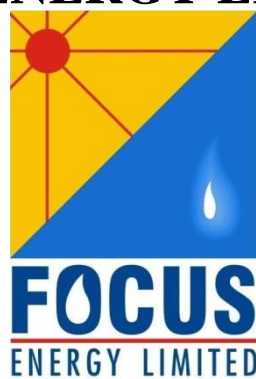


FOCUS ENERGY LIMITED



Tender Document
For Supply of Gas Tight Premium Thread Casing Pipes for
Deep HPHT Wells
For Block: RJ-ON-06, Distt.: Jaisalmer, Rajasthan

Tender No.- FOCUS/R&J/CASING/2014-2015/06

Tender Closing Date: 21st January, 2015 13:00 Hrs

Tender Opening Date: 5th January, 2015 17:00 Hrs

Bid Opening Closing: 22nd January, 2015 18:00 Hrs

Bid Opening Date: 21st January, 2015; 15:00 Hrs

Focus Energy Limited,
3rd / 4th Floor, Gopala Tower, 25 Rajendra Place, New Delhi-110 008
Tel: +91-112-25747696 / 42300400 / Fax: +91-11-25751937 /41667766

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INVITATION TO BIDDERS

FOCUS ENERGY LIMITED

3rd / 4th Floor, Gopala Tower,
25, Rajendra Place, New Delhi-110008
Tel : +91-11-25747596, 42300400 Fax : +91-11-25751937 / 41667766

REQUEST FOR QUOTATION (“TENDER DOCUMENTS” OR “BID”)

Tender Closing Date: 21st January, 2015 13:00 Hrs
Tender Opening Date: 5Th January, 2015 17:00 Hrs
Bid Opening Closing: 22nd January, 2015 18:00 Hrs
Bid Opening Date: 21st January, 2015; 15:00 Hrs

Gentlemen

Focus Energy Ltd. (hereinafter referred to as “**FOCUS**”) is an Operator for exploration blocks RJ-ON/6 & RJ-ONN-2003/2 (Rajasthan) and GK-ON/4 as per the Production Sharing Contract (PSC) with Government of India. FOCUS on behalf of consortium members of the above referred blocks respectfully solicits your Bid for “**For Supply of equipment, material and related services for casing pipes**” for completion of wells in block defined as RJ-ON/6 (Rajasthan) in India.

FOCUS as an Operator is scheduled to drill 3 deep wells in Block RJ-ON/6.

Outlined hereinafter, is a comprehensive Bid package that you are requested to go through carefully. Your quotations must be in compliance with requirements, specifications, and other applicable attachments, including FOCUS’s terms and conditions. Exceptions/deviations pertaining to any of the above must be clearly stated in the applicable section, and must be in the prescribed format provided with this package, falling which it will be assumed no exceptions/deviations were taken / made.

Evaluation of Bids for awarding the contract, while weighing price substantially, will be based on the most advantageous offer reflecting a combination of price, quality of equipment and personnel, acceptable delivery, warranty, service, and a commitment to ensure on time delivery and quality service.

FOCUS reserves the right to reject or accept, in whole or in part, any Bid, waive formalities in the bidding process, or to negotiate contract terms with any individual firm when such is deemed by FOCUS to be in its best interest. FOCUS will be under no obligations to provide reasons for accepting or rejecting a Bid.

The Bidders Response Acknowledgement Form (as indicated in attachment) must be completed and returned via facsimile transmission within two (2) working days of receipt of Bid package. This is to alert FOCUS about the total number of expected responses, and to ensure that Bidders received the Bid package.

Bidders are required to furnish Bid Bond for an amount of US\$ 20,000 (US\$ Twenty Thousand) and in Indian Rupees at the US\$ -INR buying rate prevailing on the date of issuance of Bid bond (for Indian Bidders) and Bid Bond is required to be furnished in a format as attached herewith. Bid Bond shall be returned to all unsuccessful bidders within one month after completion of tendering process. However, Focus has right to relax/waive the condition for submission of Bid bonds

Non-compliance with the bidding instructions, except as permitted by the Bid and/or late arrival of your Bid shall result in your Bid not being considered.

Sincerely yours
For Focus Energy Limited

Amit Varma
Vice President

TENDER ACKNOWLEDGMENT
(To be issued on the Contractor's Letter Head)

Date

To,

Focus Energy Limited,
3rd / 4th Floor, Gopala Tower,
25 Rajendra Place,
New Delhi-110 008
Tel: +91-112-25747696 / 42300400
Fax: +91-11-25751937 / 41667766

Dear Sirs,

Tender For : For Supply of equipment, material and related services for casing pipes for RJ-ON-06 BLOCK

We acknowledge receipt of your Invitation to Tender Documents for the above and we agree to maintain confidentiality in regard to the Invitation to Tender and the contents thereof.

We confirm that (*delete as applicable)

- * We have checked the Documents and have not received all items listed
- * We have received all of the documents listed in the Letter of Invitation to Tender and in the contents pages of each section, without damage and in usable condition.

We confirm that:

- * We intend to submit a bonafide Tender by the date and time stated in your Letter of Invitation to Tender.
- * We do not intend to submit a Tender and return all the Tender Documents under separate cover.
- * Reason for non submission of Bid

Name of Tendering Company:

Signature:

Name (printed):

Position:

Date:

Tel.:

Fax:

SECTION I

INSTRUCTIONS TO BIDDERS

1.0 General Instructions

- 1.1 Focus Energy Limited (FOCUS) was awarded the Contract for oil & gas exploration by the Government of India for Block RJ-ON/6, RJ-ONN-2003/2, GK-ON/4 and CB-OSN-2004/1 along-with other Consortium members.

