

Madagascar Licensing Round 2018 - 2019

Madagascar 2018/2019 Licensing Round Application Documents

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This document comprises the Application Documents required for bid submission for the 2018/2019 Madagascar Licensing Round. It includes the document guideline and four (4) Exhibits.

Applications must be made using the “Application Documents” provided in Exhibits 1, 2, 3 and 4 and follow the instructions provided in these guidelines. The Application Documents can be also found and downloaded from <https://madagascarlicensinground2018.com>.

All Applicants must complete all four (4) Exhibits.

Applicants may also provide additional material or information about the Applicant that the Applicant considers best to support its application, but it is requested to make such additional material or information as concise as possible. Companies are requested to provide such additional material or information in Exhibit 3.

Applicants are required to submit two (2) paper copies of the application and one (1) copy on DVD or USB disk in pdf format for each Application. It is important that the resolution of figures and technical documentation are of sufficient quality to enable all details to be clearly seen. The Applicant should confirm that the files have been scanned for viruses.

If the Applicant submits bids for more than one (1) Petroleum Blocks, the Applicant may indicate a priority order. One (1) Application may include up to a maximum of four (4) Petroleum Blocks.

Exhibit 1: Applicant Details and Financial Information

Exhibit 1 is divided into four (4) sections which request financial information about the Applicant and information about their skills and experience. An Applicant must satisfy OMNIS of its financial capability to undertake its proposed work program, including evidence of the likelihood that the Applicant will continue to have the ability to attract outside funding or have sufficient financial resources to meet the requirements of the proposed work program.

Section I: Name(s) of Applicant(s) and Proposed Operator

Details of the Applicant(s) (Operator and any Partners)

Section II: Name of Petroleum Blocks (s) applied for

Name of the Petroleum Block (s) applied for

Section III: Pre-qualification Information

It should include a copy (updated as required) of each of the Applicants (Operator and any Partners) pre-qualification applications and Notice of Qualifications.



Section IV: Additional Information

This section includes: (i) A brief description of the technical and industrial resources available to the Applicant(s) and (ii) Particulars of financial resources available to the Applicant(s), including capital, credit facilities and guarantees (including parent company guarantees).

Exhibit 2: Technical Summary

Exhibit 2 is divided into two (2) sections that demonstrate the Applicant's current assessment of the resource potential and future plan to undertake exploration work program and evaluate the acreage. The Applicant may attach further technical documentation to Exhibit 2 to substantiate the information stated.

All Applicant(s) must confirm entitlement to all data used for this application. Applicant(s) must confirm that a mandatory data package has been licensed.

Section I: Technical Assessment

Regional Overview

The Applicant is asked to provide a concise account of its assessment of the regional position and geological significance within the Morondava basin/area of each of the Petroleum Blocks being applied for including:

- Play Fairway (Structure / Play types /Source / Seal / Reservoir)
- Existing discovery wells (if any)
- Other wells (if any)

Technical Database

The Applicant is asked to provide a summary of its geo-technical database within the Morondava basin including:

- Seismic Data
- Well Data
- Gravity & Magnetic Data
- Multi-Client Studies
- Other Data

Leads & Prospects

The Applicant is asked to provide a summary of any specific Leads & Prospects identified in the Petroleum Block(s) applied for, together with reservoir formation and an assessment of the estimated reserves.



Section II: Exploration Work Program

In this section the Applicant must complete a table detailing the proposed work program and the accompanying budget for each of the Petroleum Blocks applied for. The completed table specifies the minimum exploration program and estimated expenditures (in US Dollars) for each phase of the exploration period (a minimum of 8 years divided into 3 phases). Each Applicant may define the duration of each phase as it finds most suitable.

OMNIS will consider the work program bid most likely to achieve the fullest assessment of the petroleum potential of the Petroleum Block(s) applied for.

Exhibits 3: Commercial Proposal

Section I: Fees

- With respect to Pre-qualification, the Operator confirms that all members of the “Applicant Group” have been pre-qualified by OMNIS and therefore entitled to participate in the Madagascar Licensing Round.
- With respect to the Madagascar Licensing Round Application, the Operator confirms that the Application Fee of US \$10,000 for this Application has been paid *.

**Note: Fees may be paid by Bankers’ Cheque (Draft) or by wire bank transfer into OMNIS’s bank account. Upon receipt of the funds in cleared funds into OMNIS’s bank account, OMNIS will issue a receipt to confirm that payment has been received.*

Section II: Biddable Items

This section contains the proposal of the Applicant for the biddable items (US Dollars) in respect of each of the Petroleum Blocks applied for.

