned 5 (five) marks out of the technical marks and other bidders will get 0 (zero) marks.

In case of a consortium submitting EoI, the same consortium without any change is liable to submit the bid. Originator Incentive would not be granted in case composition of the consortium changes at the time of bidding and the Participation Bond of such consortium would be forfeited.

The Reconnaissance Contractor for a particular block, upon completion of at least 80% (eighty percent) of the work programme commitments, becomes eligible to submit an Intent to Migrate to Petroleum Operations Contract ("**Intent to Migrate**"). Such Intent to Migrate would be treated as 'Expression of Interest' to undertake Petroleum Operations Contract in that particular block. In such case, the Operator of the RC eligible for an Originator Incentive.

3. Price of Reconnaissance data

During the currency of the exclusivity period, the Reconnaissance Contractor can license the data at a price submitted by the Contractor in its bid through the National Data Repository ("**NDR**").

If the Contractor submits an Intent to Migrate to the Petroleum Operations Contract for the area for which it has undertaken reconnaissance, then subject to Article 10 of the RC, the DGH shall have the right to license the Reconnaissance Data collected by the Operator for the Contract Area to all other bidders. The data will be licensed at price bid by the Contractor. The proceeds of such license of data will be deposited in an escrow account.

In-case, the Operator of the Reconnaissance Licensee does not win the bid for migration to Petroleum Operations Contract then the proceeds realized through license of Reconnaissance Data to bidder(s) will



be transferred to the Contractor. However, if the Contractor wins the bid, then none of the consortium member shall have claim over the proceeds realized from such a license of data and all the rights to license the data shall lapse with immediate effect.



7 Availability of Information

The NIO with details of the blocks on offer, their geographical location on a map of India, the terms and conditions, bid format, price list, a copy each of the RC, the Model Revenue Sharing Contract (“**MRSC**”) and the Petroleum Tax Guide will be made available free of cost to companies. Copies of these documents may also be seen at website of Ministry of Petroleum & Natural Gas <http://www.petroleum.nic.in>, at website of DGH <http://www.dghindia.gov.in> and exclusive websites of NDR (<http://www.ndrdgh.gov.in/>).

Geological information about the Sedimentary Basins is available for purchase in digital mode. The digital data set comprising seismic data, navigation data and Well log data, special reports like Well completion reports, etc., wherever available can be purchased on NDR (<http://www.ndrdgh.gov.in/>) as per their Data and Pricing Policy

Companies interested in inspection of data, purchase of data and for any further details in this regard may contact:

Directorate General of Hydrocarbons (Under Ministry of Petroleum & Natural Gas)

OIDB Bhawan, Plot No-2, Sector-73, Noida-201301, Uttar Pradesh, India

Phone: 0120-2472000, Fax: 0120-2472049, E-mail: xxxx

Website: <http://www.dghindia.gov.in>

<http://www.petroleum.nic.in>,

Bids shall be submitted online through e-bidding portal not later than 12:00 hrs. IST on [---], [...]. All documents as mentioned at [....] are to be submitted in duplicate in sealed envelopes super-scribed “Confidential Bid documents under Open Acreage Licensing policy for the block (s).....” not later than [12:00hrs] IST, [----] (“**Bid Closing Date**”) at the DGH address mentioned above.

Bids shall be opened online at [13.30 hrs.] IST on the same day. Any change in the indicated schedule shall be communicated subsequently.



8 Other terms and conditions

(i) Parties to the Contract:

The parties to the contract shall be the Government and the successful bidder. The Model Reconnaissance Contract may be referred to for the detailed terms and conditions of the contract.

(ii) Type of Contract:

The contract shall be a RC published by the Government. Each of the companies participating in a consortium must have a minimum participating interest of 10% (ten percent) and the percentage participating share of each of the companies in the consortium should be specified in the bid.

(iii) Participation by Companies:

Bidding companies will have to:

- a) Provide audited financial statements, and certificate of net worth from its statutory auditors in accordance with the bid format to prove its financial capability.
- b) Submit Bid Bond at the rate specified in para. 8(V) below.

(iv) Tender Fee:

Bidders will have to submit a non-refundable tender fee of USD 1,000 (United States Dollar one thousand) ("**Tender Fee**") through the DGH payment gateway at the bidding stage.

The Tender Fee will be waived of for the EoI submitting party/ Originator.