The award of the Block RJ-ON/6, RJ-ONN-2003/2, GK-ON/4 and CB-OSN-2004/1 are governed by Production Sharing Contract (PSC) of the Blocks. FOCUS is the Operator and Licensee in respect of two Blocks (RJ-ONN-2003/2 and CB-OSN-2004/1) and Focus is Operator and ONGC is Licenses in respect of other two Blocks (RJ-ON/6 and GK-ON/4). The PSC designate FOCUS as Operator and authorize FOCUS to appoint Contractor/s to undertake implementation of the oil & gas exploration program in all the blocks. Pursuant to this FOCUS invites tenders for supply of Gas Tight Premium Thread Casing Pipes for Deep HPHT Wells.

- 1.2 FOCUS, as Operator for the blocks, now plans to drill following wells with options to drill more wells in the Blocks, the tentative nos. of wells/drilling plan in the block would be as follows:-

<u>Block Name</u>	<u>No. of wells</u>	<u>Drilling plan</u> (tentative)
Block: RJ-ON/6	3 wells	Proposed to start by 15 th Feb 2015.

- 1.3 FOCUS desires to engage, experienced and capable contractors fulfilling the criteria laid down in this tender document, along with their equipment / vehicles, personnel, instruments, materials, stores and other support services.

- 1.4 The Bid document will be issued by FOCUS in the name of the bidder and is non-transferable.
- 1.5 Bidders must review this Tender Document carefully and ensure that they can supply all the necessary items, infrastructure and personnel to fully support the operations and achieve the given objectives of the Scope of Work under any of the options or both the options. Any deviation or substitution may be highlighted on a separate statement.
- 1.6 The Bidder is expected to and must comply with safety standards as practiced in sound international petroleum operations.
- 1.7 Bidders must acquaint themselves with the area of operation before submission of the bid and shall ensure that they are well acquainted with the job sites, environment including topography, logistics and climate etc. FOCUS will in no case be responsible or liable for costs associated with the preparation and submission of bids regardless of the outcome.
- 1.8 Bidders are responsible for identifying and checking against the Index all the tender documents received and that all such documents are complete.
- 1.9 FOCUS reserves to itself the right to reject, accept or prefer any bid without having to assign any reasons thereof.
- 1.10 FOCUS reserves to itself the right to withdraw from the tendering process if the bids received are found unacceptable on a techno-commercial evaluation.

2.0 Specific Instructions

- 2.1 A Bidder shall fill in the form with relevant details asked for in this document.
- 2.2 The Schedule-I to Schedule-IV & Exhibits A to E to this tender document have laid down the scope of work, technical specifications, special terms, conditions for compensation and pricing schedule, price format and valuation, which shall Form part of the Agreement to be signed with the successful bidder.
- 2.3 The bidders may quote for any of the Options on Day drilling basis/Meter rate basis and/or on Dry lease basis or both.

3.0 Duration of Contract

- 3.1 Drilling of the wells are tentatively scheduled to commence as per schedule given in point 1.2 above under Section-I.

4.0 Documents to be submitted with the Bid

- 4.1 Bidder shall furnish the following details in the technical part of the bid:

- Copies of original documents duly notarized defining the constitution or legal status of the bidder, place of registration and principal place of business and in case of a joint venture or foreign collaboration such details for each party thereto constituting the bidder.
 - Details of experience and past performance of the bidder (or of each party to a joint venture or foreign collaboration) on work of a similar nature within the past 3 years and details of current work in hand and other contractual commitments, indicating current areas of operation and clients.
 - Name of signatory on Tender, his title / designation and address. Names and signatures of those authorized to act on signatory's behalf, countersigned by signatory.
 - List of all insurances which will be provided during the period of Contract. Confirmation that Bidder's insurances are valid for operations in India.
- 4.2 Bio-data including qualifications and experience of crew / key personnel.
- 4.3 Reports of financial standing of the bidder (or of each party to a joint venture), such as Profit and Loss Statements, Balance Sheets and Auditor's Reports for the past three years.
- 4.4 Documentary evidence in the form of detailed description of the equipment, including essential technical and performance characteristics, drawings, literature establishing their conformity to the bid document, date of manufacture of the equipment etc.
- 4.5 Bidders are requested to provide lists of equipment, instruments and vehicles they would use for undertaking the Work. Also mention time required for mobilization and the earliest date on which they will be available, ready for use at project site.
- 4.6 Documentary proof of collaboration with a foreign Company (in case of joint venture), in the form of a letter from the foreign collaborator, or agreement valid during the Contract duration with requisite Government of India / Reserve Bank of India approvals.
- 4.7 Confirmation accepting liability for all taxes and duties.

5.0 Bidding Process and Filing Requirements

- 5.1 The bidder's response acknowledgment form must be completed and returned within five (5) days of receipt of the bid package.
- 5.2 Bidders must seek clarifications if any are required on the tender document, not later than the 15th Jan, 2015; FOCUS shall provide additionally requested information at its discretion.
- 5.3 Tender papers must be completed in all respects and shall be submitted together with requisite information and appendices. Tenders should be complete and free from any ambiguity, change or interlineations.

- 5.4 The bidders bid and any annotation or accompanying documentation shall be in the English language. However, any printed literature may be written in another language provided it is accompanied by an English translation of its pertinent passages, in which case the English translation shall govern.
- 5.5 The power of attorney or authorization or any other document constituting adequate proof of the powers of the signatory to bind the bidder, shall be annexed to the bid. FOCUS may reject any bid unsupported by adequate proof of the signatory's authority.
- 5.6 In case the bid is submitted by a consortium they shall nominate a Principal Bidder who will assume responsibility for the performance of the contract.
- 5.7 A copy of the agreement between the Principal Bidder and the other bidder(s) binding each of them in relation to FOCUS, for performance of the contract shall be enclosed. This agreement shall also specify the responsibilities being assumed by the member(s) of the consortium for efficient discharge of obligations under the contract. This agreement shall also specify that the Principal bidder can incur liabilities / undertakings / obligations on behalf of the consortium and these shall be binding on each of them jointly and severally. It shall also be specified in the agreement that if a bid is successful then each and every member of the consortium shall be jointly and severally liable to FOCUS for efficient and proper discharge of its liabilities and obligations emanating from the contract.
- 5.8 The Performance Guarantee in such case shall be furnished by the Principal bidder on behalf of the consortium.
- 5.9 The bidder shall sign the proposal, stating the name of the entity to whom the contract is to be awarded.
- 5.10 Bidders shall indicate their full postal address and Fax/Tel No./email address in the bid document.
- 5.11 Bidder will submit the Bid package in its entirety and no alterations will be made to the documents or the wording therein. The bid package will be signed by a duly authorised Officer or Representative of the FOCUS.

