



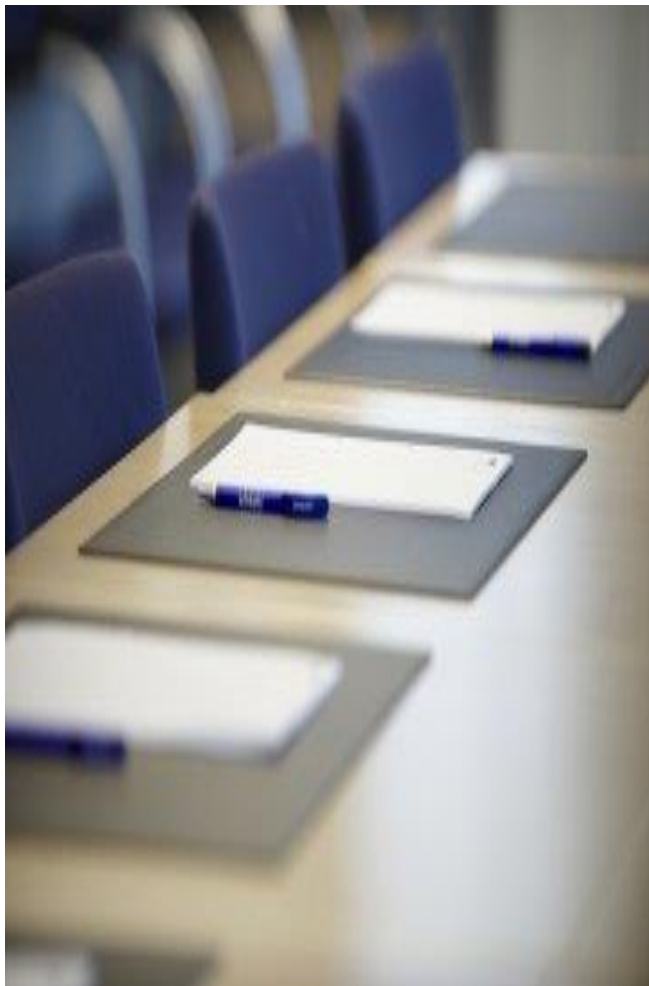
Ministry of Petroleum and Natural Gas
Government of India

EOI Submission and OALP Bid Process



DIRECTORATE GENERAL OF HYDROCARBONS
(Ministry of Petroleum & Natural Gas, Government of India)

Webinar Technical Session



1

Overview of HELP

2

Expression of Interest (Eoi) Process

3

Qualification Criteria (Technical & Financial)

4

Bidding Procedure



OVERVIEW OF HELP



Hydrocarbon Exploration and Licensing Policy (HELP) announced in March 2016

Government notified further Policy Reforms on February 28, 2019

Five rounds of OALP have been completed under HELP

- ✓ 94 Blocks covering an area of 1,36,790 sq. km have been awarded till OALP-IV
- ✓ 11 Blocks with 19,800 sq. km area will be awarded under OALP-V (OALP-V at Bid evaluation stage)