(v) Bid Bond:

Bidders will have to submit a bid bond of value USD 30,000 (United States Dollar thirty thousand) ("**Bid Bond**") per Sector for the RC for all types of blocks in the form of BG from a scheduled commercial bank valid for a period of 12 (twelve) months. A cap of USD 200,000 (United States Dollar two hundred thousand) for block falling under Onland or Shallow Water category and USD 400,000 (United States Dollar four hundred thousand) for blocks falling under Deep Water or Ultra Deep Water category is applicable. The Bid Bond will be released on submission of Bank Guarantee as per Article 5 of the Reconnaissance Contract. If the contract is not signed within 90 days after the award of the block, the Bid Bond of the successful bidder will be forfeited. The Bid Bond for an area of [1'x1'] will be pro-rated in proportion to the Bid Bond requirement for one sector of size (10'x10').

Party submitting the EoI i.e. the Originators will not submit the Bid Bond. Participation Bond submitted along with the EoI would be valid at this stage.

(vi) Liquidated Damages:

The following LD shall be levied in case of unfinished Reconnaissance Work Programme.



Test Method	Play	Liquidated Damages (USD)
Per line km of 2D Seismic (API)	Onland	2,500
	Shallow Water	1,000
	Deep Water	1,000
	Ultra-Deepwater	1,000
	CBM	NA
Per square km of 3D Seismic (API)	Onland	5,000
	Shallow Water	1,500
	Deep Water	1,500
	Ultra-Deepwater	1,500
	CBM	NA
Exploratory Well	Onland	1,000,000
	Shallow Water	3,000,000
	Deep Water	10,000,000
	Ultra-Deepwater	12,000,000
	CBM	Corehole-250,000 Pilot Assessment Well – 650,000

(vii) Bank Guarantee:

One-time BG shall be applicable for the Reconnaissance Work Programme as the case may be. The BG against the LD shall be an amount equal to the LD computed by applying the rates specified in the table above.

(viii) Reconnaissance Period:

The Reconnaissance Period will be of 2 (two) years and extension(s) thereto, if availed for all types of blocks.

(ix) Migration Incentive

- (i) At the end of the Reconnaissance Period, the Contractor shall exercise one of the following options:
 - a) To abandon all its rights to undertake the reconnaissance activity in the Contract Area; or
 - b) To express an Intent to Migrate to a Petroleum Operations Contract for the Area of Interest in which case the Operator will be eligible for an Originator Incentive.
- (ii) A Contractor is eligible to exercise option (b), only if it has completed 80% (eighty percent) of the Reconnaissance Work Programme. Accordingly, the Operator of the RC will be, will be get additional 5 (five) marks during evaluation for Petroleum Operations Contract for that particular block.

(x) Contract Period:

The Contract shall be valid for a period of 12 (twelve) contract years from the effective date (as per Article 3 of the RC) or termination of the contract, whichever is earlier.



(xi) Relinquishment:

Any relinquishment in the Contract Area shall be in integer multiples of an area of size 1'x 1' as specified in the NDR.

(xii) Assignment:

Assignments as provided under Article 15 of the RC are permitted with prior approval of the Government. Approvals for requests for assignment would not be unreasonably withheld, subject to suitable guarantees as may be required, depending on the nature of the assignment. The Government shall respond on an assignment application within 90 (ninety) days from the receipt of application, failing which application shall be deemed to have been approved.

(xiii) Income Taxes:

Income tax for the Contract Area will be governed by the Income Tax Act, 1961 as amended from time to time or as substituted, as the case may be.

(xiv) Data:

All Reconnaissance Data shall be the property and proprietary information of the Government, provided that the Contractor shall have the right to make use of the data as per provisions of Article 7 of the RC.

(xv) Local Preference:

The Company may give preference to the use of Indian goods and services subject to quality, schedule, availability and competitive pricing.

(xvi) Employment & Training:

The company shall give preference to the employment of qualified Indian nationals and shall undertake appropriate training programs.

(xvii) Transfer of Technology:

At the request of the Government, the company shall endeavor to render technical assistance to the Government or its nominees, upon negotiations.

(xviii) Applicability of Laws:

Contract shall be governed by the applicable laws of India.

(xix) Arbitration:

Arbitration procedures shall be as per the Indian law in this regard and will be held in India.

(xx) General:

English language shall be the language of the contract.

(xxi) Right to accept Bids:

The Government reserves for itself the right to accept or reject any or all the bids at its sole discretion.