6.0 Submission of Bids

- 6.1 Except if a clarification is sought by FOCUS, no bid shall be modified subsequent to the closing date for submission of bids. Withdrawal of a bid during the interval between the closing date for submission of bids and expiration of the period of bid validity specified by the bidder in its bid shall result in forfeiture of the bid bond.
- 6.2 For this tender separate sections shall be submitted for all relevant and sought-for Technical details and for the commercial terms of offer and deviations, if any, including the price schedule for the Work Programme. Bidders are also requested to give total estimated cost for the given Scope of Work at their rates. The envelopes shall be sealed and marked "**Strictly Confidential**" state the "**Name of the Bidder**", "**Tender Number**" and state "**Not to be opened by Mail Room**".

6.3 Bids shall be sent to FOCUS at the following address:

Focus Energy Limited,
Attn.: Vice President (Operations)
3rd / 4th Floor, Gopala Tower,
25 Rajendra Place,
New Delhi-110 008
Tel: +91-11-25747696 / 42300400
Fax: +91-11-25751937 / 41667766

If the envelope is not sealed and marked as required above, FOCUS will assume no responsibility for misplacement or premature opening of the bid etc.

6.4 Bids shall be sent by registered post / courier or submitted in the above office of FOCUS so as to reach the above address on or before 21st Jan, 2015.

6.5 Bids will be evaluated by FOCUS based on the information asked for in this tender as well as that submitted by the bidder. FOCUS may, at its discretion, ask the bidder for clarification for evaluation and comparison of bids. The request for clarification and response shall be in writing and no change in the price or substance of the bid shall be permitted unless asked for by FOCUS. However, no such clarification by FOCUS shall be construed by the bidder as an acceptance of his bid.

6.6 Offers by Telefax/e-mail whether received directly by FOCUS or submitted by the local agents shall not be considered.

6.7 Bids made by agents / consultants / representatives / associates will not be considered.

6.8 The bid must be kept valid for 4 (Four) months from the date of opening. In exceptional circumstances FOCUS may solicit the bidder's consent to an extension of the period of validity. The request and the responses thereto shall be made in writing by fax. The validity of Bid bond shall also be suitably extended.

6.9 FOCUS reserves the right to extend the bid submission deadline.

7.0 Bid-Bond / Earnest Money Deposit / Performance Bond

7.1 Bidders shall be required to furnish with their bids an Earnest Money Deposit (EMD) / a bid bond (bid security) in the prescribed proforma as at Annexure 4 of this bid document valid for a period of six months from the date of opening of bid. The Bid Bond value shall be US\$ 20,000. The Bid Bond value may be submitted in United States Dollars or equivalent Indian Rupees by Indian bidders. However, this condition may be relaxed and/or waived in exceptional case by FOCUS.

The successful bidder may be requested to extend the validity for a period until submission of Performance Bank Guarantee as per the prescribed format (Annexure-2). The original bid bond shall be submitted with the bid itself. Bids not accompanied by a bid bond as above shall be rejected. However, in exceptional cases, this condition may be relaxed

and/or waived by FOCUS. For Indian bidders bid bonds should be given on non-judicial stamp paper of requisite value from nationalized / scheduled commercial banks. In case of foreign bidders bid bond from an Indian Nationalised bank shall be accepted. In case no such bank is situated in the city of bidder a bid bond from a reputed foreign bank will be acceptable to FOCUS.

8.0 Evaluation & Comparison of Bids

8.1 Techno-commercial evaluation:

After opening the bids, the bid document submitted by each bidder will be examined. Any bid which does not meet the technical and commercial requirements set forth in the tender document will be rejected. To assist in the technical evaluation of bids FOCUS may, at its discretion, ask a bidder for clarifications. The request for clarifications and the response shall both be in writing. FOCUS will evaluate and compare all technically and commercially acceptable bids on the basis of the price format as given in the **Appendix to the Tender "Schedule IV - Compensation and Pricing"**. To facilitate evaluation and comparison of bids, bidders are requested to state their bid price in accordance with the price format of the tender document. The award of contract shall be based on the techno-commercial evaluation.

8.2 Price Evaluation:

8.2.1 Bidders while submitting their bids should quote taking into account all benefits and concessions available to them for supplies to FOCUS as announced by the Government of India as on the date of bid submission. Conditional offers tied to the availability or otherwise of these concessions will be rejected. FOCUS will not own any responsibility / liability at any stage if such concessions are not available to the bidder and FOCUS will not compensate the bidder in any manner on this account.

8.2.2 Bidders shall set their prices / rates in firm figures and without any qualification. Each figure shall also be repeated in words and in the event of a discrepancy between the amount stated in figures and words, the rates quoted in words shall be deemed to be the correct amount. Bid containing qualifying expressions 'subject to minimum acceptance' 'subject to immediate acceptance', 'subject to prior commitment' etc. will be disqualified.

8.3 Exchange: For the purpose of comparison of Price Bids, the United States Dollars (US\$) component, if any in the tender, shall be converted into Indian Rupees (INR) at the US\$ - INR buying rate prevailing on the date of the bid opening.

8.4 Price Validity: Bidders shall give unconditional validity of the bid for 4 (four) months from date of closing of bids.