Current Window for EoI submission is open till 30th November, 2020



OALP PROCESS FREEDOM TO CARVE OUT BLOCKS



OALP Process

Investor studies G&G
data available on NDR

Carves out blocks for
interested area

Submission of Eoi

Finalization of Block and
Invitation to Bid through NIO

Bid Submission and
Evaluation

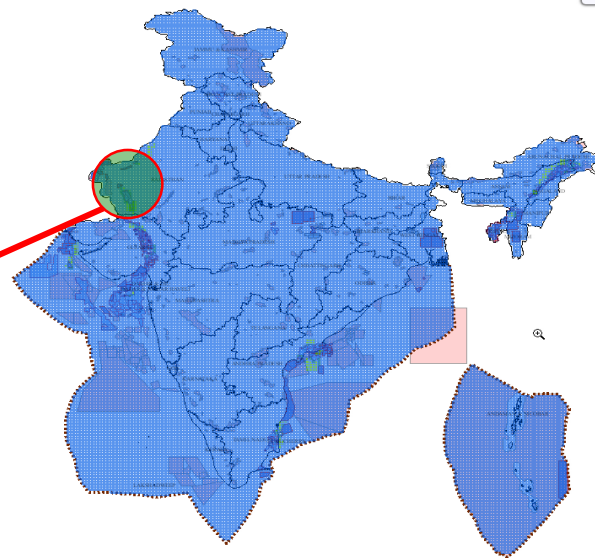
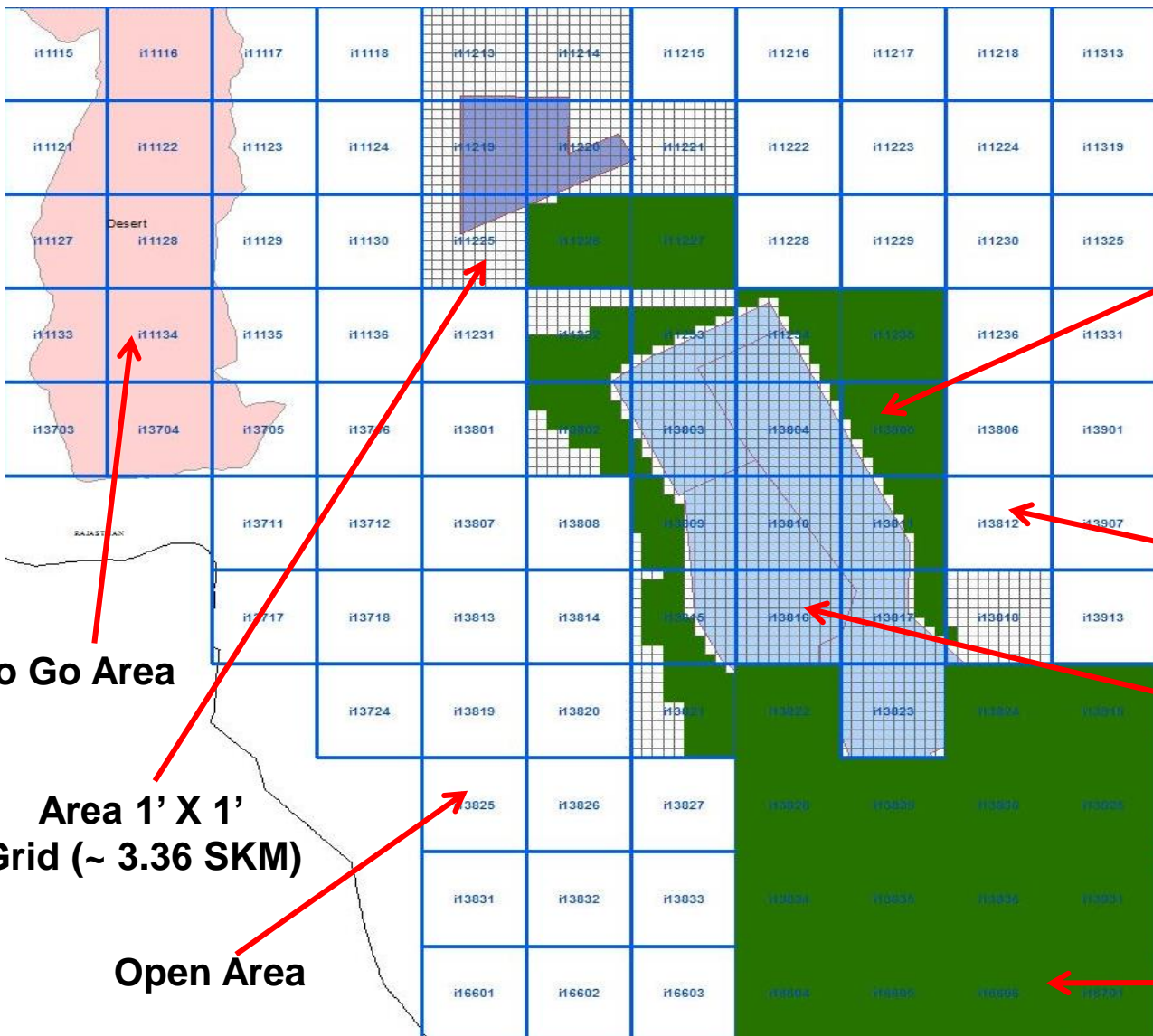
Award of Contract

Contract Period

- 3 to 4 years: Exploration*
- 3 to 5 years: FDP submission
- 20 to 30 years: Development and Production

*automatic extensions of 9 months (onland & shallow) & 18 months (deep and ultra deep water) can also be availed

- ❖ Party submitting EOI for an area shall be '**Originator**' and eligible for **originator incentive**
- ❖ Sedimentary basins gridded into **sector of 10' x 10' (1' x 1' for existing PEL/PML)**
- ❖ Bidding cycle thrice a year (continuous EOI submission, pooled every 4 months)
- ❖ Bidding through **fully secured e-bidding platform**
- ❖ Blocks can be carved out in **single category of Basins**



**Area 10' X 10' Grid
(~ 336 SKM)**

**Active
PEL/ML**

Submitted Eol Sectors



QUALIFICATION CRITERIA



Financial Qualification Criteria - Two stage evaluation of Networth

Originator/Bidder is required to meet the following minimum Networth criteria

Type of bock	Net-worth for one sector (10'x10') (\$ mn)	Net worth for additional sectors (\$ mn/ sector)
Onland	5	1
Shallow water	20	2
Deep water	60	2.5
Ultra-Deep water	90	3

At Bid Evaluation Stage: Originator/Bidder is required to meet the following Networth criteria

Net worth of the bidder should be equal to or more than the higher of :

- Estimated expenditure for the committed work programme
- LD equivalent value of the committed work programme

Any shortfall in Networth is allowed to be supported by an equivalent Bank Guarantee.