Section III: Additional Aspects

Here the Applicant is asked to provide details of:

- Training & Development
- Social Projects
- Other Matters

Exhibit 4: Quality, Health, Safety and Environment

OMNIS recognizes that a favourable quality, health, environment and safety culture is needed to ensure continual development and improvement. Applicants should submit details of their QHSE protection systems.

Harm or danger to people, the environment or to installations, pipelines and equipment must be prevented or limited. A high standard of operational regularity and safety is in the interest of all petroleum industry stakeholders. To reach the level of acceptable conduct systematic



procedures and assessments must be made and documented in all phases of petroleum activities.

The Applicant must therefore demonstrate its QHSE systems and their implementation with regard to risk-reduction through the Applicant's choice and implementation of technical, operational or organisational solutions.



Exhibit 1: Applicant Details and Financial Information

Section I: Name(s) of Applicant(s) and Proposed Operator

- Where there is more than one Applicant please list the names according to the size of the proposed percentage interest, starting with the largest percentage:

Name(s) of Applicant(s) (As in Certificate of Incorporation)	Date of Establishment	Place of Incorporation	Block Applying for	Percentage of Interest(s) (these should total 100)

- State the name of the proposed operator company and who to contact for correspondence regarding this application:

Name of Company	
Name of contact	
Address of Contact	
Email of contact	
Telephone of contact	

Section II: Petroleum Block(s) applied for.

Please state the reference number of the Petroleum Block(s) Applicant is applying for in order of preference. Provide copy of a map or maps designating the Block or Blocks for which the Applicant is applying.



Petroleum Block	Order of Preference

Please Insert Map below.

Section III: Pre-qualification Information

Applicants are asked to include a copy (updated as required) of their Pre-qualification application and Notice of Qualification(s).

- Operator Pre-qualification Application
- Partner 1 Pre-qualification Application
- Partner 2 Pre-qualification Application
-
- Partner X Pre-qualification Application

Note: The Pre-qualification Application provides additional details that form an important part of the evaluation process.

Section IV: Additional Information

Please also provide:

- A brief description of the technical and industrial resources available to the Applicant.
- Particulars of financial resources available to the Applicant, including capital, credit facilities and guarantees (including parent company guarantees).



Exhibit 2: Technical Summary

Section I: Technical Assessment

- **Regional Overview**

Give a concise account of your assessment of the regional position and geological significance within the Morondava basin of each of the Petroleum Blocks being applied for including:

- Play Fairway (Structure / Play types /Source / Seal / Reservoir)
- Existing discovery wells (if any)
- Other wells (if any)

- **Technical Database**

Provide a summary of your geotechnical database within the Morondava basin including:

- Seismic Data
- Well Data
- Gravity & Magnetic Data
- Multi-Client Studies
- Other Data

- **Leads & Prospects**

Provide a summary of any specific Leads & Prospects identified in the Petroleum Block(s) applied for, together with reservoir formation and an assessment of the estimated reserves, including:

- Prospect ID
- Lead ID
- Reservoir Formation
- Source Rock
- Trapping Mechanism / Seal
- Estimated Reserves

Section II: Exploration Work Program

Give a description of the proposed work program and the accompanying budget for the Exploration Period (8 years divided in 3 phases) for each of the Petroleum Blocks applied for. Each Applicant may define the duration of each phase as it finds more suitable.

OMNIS will consider the work program bid most likely to achieve the fullest assessment of the petroleum potential of the Petroleum Block(s) applied for.



First Exploration Phase (Insert proposed Timeframe for phase 1)	Geotechnical Studies	Titles	
		Expected cost (US\$)	
	2D Seismic Acquisition	Amount (Km)	
		Expected cost (US\$)	
	3D Seismic Acquisition	Amount (sq Km)	
		Expected cost (US\$)	
	Exploration Wells	Number of firm Wells	
Expected Cost (US\$)			
	Estimated Expenditure (US\$)		

Second Exploration Phase (Insert proposed Timeframe for phase 2)	Geotechnical Studies	Titles	
		Expected cost (US\$)	
	2D Seismic Acquisition	Amount (Km)	
		Expected cost (US\$)	
	3D Seismic Acquisition	Amount (sq Km)	
		Expected cost (US\$)	
	Exploration Wells	Number of firm Wells	
Expected Cost (US\$)			
	Estimated Expenditure (US\$)		

Third Exploration Phase (Insert proposed Timeframe for phase 3)	Geotechnical Studies	Titles	
		Expected cost (US\$)	
	2D Seismic Acquisition	Amount (Km)	
		Expected cost (US\$)	
	3D Seismic Acquisition	Amount (sq Km)	
		Expected cost (US\$)	
	Exploration Wells	Number of firm Wells	
Expected Cost (US\$)			
	Estimated Expenditure (US\$)		