9.0 Signing Of Contract

9.1 Successful bidders shall submit a Performance Bond of 5% of total contract value in accordance with requirement of FOCUS within 15 (fifteen) days from the date of issue of Fax/Email order (LOI). In case a bidder fails to submit this within the above stipulated

period, FOCUS may cancel the acceptance of the bid and the bid bond shall stand forfeited. For signing of the contract a bidder shall depute his authorized representative within 30 days from the date of such fax order along with a power of attorney in favour of the signatory. However, in exceptional cases, the condition for submission of Performance bond can be relaxed and/or waived.

10.0 Payment

- 10.1 Normally payment of Invoices of the CONTRACTOR shall be made within 45 (forty five) days from the date of receipt of Invoice by FOCUS of the undisputed amount of Invoice. Disputed amount, if any, shall be paid within 45 (forty five) days from the date the dispute, due to which the payment was not made, has been settled. If the payment of undisputed amount of the invoice is delayed beyond 45 (forty five) days then interest at the rate of 1% (one percent) per month shall be paid by FOCUS from the 46th day of the date of receipt of invoice but no interest shall be payable on disputed claims.

11.0 Other Instructions and Tender Conditions

- 11.1 Acceptance of offer by FOCUS will be communicated by fax / letter / E-mail. In case where acceptance is communicated by fax / letter/Email, pending signing of formal contract, the instructions contained in the fax/letter/Email should be acted upon immediately. With the issue of telegram / telex / letter of acceptance, the contract shall be deemed to have been entered into. Contract shall mean and include all the contents of this tender document.
- 11.2 Any tender received with less than the prescribed validity period is liable to be rejected.
- 11.3 Payment of taxes such as income tax - corporate as well as personal taxes, and any other taxes by whatever name called, payable to Government or other bodies is the responsibility of the Contractor. However, FOCUS shall comply with all statutory requirements in this regard whilst making payments to the Contractor.
- 11.4 The rates should not include customs duty, export duties or other statutory charges on the import and re-export of equipment. Contractor/Supplier acknowledges that the Government of India have issued various notifications (and subsequent clarifications/circulars) relating to the exemption of Customs duties in relation to machinery, plant, equipment, materials and supplies imported for use solely and exclusively on matters (inter alia) related to petroleum operations. FOCUS and Contractor/Supplier agree to cooperate and to use all reasonable endeavors to obtain any exemption to which FOCUS and/or Contractor/Supplier is entitled in accordance with such notifications. Contractor/Supplier expressly agrees to furnish necessary documentation, bonds or undertakings to Government authorities and/or to FOCUS, which may be required for availing such exemption. It is expressly understood that Contractor shall be required to re-export any of its equipment (unless consumed during performance of services) imported under this Contract to enable FOCUS to avail exemption of custom duties. Contractor/Supplier undertakes to re-export equipment at the earliest but not later than within 15 (fifteen) days of completion of termination of services and shall be solely responsible for all custom formalities for importation and exportation of Contractor/Supplier's equipment and material at the port of entry or the port of exportation as the case may be.

- 11.5 Bidders are requested to refer to the Customs Notification Nos. 21/2002-Custom dated 1st March 2002 and 26/2003-Customs dated 1st March, 2003 and amendments thereof as notified by Govt of India from time to time for goods imported in connection with a Contract signed with Government of India under the pre-NELP Blocks.
- 11.6 Bidders shall be responsible to obtain at its own cost, all required permits/consents/Essential Certificates, wherever application and required for the performance of the Bidder's obligation under the Contract, from the Government of India/concerned State Government's, authorities or agencies or political sub-division thereof including any for exemption of Customs duties on material/equipment imported into India. FOCUS will provide reasonable assistance wherever required including Essentiality Certificate for claiming Zero Custom duty as application under PSC, but all the expenses related to obtaining the Permits, Consents shall be to the Bidder's account.
- 11.7 FOCUS may inspect the offered vehicles, equipment, instruments with accessories as a part of the Bid - Evaluation Procedure. This is only a discretionary option.
- 11.8 Offers providing for escalation of price will be rejected.

12. Taxes & Duties

- 12.1 Contractor shall be responsible for and shall pay when due at its sole cost and expenses without contribution or indemnity from FOCUS the full amount of all taxes, services tax, fees, levies, contributions and charges imposed by Indian law or that of any other country, and central or local governments or any agencies thereof together with interest and penalties, which shall include but not be limited to all income taxes, property taxes, capital gains taxes, turnover or sales taxes, withholding taxes including social security contributions and vocational training tax and other charges incident to the employment or use of the Personnel. In the event the laws of India or any other country require FOCUS to pay taxes or other charges chargeable to Contractor or its Personnel then FOCUS shall be entitled to reimbursement by Contractor.
- 12.2 Contractor shall indemnify and hold FOCUS harmless from and against any claims, demands, judgments, liabilities and expenses (including legal expenses) with respect to the above taxes, fees, levies, contributions and charges including interest and penalties. FOCUS is authorized, however, to deduct and withhold from the amounts otherwise to be paid hereunder, all taxes, fees, levies, contributions or charges required to be deducted or withheld with respect thereto, to be remitted to the appropriate central or local government or agency thereof.

13.0 Errors and Omissions

- 13.1 Care has been taken in drafting and issuing this tender document and all the documents, information and data attached hereto, but errors and omissions are to be accepted given the size and nature of document.

SECTION II
PROJECT INFORMATION
BLOCK: RJ-ON/6 (Onshore Rajasthan) (India)

1.0 Wells Location :

Blocks: RJ-ON/6 in District- Jaisalmer, Rajasthan (India).

2.0 Well Type:

All wells are vertical wells.

