

TERMS OF REFERENCE FOR THE SALE OF GAS FROM BLOCK 22 GAS FIELD

Petroleum Exploration (Pvt) Ltd (“**PEL/Seller**”), is an Oil and Gas Exploration and Production company established in 1994. It holds the largest onshore exploration acreage among the private sector companies operating in Pakistan. Presently it holds 6 Development and Production / Mining Leases, 9 onshore licenses and an offshore exploration license. PEL has the unique distinction of being the only private sector E&P Company that holds an offshore exploration license in ultra-deep waters of Pakistan. It is also the first private sector Pakistani company that is exploring hydrocarbons in the Kingdom of Morocco. The Company has been awarded three blocks namely Haha Nord, Haha Centre and HahaSud in Kingdom of Morocco for exploration of hydrocarbons. For further details please visit our website www.pepl.com.pk

PEL intends to sale processed natural Gas from Block 22 to a third party, PEL hereby invites bids from potential/ eligible bidders under competitive bidding for sale & purchase of Natural Gas from Block 22 at Delivery Point, as per the instructions provided in this TOR.

The Bidders are expected to examine all instructions and terms & included in the tender documents. Failure to furnish complete information required in the tender documents or submission of a Bid not substantially responsive to the tender documents will be at the Bidder’s risk and may result in the rejection of the Bid.

Block 22 Gas Field is located at a distance of 45 KMs from Sukkur and 25 KMs from Shikarpur Sindh where processing Facilities are already operational to remove acid gases and is being dehydrated.

Specifications of Gas Offered:

Heating Value	±745 BTU /SCF
Moisture Content	< 7 Lbs / MMSCF
Sp. Gravity	± 0.7
H ₂ S.	< 16 PPM
CO ₂	<3 Mol%

Gas Composition:

<u>Component</u>	<u>Mol</u>
Carbon dioxide CO ₂	1.54
Nitrogen N ₂	27.32
Methane C ₁	69.02
Ethane C ₂	1.32
Propane C ₃	0.38
n-Butane nC ₄	0.1
i-Butane iC ₄	0.09
Neo-Pentane nC ₅	0.01
I Pentane	0.05

N-Pentane	0.04
Hexane Plus	0.13
TOTAL	100

Gas Available for Sale:

Up to 02 MMCFD subject to the reservoir behavior.

Delivery Point:

From Block 22 sales gas Metering station. Coordinates are:

27° 54' 27.19" N

68° 46' 27.60" E.

Approx. Pressure:

600 – 700 psi

Measurement of Sale Gas to Buyer:

Gas shall be delivered to the buyer at the delivery point at PEL's premises where the metering shall be installed and maintained for custody transfer of sales gas. The volumes so recorded at the metering point conforming to AGA 3 and AGA 8 shall be considered as final for billing purposes. A joint calibration of the metering equipment shall however be conducted on monthly basis.

Quality of Gas:

Quality of gas shall be verified from the already installed C₆+ Gas chromatograph at the sales gas metering station at Block 22 and the same shall be used for computation of energy contents.

Commercial Terms:

The finalization of the buyer for purchase of Block 22 Gas is subject to following terms & conditions:

- a) Transaction of sale of gas at a negotiated price with selected buyer will be subject to signing of GSPA/ Term Sheet between the Seller and the Buyer.
- b) The parties will pay the applicable Government taxes/levies on the sale of Gas as per the laws of Pakistan.

Invoicing and Payment:

Payment should be made through irrevocable Letter of Credit. A valid revolving LC for an estimated six (06) months Gas Sales amount shall be maintained by the buyer for the purpose of payments against the Gas Sale invoices to be raised on monthly basis.

General Instructions to the Bidders:

In order for your offer to be appropriately considered, it must comply with the guidelines and address the matters set forth below.

i. Time & Place for Submission of the Bids

Due date for the Bid submission is 4th **November . 2022**. Bids must be delivered before **18:00 hours** Pakistan Standard Time (PST) as mentioned in Press Tender Notice on following address:

PETROLEUM EXPLORATION (PVT.) LIMITED

Attention: **Mr. Shahzad Zaheer**
Chairman/CE

House no 20, Main Margalla Road, F8/3 Islamabad

Tel: +92 51-2287170

Fax: +92 51-2287154-55

E-mail: shahzad@pepl.com.pk &
shahzad909@gmail.com

ii. Bid Validity

The bid price shall remain valid for a period of six (06) months from the specified date of bid opening.

iii. Offer/Bid must include

Prospective bidders should particularly furnish following documents with Bid:

- a. Complete profile of the Company
- b. Purpose of the gas requirement
- c. Location of the Gas utilization
- d. Valid approvals from the relevant Regulator(s) for the usage of Gas
- e. Incorporation/ Registration Certificate of the Company
- f. Five (05) years audited financials of the Company
- g. Sale Tax Registration/ NTN number of the Company
- h. Details with regard to litigation proceedings of the applicant organization, (if any)

iv. Price Quotation Format

For ease of comparison, price must be quoted in USD (\$) per MMBTU. Bids quoting price in other format will not be considered.

v. Miscellaneous

- a. Bidders are required to submit their Bid in sealed envelopes which will bear word “**Confidential**”.
- b. Bids/Offer must be submitted in English language.
- c. The bidder(s) shall bear all cost associated with the preparation and delivery of their bids, and the PEL will in no case be responsible or liable for those costs.
- d. All prospective bidder(s) are advised to read carefully all terms & conditions mentioned in the Tender Documents prior to submission of their quotation
- e. In case of any doubt to the meaning of any Terms & Conditions, Bidder may seek clarification of the same in writing but not later than one week prior to the deadline of the submission of the Bid. The clarifications can be sought by sending queries at shuja@pepl.com.pk and shamim.bhatti@pepl.com.pk. Kindly note that every email must be copied to shahzad@pepl.com.pk and shahzad909@gmail.com

Interested parties are requested to submit their proposals for the purchase of the gas as per the details defined above.

Company’s Right to accept or Reject any or all Bids

PEL reserves the sole right to accept or reject any or all bids/offers at any time, without thereby providing or assigning any reason of whatsoever nature to the effected bidder or bidders.

Governing Law

This Invitation to bid will be governed by and construed in accordance with the laws of Islamic Republic of Pakistan.