Minimum Technical Qualifying Criteria

S. No.	Criteria	Onland	Shallow Water	Deep water/ Ultra-deep Water
1	Minimum Operatorship Experience (Experience of operatorship in oil and gas exploration and / or development and / or production in the last consecutive 10 years)	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 and CBM) in last 10 years.	Positive	Optional if Point 3 is fulfilled	
3	Minimum Average Annual production (MMBoe) for the previous 5 years: (for Onland, Shallow water, Deep water/ Ultra-deep water) in preceding last 10 years.	Positive	Optional if Point 2 is fulfilled	

STEPS FOR SUBMITTING EoI



Registration on EoI Portal : <http://online.dghindia.org/oal>



Submission of New EoI

- a** For EoI submission process click on the “EoI submission” tab and the applicant will be directed to the page having option for adding new EoI
- b** Fill the required information such as Corporate Information, Consortium Details, Qualification Criteria, Participation Bond, Due-Diligence Report etc., and upload required relevant files.
- c** Applicants are required to pay INR 75,000 through Online payment Gateway.
- d** Participation Bond : USD 150,000 per 10’X10’ Sector for all type of Blocks. For 1’x1’ units the value of participation Bond can be calculated on pro-rata basis.

STEPS FOR SUBMITTING EoI



Sector Selection

Maximum Limit of Area

The Maximum Limit of Area for EoI submission is as follows :

Onland	: Area equivalent to Ten 10'X10' sectors (approx 3360 sq Km)
Shallow water	: Area equivalent to Twenty 10'X10' sectors (approx 6720 sq Km)
Deep/Ultra Deep Water	: Area equivalent to Thirty 10'X10' sectors (approx 10080 sq Km)
CBM	: Area equivalent to Two 10'X10' sectors (approx 672 Sq Km)



Declaration

Applicants are required to give details of the Authorized Signatory (Name and Designation).



Submission

- Please check all your details before the final submission of the Application.
- Physical submissions must be made within seven (7) working days from the online submission, failing which EoIs would be rejected.



NOTICE INVITING OFFER (NIO)



1

Submitted Eols are scrutinized for Due Diligence Report, Overlapping Status, Application Fee, Participation Bond, Net worth, Corporate Structure and Technical qualification

2








Successful Eols are included in the NIO for International Competitive Bidding

3

Published NIO includes all the relevant information such as

- Bid Opening and Closing Date
- Basin Information for Blocks on offer
- Map of Blocks on Offer
- Area of Block, Type of Block, Minimum Required Net worth, Block wise required Bid Bond value, Format for Bid Submission, Cost of Basic Data Package

REQUISITES OF BIDDING

1	Registration on E-bidding Portal	
2	Payment of Tender Fee of INR 75,000 per Block (Waived off for Originators of the Block)	
3	Purchase of Basic Data Package as published in NIO	
4	Fulfillment of Technical and Financial Qualification Criteria	
5	Submission of E-Bid before Bid closing Date	
6	Hard Copy Submission of Bid Documents before Bid Closing Date	
7	Submission of Bid Bond of Requisite Value as per NIO along with the Bid Document	



BID EVALUATION CRITERIA






BID EVALUATION CRITERIA

Category-I Basins

- Work Programme (65) + Originator Incentive (05)
- Fiscal parameters (30)

Category-II & III Basins

- Work Programme (95) + Originator Incentive (05)

Evaluation Criteria	Definition	Weightage	
		Category-I Basins	Category-II & III Basins
Work Programme 	Bidders have to bid for Weighted Seismic Programme for 2D & 3D Seismic and Exploratory Wells. Bidders quoting highest in the respective exploration activity will get highest marks allotted to that activity and other bidders will be proportionately evaluated	65%	95%
Revenue Share 	<p>In Category-I, the revenue share will have to be bid at two levels:</p> <ul style="list-style-type: none">• Lower Revenue Point (LRP) (USD 0.05 million per day)• Higher Revenue Point (HRP) (USD 7 million per day) <p>Bid carrying highest NPV will get 30 marks and other bidders will be proportionately evaluated</p>	30%	0%
Originator Incentive 	Investor who has submitted an EoI for carving out a block (deemed as originator for the respective Block) will be assigned 5 marks on a First Come First Served Basis	5%	5%