3.0 Casing Policy:

The Well casing plan is as follows:

		RJ-ON/6
Casing (inches)	Bore Hole (inches)	Depth (metres)
13-3/8"	17-1/2"	500
9-5/8"	12-1/4"	1800
5-1/2"	8-1/2"	4500

Health, Safety and Environmental Standards

Contractor shall conduct operations in an environmentally acceptable and safe manner, consistent with good international industry practice with due regard to protection of the environment and conservation of natural resources. Towards this end, the Contractor shall abide by laws promulgated by the Government of India and ensure:

- Prevention of environmental damage
- Prevent pollution, harm to wildlife and the environment including human beings and local communities.

1. Medical welfare

Contractor shall be responsible for and take all preventive and curative measures to protect the medical welfare of its own and Companies Personnel and its subcontractor's employees, and shall undertake periodic medical examinations of its employees, maintain employees medical records, arrange for medical attendance, treatment or hospitalisation if and when necessary, and where appropriate shall arrange suitable insurance coverage for such contingencies. FOCUS shall not be responsible for the medical welfare of Contractor's employees, servants or agents and their families. Contractor shall supply to its own and subcontractors employees, suitable prophylactics and inoculations against disease if necessary, and as required by prevailing conditions.

2. Waste management

Contractor shall be responsible for ensuring the environmentally acceptable disposal of waste in accordance with all local requirements and any additional requirements of FOCUS. This shall include removal or adequate disposal of all non-biodegradable rubbish, including used motor oil which has been used by Contractor during the performance of the Work.

Contractor shall institute procedures to prevent spillage of chemicals, fuels and lubricants. Contractor shall be solely responsible for remedial action required by such spillage or incident.

3. Safety

Contractor shall ensure that operations are conducted with high standard of safety consciousness and discipline to prevent injuries of any kind.

4. Environmental commitment

Contractor shall ensure that Contractor's and any subcontractor's personnel under their control and authority are briefed and understand FOCUS's policy on environmental protection, and shall act accordingly. Contractor shall take all necessary precautions to protect the environment.

Contractor and Contractor's subcontractors shall adhere to existing national statutory regulations concerning environmental damage resulting from the performance of the work. Local customs,

cultural and religious requirements shall be respected, avoiding challenge, contradiction and/or criticism thereof.

4.1. The Company recognizes that Work will cause some impact on the environment in the Contract Area. Accordingly, in performance of the Contract, the Contractor shall conduct its Operations with due regard to concerns with respect to protection of the environment and conservation of natural resources. Towards this end, and in the furtherance of any laws promulgated or as the Company may otherwise require from time to time, the Contractor shall conduct its Petroleum Operations:

- a) Employ advanced techniques, practices and methods of operation for the prevention of Environmental Damage in conducting its Operations;
- b) Take necessary and adequate steps to:
 - (i) Prevent Environmental Damage and, where some adverse impact on the environment is unavoidable, to minimize such damage and the consequential effects thereof on property and people;
 - (ii) Ensure adequate compensation for injury to persons or damage to property caused by the effect of Operations.

4.2 If the Contractor fails to comply with the provisions of paragraphs a) and (b)(i) of Article 4.1 or contravenes any relevant law, and such failure or contravention results in any Environmental Damage, the Contractor shall forthwith take all necessary and reasonable measures to remedy the failure and the effects thereof.

4.3 If the Contractor has, on reasonable grounds, good reason to believe that any works or installations erected by the Contractor or any operations conducted by the Contractor are endangering or may endanger persons or any property of any person, or are causing or may cause pollution, or are harming or may harm wildlife or the environment to a degree which the FOCUS deems unacceptable, the FOCUS may require the Contractor to take remedial measures within such reasonable period as may be determined by the FOCUS and to repair any damage to the environment. If the FOCUS deems it necessary, it may also require the Contractor to discontinue Operations in whole or in part until the Contractor has taken such remedial measures or has repaired any damage caused.

4.4 The measures and methods to be used by the Contractor for the purpose of complying with the terms of paragraph (b)(i) of Article 4.1 shall be determined in timely consultation with the FOCUS upon the commencement of Operations or whenever there is a significant change in the scope or method of conducting Operations and shall take into account the international standards applicable in similar circumstances.

The Contractor shall notify the FOCUS, in writing, of the measures and methods finally determined by the Contractor and shall cause such measures and methods to be reviewed

from time to time in the light of prevailing circumstances.

4.5 On expiry or termination of this Contract, the Contractor shall:

- a) remove all equipment and installations from the Contract Area in a manner mutually agreed between the Contractor and the FOCUS; and
- b) perform all necessary Site Restoration activities in accordance with good international petroleum industry practice and take all other action necessary to prevent hazards to human life or to the property of others or the environment.

4.6 In this Article, a reference to Government includes the State Government.

4.7 In case a part of the Contract Area is located on areas forming part of certain national parks, sanctuaries, mangroves, wetlands of national importance, biosphere reserves and other biologically sensitive areas, passage through such areas shall generally not be permitted. However, if there is no passage, other than through these areas, to reach a particular point beyond these areas, permission of the concerned authorities shall be obtained.

4.8 Safety, Health, Environmental Compliance, Welfare and Training

- (a) FOCUS has a primary and continuing commitment to protect the health, safety and welfare of all personnel involved in and affected by its operations and to ensure these operations are carried out in an environmentally compliant form. To this end, Contractor shall at all times carry out operations hereunder, applying relevant health, safety and environment measures, with due diligence and in a safe workmanlike manner according to good and sound international oil field standards and practices and the latest industry safety standards.
- (b) Contractor shall comply fully with all applicable Safety, Health, Environment Compliance, Welfare and Training as required by FOCUS, Governmental authorities and other competent authority, regulations and any applicable law or regulation.
- (c) Contractor shall report as soon as possible any evidence which may indicate or is likely to lead to any abnormal or dangerous situation (for example, but without limitation, mud loss, overflow, gas cut mud, kick, caving, heaving shales, and/or any other complication in the wells) and shall immediately take the first emergency control steps conforming to good oil field drilling practices and safety regulations.
- (d) Contractor shall provide Contractor's Personnel and FOCUS, prior to the Delivery Date, with copies of Contractor's Emergency Procedures Manual (in accordance with Part VI) pertaining to the safe operation of the Equipment as required by FOCUS, Governmental authorities and any other competent authority, regulations and any applicable law or regulation.