Exhibit 3: Commercial proposal

Section I: Fees

- **Pre-qualification Fee of US \$1,000/Applicant**

The Operator confirms that all members of the "Applicant Group" have been pre-qualified by OMNIS and are therefore entitled to bid in the Madagascar Licensing Round:

Operator
 Partner 1
 Partner 2

 Partner X

Signed	
Name	
Title	
Company	

- **Application Fee**

The Operator confirms that the Application Fee of US \$10,000 for this application has been paid*:

Signed	
Name	
Title	
Company	

Note: Fees may be paid by Bankers' Cheque (Draft) or by wire bank transfer into OMNIS's bank account. Upon receipt of the funds as cleared funds into OMNIS's bank account, OMNIS will issue a receipt to confirm that payment has been received.*

Section II: Biddable Items

This section contains the proposal of the Applicant for the biddable items (US Dollars) in respect of each of the Petroleum Blocks applied for.



Description	Value
First exploration phase: Minimum expenditure (US \$)	
Second exploration phase: Minimum expenditure (US \$)	
Third exploration phase: Minimum expenditure (US \$)	
Sharing of petroleum profit: Percentage (%) of the share	
Signature bonus: Signature of the contract (US \$)	
Production bonus: Commencement of initial production (US \$)	
Training and administration fees: Exploration period: Per annum (US \$)	
Training and administration fees Exploitation period: Per annum (US \$)	
Social projects Exploration period: Per annum (US \$)	
Social projects Exploitation period: Per annum (US \$)	

Section III: Additional Aspects

- **Training & Development**

Please outline your proposals with respect to the training and employment of citizens in Madagascar:

- Training of the staff of OMNIS and the Hydrocarbons Administration;
- Contribution of oil companies to economic and social development through the priority use of local resources and capacity-building of the country's workforce, especially in the areas of employment, vocational training, technology transfer and knowledge and local business development.
- Participants shall, in collaboration with OMNIS and entities in charge of higher education and vocational training, prepare and implement a detailed plan for the recruitment and training of nationals, including university training and scholarships, at all phases of the petroleum activities, taking into account the inhabitants of the local communities where the petroleum activities are carried out.



- **Social Projects**

Please outline your proposals with respect to Social Projects to the benefits of the citizens of Madagascar, include examples where relevant from other countries:

- Participants shall, in collaboration with OMNIS and the decentralized territorial communities, prepare and implement a local content plan that must include, in particular, a plan for the use of local goods and services, a local business support plan, a plan for recruitment, employment and training of national staff, and a plan for skills transfer.
- Applicants should participate in the development of the decentralized territorial communities by taking part in the implementation of the local development plan of the concerned municipalities. (For instance: construction of roads, healthcare centre, water wells, schools, electrification, sanitation facilities, etc.)

- **Other Matters**

The Applicant may include here other matters which in the opinion of the Applicant is relevant to the application.



Exhibit 4: Quality, Health, Safety and Environment

Section 1: Introduction

OMNIS recognizes that a favourable quality, health, environment and safety culture is needed to ensure continual development and improvement. Applicants should submit details of their QHSE protection systems.

Harm or danger to people, the environment or to installations, pipelines and equipment must be prevented or limited. A high standard of operational regularity and safety is in the interest of all petroleum industry stakeholders. To reach the level of acceptable conduct, systematic procedures and assessments must be made and documented in all phases of the petroleum activities.

The Applicant must therefore demonstrate its QHSE systems and their implementation with regard to risk-reduction through the Applicant's choice and implementation of technical, operational or organisational solutions.

Section 2: Operator QHSE Information

Applicants must provide evidence of proper operational procedures and sensitivity related to issues surrounding quality, health, safety and the environment. The purpose is for the company to demonstrate its ability to observe international standards. Companies are required to submit:

- QHSE Policy Statement.
- Evidence of established and implemented QHSE Management System(s).
- QHSE certification(s) according to best international industry practice (e.g., ISO certification 9001, ISO 14001 and/or OHSAS 18001), with copies of certificates approved by the awarding official entities.
- A copy of the Quality, Health, Safety and Environment Management System(s) (QHSEMS), or equivalent.
- A copy of Corporate Social Responsibility reports or initiatives for the past three (3) years.
- QHSE record of material events for the previous three (3) years including oil spills, site fatalities and injuries, major fires and explosions, mechanical/structural failures, emissions and waste, and main remedial efforts.

Section 3: Petroleum Block Specific QHSE Information

Please also provide the following information:

- An assessment of the impact which the proposed exploration operations may have on the environment.
- A plan for the prevention of pollution, the handling of waste, the safeguard of the natural resources and minimisation of the harmful effects of petroleum operations.



- The Applicant's proposals for insurance for petroleum operations, including accidental death and health insurance cover for its employees.