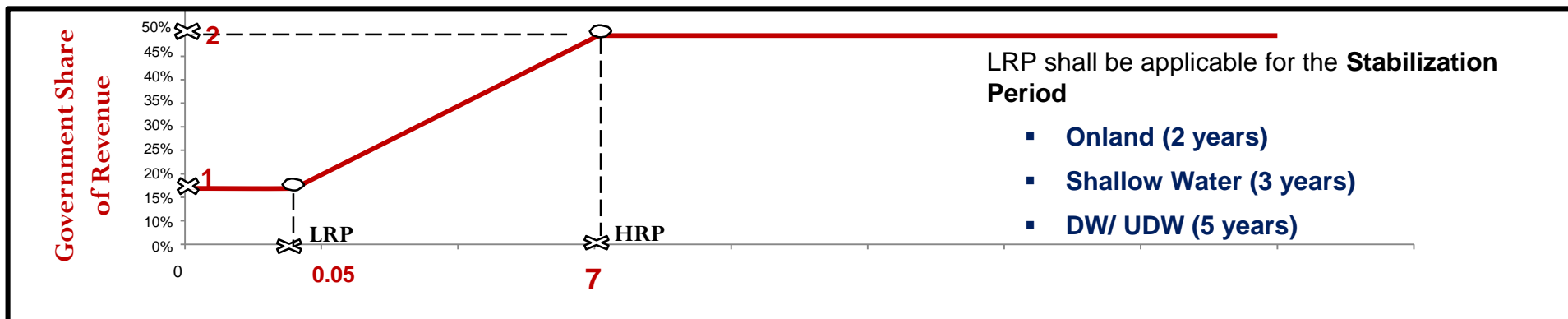


SCORING PATTERN FOR COMMITTED WORK PROGRAMME



Activity	Marks		Evaluation
	Category-I Basins	Category-II & III Basins	
2D Seismic surveys (API)	13	19	Bidder quoting highest weighted Seismic programme will be assigned highest marks and others will be assigned marks proportionately.
3D Seismic surveys (API)			<p>Weighted Seismic Programme will be calculating by considering 2D and 3D seismic in the following weightage:</p> <p><u>For Onland:</u> 2D-12.5% weightage & 3D-87.5% weightage</p> <p><u>For Offshore:</u> 2D-25% weightage & 3D-75% weightage</p>
Exploratory Wells	52	76	Bidder quoting highest number of wells will be assigned highest marks and others will be assigned marks proportionately

CATEGORY – I BASINS & CBM BLOCKS : FISCAL BID : LRP AND HRP



The Revenue Share will have to be bid at two levels: “**Lower Revenue Point (LRP)**” and “**Higher Revenue Point (HRP)**”. The Revenue Share for intermediate points will be calculated by linear interpolation. The bidder offering the highest net present value of the Revenue Share to the Government will score the maximum on this parameter. HRP Rate at HRP can not exceed 50%.



Lower Revenue Point (LRP)	Set at USD 0.05 (0.01 CBM) million per day
Higher Revenue Point (HRP)	Set at USD 7 (0.5 CBM) million per day



REVENUE SHARE FOR CATEGORY-II & III BASINS



No revenue share is to be quoted at the time of bidding

Revenue Sharing at predetermined rates if annual revenue crosses USD 2.5 billion i.e. “Windfall Gain”. Financial year April to March will be considered for calculation of annual Revenue.

Rates of revenue share will be as under

Revenue (Net of Royalty & taxes on sales) (in billion USD) in a Financial Year	GoI Share (%)
Up to 2.5	Nil
>2.5 <=5.00	10%
>5.00 <=10.00	30%
>10	50%



National Data Repository (NDR)

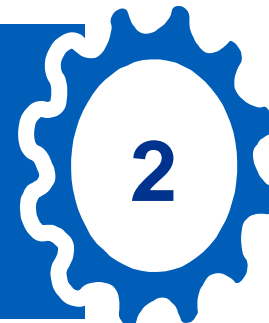
A data bank to store, preserve, maintain, reproduce and disseminate Oil & Gas information and data in order to promote and encourage exploration and development activities in the country.

<https://www.ndrdgh.gov.in/NDR/>

EoI Submission Portal

Portal Facilitates Investors to submit Expression of Interest (EoI) as per the Gridding Pattern shown on NDR

<http://online.dghindia.org/oal>



E-Bidding Portal

STQC certified e-bidding portal secure and transparent bidding

<https://ebidding.dghindia.gov.in>

Thank you

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