In the event of an incident or emergency involving Contractor's Personnel and/or

the Equipment or other Contractor Supply Items, FOCUS shall be the prime point of contact with the emergency services, and other contractors, and the sole point of contact for liaison with the media within the Operating Area. Contractor shall consult and liaise with FOCUS and obtain FOCUS's approval prior to taking any action, issuing any instruction and/or issuing any statement in respect of any such incident or emergency.

- (e) FOCUS shall have the right at any time to conduct safety audit (s) of the Equipment, its procedures, personnel and management.

Form of Performance Bank Guarantee (Unconditional)

To:

Focus Energy Limited,
3rd Floor/4th Floor, Gopala Tower,
25 Rajendra Place,
New Delhi-110 008

Dear Sirs,

1. Focus Energy Limited, having its Head Office at 3rd / 4th Floor, Gopala Tower, 25 Rajendra Place, New Delhi-110008 (hereinafter referred to as 'FOCUS' which expression shall unless repugnant to the context or meaning thereof include all its successors, administrators, executors and assigns and _____, a Company registered under the **Companies Act, 1956**, and having its registered office at _____ (hereinafter referred to as CONTRACTOR which expression shall, unless repugnant to the context or meaning thereof, include its successors, administrators, executors and assigns) have decided to enter into an Agreement/Contract vide Letter of Intent dated _____ for provision of ___ Drilling Rig package with or without (as applicable) Mud Logging & Cementing Unit and its associated equipment and/or Supply of Drilling Rig with or without (as applicable) Mud Logging and Cementing Equipment on Dry Lease basis. Whereas one of the terms of the Agreement / Contract is that the CONTRACTOR shall furnish a Bank Guarantee from a Bank located at New Delhi or any other place to be notified by FOCUS at the time of the signing of the Agreement / Contract covering 5% of Contract Value.

2. We, **Banker Details** having our Head Office at _____ (hereinafter referred to as the 'BANK' which expression shall unless repugnant to the context or meaning thereof, include all our successors, administrators, executors, assigns) do hereby guarantee and undertake to pay on demand to FOCUS any or all monies payable by the CONTRACTOR to the extent of _____ - (state amount) in aggregate at any time without any demur, reservation, recourse, contest or protest and/or without any reference to the CONTRACTOR. Any such demand made by FOCUS on the BANK shall be conclusive and binding notwithstanding any difference or any dispute / arbitration pending before any Court, Tribunal, Arbitrator or any other authority. We agree that the guarantee contained shall be irrevocable and shall continue to be enforceable until three (3) months after the expiry of this Agreement / Contract or three (3) months after the extended period unless it is discharged earlier by FOCUS in writing.

3. FOCUS and the Contractor may mutually vary the terms and conditions of the Contract, without affecting in anyway the liability of the BANK under this Guarantee, from time to time to extend the same for performance of the Contract by the CONTRACTOR, or vary the terms of the Contract. FOCUS shall have the fullest liberty without affecting this Guarantee to postpone, from time to time, the exercise of any power vested in them or of any right which they might have

against the CONTRACTOR and to exercise the same at any time in any manner, and either to enforce or to forbear to enforce, any covenants contained or implied in the contract between FOCUS and the Contractor or any other course or remedy or security available to FOCUS. The BANK shall not be released of its obligations under these presents by any exercise by FOCUS of its liberty with reference to matters aforesaid or any of them or by reason of any other act or forbearance or any other acts of omission or commission on the part of FOCUS or any other indulgence shown by FOCUS or thing whatsoever, which under law would, but for this provision, have the effect of relieving the Bank. The Bank also agrees that FOCUS at its option shall be entitled to enforce this Guarantee against the Bank as a principal debtor in the first instance, without proceeding against the Contractor and notwithstanding any security or the guarantee that FOCUS may have in relation to the Contractor's liabilities.

4. THE BANK FURTHER AGREES that the Guarantee herein contained shall remain in full force during the period of Agreement / Contract and it shall continue to be enforceable till all the dues of FOCUS under or by virtue of this Agreement / Contract have been fully paid and its claim satisfied, discharged or till FOCUS discharges the Guarantee in writing.

5. We further agree that as between us and FOCUS for the purpose of this Guarantee, any notice for breach of Agreement / Contract by the CONTRACTOR given to us by FOCUS shall be conclusive and binding on us or the CONTRACTOR or any dispute pending before any Court, Tribunal, Arbitrator or any other Authority. We further agree that this Guarantee shall not be affected by any change in our constitution or that of the CONTRACTOR. We also undertake not to revoke this Guarantee during its currency.

6. Notwithstanding anything contained hereinabove, our liability under this Guarantee is limited to US\$ _____ (United States Dollars only) in aggregate and it shall remain in force up to _____ day _____ unless extended further from time to time, for such period as may be instructed in writing by _____, on whose behalf, this Guarantee has been given in which case it shall remain in full force up to such extended date.

Signed and sealed this day of

Signature.....

(Bank Rubber Stamp)

Signature.....

(Name)

Name:

Designation
with Rubber Stamp :

Indemnity Bond

THIS DEED OF INDEMNITY made at New Delhi, this _____ day of _____ 2012 BETWEEN _____ Company having its office at _____ in favour of Focus Energy Limited a Company incorporated under the Companies Act, 1956 having its Head Office at 3rd / 4th Floor, Gopala Tower, 25 Rajendra Place, New Delhi-110008 (hereinafter referred to as 'FOCUS') which expression shall where the context so requires includes its successors and assigns.

WHEREAS _____ have been awarded Contract No. _____ dated _____, by FOCUS for _____ services in Rajasthan (Block no. _____), (hereinafter called as Contract).