(xxii) Right to ask clarifications on the Bids:

The Government, at its sole discretion, may ask any clarification(s) from the bidding companies in order to evaluate the bids.



(xxiii) Consequence of furnishing false/misleading information/data:

Later on, at any stage after evaluation of the bids, if any information or data is found to be false or misleading or the bidder has suppressed any material fact which formed part of bid evaluation, the bid shall be liable to be rejected, and in case of award of block or execution of the contract, the award shall be withdrawn or the contract shall be liable for cancellation.



9 Location map of offered blocks on sedimentary basins map (to be finalised)



10 Details of blocks on offer

(to be finalised)



11 Basin wise distribution of offered blocks

(to be finalised)



12 Historical categorization of total sedimentary basins

(to be finalised)



13 Geological set-up of sedimentary basins of offered blocks (to be finalised)



14 Additional technical details of the blocks on offer:
(to be finalised)



15 Historical categorization of total sedimentary basins

(to be finalised)



Annexure 1 - Format for Submission of Bids for the Offered Oil & Gas Blocks

Please read this bid format along with the contract terms in this brochure, bid evaluation criteria provided in the NIO as well as the RC while formulating bid proposal. Bid not complying with the terms and conditions of the NIO or providing incomplete information may be liable for rejection without giving any opportunity to the bidding company. The bidder is expected to provide the required information in as much detail as possible so as to facilitate evaluation of the bid by the Government. No proposal from the bidder for change in any of the bid terms shall be entertained after submission of the bids. Any assumptions/deviations in a bid which are inconsistent with the contract terms listed in this brochure may render the bid liable for rejection. The Government at its sole discretion reserves the right to accept or reject any or all of the bids received without assigning any reasons, whatsoever. The Government reserves the right to seek any clarification/additional information to enable proper evaluation of bids. The bid application for a block, in duplicate, should provide the following information in such form and detail as specified. If needed, please attach additional documentation and provide clarity to the application. In case of consortium bid, please ensure that all parties to the consortium complete the corporate/financial information outlined. Bids not submitted in this format covering all the relevant information listed above are liable to be rejected.

I) Bidder Company / Consortium

a. Composition

S.no.	Name of Company/ Companies	Proposed Percentage of Participating Interest
1		
2		
3		

b. Operatorship

S.no.	Name of the proposed Operator(s)	Proposed Percentage of Participating Interest
1		
2		
3		

II) Description of the Block bid for:

BLOCK AS PER NIO	MAP REFERENCE NO. OF BLOCK AS PER NIO	APPROX. AREA OF THE BLOCK (Sq. Km.)	GEOGRAPHIC CO-ORDINATES OF THE BLOCK AS IN NDR	Minimum target horizon (in milliseconds) (from sea bed)
				[to be inserted from EoI]
				[to be inserted from EoI]
				[to be inserted from EoI]
				[to be inserted from EoI]



III (A) Corporate Information:

This information should be provided by all bidders. In case of a bid from a consortium, each member of the consortium should provide this information.

A	The bidding company's legal name	
B	In case of Consortium bid, name of the Operator	
C	Place of incorporation or registration	Place : State : Country : Zip :
D	Authorised representative of the company for communication on the bid	Name : Designation : Address : Tel. : Facsimile :
E	Name and address of Chairman of Board of Directors	
F	The name and address of the Chief Executive	
G	The name and address of shareholders holding more than 10% of company's stock	
H	Structure and details of the group, if any, to which the bidding company belongs including information on affiliates/parent company	
I	If parent company's financial and performance guarantee is proposed to be furnished, then please indicate percentage share-holding of the parent company in the bidding company and the status of the parent company in the group structure	
J	The business activities of the company.	
K	Name(s) and address of parent company(ies) (where applicable)	Name : Address : Tel. : Facsimile : E-mail :
L	The company should submit its annual report including the audited balance sheets and profit & loss statements along with the schedule of notes forming part of the balance sheet and a certificate (in English language) of their Networth certified by the company's statutory auditors for the latest completed year. In case of parent company guarantee, this information of parent company should also be provided	
M	Number of total corporate employees of the company	
N	Number of employees engaged in Technical activities in E&P.	