AND WHEREAS FOCUS has requested _____ to furnish Indemnity which _____ have agreed to provide.

NOW THIS DEED WITNESSETH THAT in consideration of FOCUS awarding the said contract No - _____ dated _____ to us, We hereby bind ourselves to indemnify and keep indemnified against any future claims with regard to the pending payments to be made by us to any person including but not limited to the personnel engaged by us and also indemnify FOCUS from all future payments in this regard pending between us and any other party.

- 1.0 We hereby indemnify FOCUS against any claims for payment of Compensation in case of fatal accident / serious accidents / minor accidents, wages for the disability period and compensation under Workmen's Compensation Act, 1923 for the accidents arising out of and in course of employment of workmen by us. We further confirm that we are and shall be fully responsible for any such claims for payment of compensation.
- 2.0 We hereby indemnify FOCUS against any penalties / claims arising from any default on our part in complying with the provisions and obligations under the Contract Labour (Regulation and Abolition) Act, 1970 and Rules thereunder and any other applicable laws. We further indemnify FOCUS to the effect that all wages / dues of the workmen engaged by us, or our sub-contractors will be fully paid for the entire Contract period by us.
- 3.0 We indemnify FOCUS against any default on our part in complying with the Statutes / Laws of the Local authorities, State and Central Governments.

IN WITNESS WHEREOF _____ have subscribed their hand on the day aforesaid mentioned.

Signature:

Name & Address:

Date:

Form of Bid Security (Bank Guarantee)

(Note: The bidder may complete either this form of bank guarantee or a form of bond.)

WHEREAS, (Name of the bidder) _____ (hereinafter called "the Bidder") has submitted his Bid (Date) _____ for the provision of certain oilfield services (hereinafter called "the BID") KNOW ALL MEN BY these presents that we (Name of Bank _____ of (Name of Country) _____ having our registered office at _____ (hereinafter called "the Bank") are bound unto Focus Energy Limited (hereinafter called "FOCUS" in the sum of US\$ 20,000 (US\$ Twenty thousand)/US\$ 10,000 (US\$ Ten thousand) for which payment will and truly be made to FOCUS, the Bank binds itself, its successors and assignees by these presents.

The conditions of these obligations are:

1. If the Bidder withdraws his Bid during the period of Bid validity as specified in the form of Bid; or
2. If the Bidder, having been notified of acceptance of his Bid by the FOCUS during the period of Bid validity:
 - (a) fails or refuses to execute the form of agreement in accordance with the instructions to Bidders; or
 - (b) fails or refuses to furnish the performance Security in accordance with the instructions to Bidders.

We _____ undertake to pay without any demur to FOCUS up to the above amount upon receipt of its first written demand, without FOCUS having to substantiate its demand provided that in its demand FOCUS will note that the amount claimed by it is due to it owing to the occurrence of one or both of the two conditions, specifying the occurred condition or conditions.

This guarantee will remain in force upto and including the date _____ and 120 days after the closing date for submission of Bids as stated in the Invitation for Bid or as extended by you at any time prior to this date, notice of which extension to the Bank being hereby waived and any demand in respect thereof should reach the Bank not later than the above date.

Date: _____ Signature of bank: _____

Witness _____ Seal _____

Name and Address _____

APPENDIX

Schedule I - Objective & Scope of Work

1.0 Objective

This Tender document is being issued for 03 (Three) appraisal / development / exploratory wells in the block

<u>Block Name</u>	<u>No. of wells</u>	<u>Tentative depth range (mtrs)</u>
Block: RJ-ON/6	3 wells	Upto 4500m

2.0 Scope of Work

Supply of following type of casing pipes: -

SR	SIZE	WEIGHT (lb/ft)	GRADE	THREAD	TYPE
1	5-1/2" Casing	26.8	Q-125	Gas tight premium thread	R3

2.1 Contractor must fulfill the below details: -

SR	Description	Remarks
1	Member of OCTG	Attach details
2	Offered casing is manufactured and inspected in accordance with API Standards prior to dispatch.	Attach details & past records
3	The threading and Gauging of the casing is in accordance with API 5CT standards with QA plan of threads	Attach details
4	Each casing will be hydrostatically tested as per API 5CT standards	Attach details & past records
5	API certificate of the material offered	Attach details
6	Technical details of the materials offered, this shall include technical specs and dimensions.	Full details with procedure (Under Section II, Point 1.0)
7	QA/QC procedures/systems in the bidders manufacturing process	Attach details

Schedule II Technical Specification of Work

1.0 Desired Technical Specifications of casing and tubing pipe as follows: -

SR	SIZE	WEIGHT (lb/ft)	GRADE	THREAD	TYPE	QTY (mts)
1	5-1/2" Casing	26.8	Q-125	Gas tight premium thread	R3	15,000

Schedule III Terms and Conditions

1.0 Material, Supplies, Equipment and Services

- 1.1 Contractor shall furnish all supply Items (other than the Company Supply Items) required for the satisfactory performance and completion of services.
- 1.2 Should equipment, tools, material, supplies, apparatus or services are necessary for the performance and completion of the Services, Contractor shall furnish these at Contractor's Cost.
- 1.3 Contractor shall be responsible at Contractor's cost, for:
 - 1.3.1 The provision and maintenance of all necessary stock levels of Contractor Supply Items and spare parts and for replenishing stocks as necessary, and
 - 1.3.2 The maintenance and repair of all Contractor Supply Items.
- 1.4 Should FOCUS furnish any items, which are retained or not returned by Contractor, the equivalent of the purchase price, and importation cost to FOCUS will be reimbursed to FOCUS by Contractor or deducted by FOCUS from amount due or which shall become due to FOCUS.
- 1.5 Contractor shall be responsible, at its sole cost, for all necessary transportation of Contractor Supply Items and Contractor's personnel to, from and between any locations associated with the performance of the Services.
- 1.6 The Contractor shall be responsible to provide boarding and lodging facility along with transportation from Drill site to camp site for maximum of sixteen FOCUS Personnel and FOCUS's service personnel.

3.0 Inspection by the Contractor:

- 3.1 FOCUS agrees to perform visual inspection using Contractor's personnel, of all FOCUS Supply Items when delivered into Contractor's possession and shall notify FOCUS of any apparent defects found therein well in time so that FOCUS may replace the same without delaying operations.
- 3.2 If the Contractor fails to notify FOCUS of any apparent defects as above, it shall be irrevocably deemed that such items are free from any apparent defects. Contractor shall not be liable for any loss or damage resulting from latent defects, which could not have been reasonably identified by visual inspection.
- 3.3 Contractor shall exercise reasonable and prudent care in the maintenance and use of FOCUS Supply Items.
- 3.4 Upon termination of this Agreement, Contractor shall return to FOCUS all FOCUS Supplied Items received by Contractor from FOCUS or purchased by FOCUS for FOCUS's account, which are in the Contractor's possession and not used or consumed in the performance of the Services. Cost for transportation and handling of such returned items shall be to the account of FOCUS. Contractor shall return all such items to FOCUS

in as good a condition as when received by Contractor, normal wear and tear accepted. If any such returned item(s) do not meet this standard due to Contractor's improper handling or improper use (which shall mean the failure to use good and accepted oil field practices), Contractor shall replace or repair the same at Contractor's Cost.

4.0 Inspection by the FOCUS:

- 4.1 FOCUS shall have the right before the Start Date to conduct inspections of the Equipment and other Contractor Supply Items. Contractor will allow for completion of this inspection sufficiently in advance of the Start Date to allow for correction of any deficiencies that may be found. If in the sole opinion of FOCUS the Equipment and/or other Contractor Supply Items or any part thereof is not in good operating order, FOCUS may request Contractor to repair, replace or modify such deficiencies at Contractor's expense and to FOCUS's satisfaction. Such rectification of deficiencies must be completed to the sole satisfaction of FOCUS before the date stipulated by FOCUS (The "Remedy Date"). If in the sole opinion of FOCUS such rectification is not completed by the Commencement Date, or at FOCUS's sole discretion, by Remedy Date then FOCUS shall have the option either:
- 4.1.1 To suspend the agreement with immediate effect until such rectification is completed or, at FOCUS's sole discretion, until satisfactory progress has been made towards completion (no compensation shall accrue or shall become due or payable during this period of suspension including, for the avoidance of doubt, the mobilization fees); or
 - 4.1.2 Terminate the Agreement forthwith with no liability to make payment to Contractor (including, for the avoidance of doubt, payment of mobilization fees).
- 4.2 FOCUS shall have the right to inspect and notify Contractor of defects, if any, found in items furnished by Contractor. Contractor shall rectify or replace such defective items to the satisfaction of FOCUS.
- 4.3 Contractor represents that the Equipment and other Contractor Supply Items will be capable of being moved during all moves required under the Agreement and of operating at the Drilling Site and achieving the satisfactory performance and completion of the Services to be provided under the Agreement. Contractor requires that the Equipment can at all times be utilized to the extent of its manufacturer's design limitations. Contractor shall provide, at its expense, a suitably qualified person to supervise any moves.
- 4.4 Contractor warrants that the Equipment is and will be, throughout the term of this Agreement, appropriately licensed/certified for the conduct of carrying out the Services within the work locations and Contractor undertakes to maintain such license/certification.
- 4.5 At any or all times while the services are in progress, FOCUS reserves the right to have its representatives inspect the Work and reject the whole or portion which is defective or fails to conform to FOCUS's programs, schedule, and /or other requirement.

Schedule IV - Compensation and Pricing, Delivery Schedule

Compensation

1 General

- 1.1 In consideration of Contractor's satisfactory performance of the Services and fulfilment of all its obligations under and in accordance with the Agreement, FOCUS will pay Contractor the Contract Price detailed herein. The Contract Price shall be in full compensation for all the supplies made by Contractor under the Agreement.
- 1.2 The Contract Price shall comprise the sum of the sums, rates, prices and reimbursements included in this part as adjusted in accordance with provisions of Schedule III - Terms and Conditions.
- 1.3 Except as otherwise specifically provided in the Agreement, the sums, rates, prices and reimbursements included in this Schedule IV are fully inclusive of all matters, things, risks, costs and expenses required for the proper and satisfactory performance and completion of the Services and the fulfilment of Contractor's obligations, liabilities and responsibilities under and in accordance with this Agreement whether or not specifically identified in this Schedule IV.
- 1.4 All sums, rates, prices and reimbursements detailed hereinafter shall be applicable as specifically provided for and shall remain firm and fixed for the duration of the Agreement.
- 1.5 The currency for payment and invoicing shall be as stated, that is in Indian Rupees (INR) and / or in United States Dollars (US\$), subject to R.B.I. approvals.

2.0 Pricing Schedule

- 2.1 The descriptions given in the Pricing Format Exhibit A are intended as brief descriptions sufficient for identification and payment purposes only and do not detail every operation involved in carrying out the Services or any part(s) of the Services.

3.0 Delivery Schedule :

To be furnished by the contractor in detailed format.

EXHIBIT A

PRICE FORMAT

1.0 Price bid should be submitted in following format only:-

SR	SIZE	WEIGHT (lb/ft)	GRADE	THREAD	UNIT PRICE (\$/MTS)	UNIT PRICE (EX-Works) (\$/MTS)	UNIT PRICE (CIF, Nahaseva) (\$/MTS)
1	5-1/2” Casin g	26.8	Q-125	Gas tight premiu m thread			

Note: Indian Bidder (which shall include any FOCUS incorporated in India) shall be paid in Indian Rupees only. Foreign Bidder (which shall include any FOCUS other than Indian Bidder) shall be paid in US Dollars only.

EXHIBIT B

SITE LOCATION MAP – RJ-ON/06 BLOCK