O	Details of judgments/arbitral awards against company or Consortium members or any corporate member of the group of companies to which the bidder belongs in the past 10 years. Please mention the nature of the case	
P	Details of any anticipated material events, risks, activities or plans which will have significant impact either positively or negatively on the bidder's ability to perform its obligations in India under the contract	
Q	Has the bidder earlier worked in India? If yes, provide details	
R	Details of termination of or withdrawal from any earlier Production Sharing Contract in India by the bidding company or any member company of the bidding consortium	Yes/No

III (B) Additional Corporate Information:

This information should be provided by bidders and in case of a bid from a consortium, each member of the consortium should provide this information in the given format (Annexure -II)

IV) Committed Work Program:

Sl. No.	Name of Block	Type of Work	Physical Quantity	Estimated Expenditure (in US\$)
1		Exploration wells		
2		3D Seismic Survey		
3		2D Seismic Survey		
Total				

V) Biddable Price of Reconnaissance data:

The reconnaissance data will be licensed by the Contractor at a price bid in the table below:

Name of Block	Data type	Price of data (USD)
	2D seismic API	
	3D seismic API	
	Well data	

VI) Information of Financial Capability:

- The bidder is required to have adequate net worth as per the financial qualifying criteria.
- The bidder, in respect of each of the bidding company is required to submit the annual report including the audited annual accounts for the latest completed year and a certificate of net worth from the company's statutory auditor(s) based on the latest audited annual accounts certifying the net worth of the bidding company. In case the parent company provides financial and performance guarantee, the annual report, annual accounts and net worth certificate in respect of the parent company should be submitted and the financial capability of the parent company shall be considered for evaluating the financial capability of a bidding company.



VII) NETWORTH CALCULATION

The networth of the bidding company/parent company shall be calculated in accordance with the method given below based on the latest completed year's audited annual account and annual report:

Name of the Company:

S.No.	Sub-Criteria	Amount* (USD mn)
A	Paid-up capital	
B	Reserve and Surplus	
C	Misc. expenditure to the extent not written off	
D	Networth = A+B-C	

Note:

Exchange rate used, if applicable, to convert figures in United States Dollar.

The above information should be provided for the year for which the latest audited annual account and annual reports are furnished.

VIII) Documents to be submitted along with the Bid:

- A Bid Bond for each of the block bid.
- Proof of payment of the Tender Fees.
- Letter of presentation and commitment from the bidding company, and/or from parent company, wherever applicable.
- Certificate from statutory auditor of the bidding company regarding the net worth.
- Documents evidencing the legal existence of the bidding company (including the article of association and the memorandum of association and certificate of incorporation/registration).
- Documents in support of Financial and Technical Pre Qualification requirements.
- Audited annual reports, balance sheets and profit and loss statements in English language along with the schedule of notes forming part of balance sheet for the latest completed year.
- Ample and sufficient power-of-attorney granted to a legal representative/ authorized representative of company or leader of consortium.
- Consortium or association agreement, wherever applicable.
- Document whereby the parent company knows and endorses the bid and the contractual obligations of its affiliate or subsidiary, wherever applicable.
- BG in lieu of the net worth, as applicable.
- A Board approved financing plan supported by necessary documents.



Annexure 2 - Additional Corporate information

This information should be provided by bidders and in case of a bid from a consortium, each member of the consortium should provide this information in the format given.

(i) Proposed - For individuals (Board of Directors)

S. No.	Full Name of Board of Directors	Date of Birth	Parentage	Complete/ Permanent Address	Nationality	Passport No. and Issue Date	Contact address & Telephone no.

(ii) For Companies/Firms

S.No.	Full name of Companies and its foreign collaborator if any including details of Board of Directors as in (I) above	Date of Registration	Present and Permanent address including address of Head Office, Regional Offices and Registered Office	Link with other firm	Activities and other business owned	Name of CEO/ Partners	Shareholding pattern of Applicant / Investing Company	Details of earlier approvals, if any, (Ref. No. & Date)	Ultimate Ownership of shareholding companies and the investing company along with detailed particulars of owners	Presence of investing companies and shareholders in countries across the world, including collaborations with other foreign companies



Annexure 3 – Purchase of Data

a) Purchase of Data

Geological information about the Sedimentary Basins is available for purchase in digital mode. The digital data set comprising seismic data, navigation data and Well log data, special reports like Well completion reports, etc., wherever available can be purchased on NDR (<http://www.ndrdgh.gov.in/>) as per their data and pricing policy.



Annexure 4 – Proforma of Bid Bond to be submitted by Bidder