

REQUEST OF PROPOSAL FOR EXPRESSION OF INTEREST – DRILLING MATERIALS SUPPLY.

Introduction

LaGEO S.A. de C.V. (LAGEO) a power production company of El Salvador is in the final stages of negotiating a loan with the World Bank (P170089 – financial identifier of the project within the World Bank) to increase the generation of electrical energy based on the geothermal resources available in the country. The scope of the project consists of the construction and commissioning of two condensing geothermal plants, one to be installed in the Chinameca geothermal field in eastern El Salvador with a generation capacity of 25 MW and the other to be placed in the San Vicente geothermal field in central El Salvador with a generation capacity of 10 MW.

A key component of these projects is the, drilling of additional geothermal wells which will require acquisition and supply of drilling materials. The objective of this request for expression of interest is to understand the market for the supply of drilling materials for the drilling of a total of nine (9) wells in the geothermal fields of Chinameca and San Vicente, as well as establish communication with interested companies, who will subsequently be informed about the tender process and invited to participate in it.

Project Description

Chinameca Geothermal Field

The Chinameca geothermal field is located 130 km east of San Salvador, the capital city of El Salvador, in the department of San Miguel, within the Pacayal-Limbo volcanic complex. The towns of Chinameca and Nueva Guadalupe, both located to the north of the geothermal field.

The supply of drilling materials includes chemical additives for drilling fluids, drilling bits, casing pipes, casing and cementing accessories, and cementation additives; that will be used for the drilling of six (6) geothermal wells.

San Vicente Geothermal Field

The San Vicente geothermal field is located 40 km east from San Salvador, in the Department of San Vicente, on the north flank of the Chichontepec volcanic complex at elevations between 800-1140 m.a.s.l. south of the town of Tepetitán.

The supply of drilling materials includes chemical additives for drilling fluids, drilling bits, casing pipes, casing and cementing accessories, and cementation additives; that will be used for the drilling of three (3) geothermal wells.

Overall Scope.

The overall scope of this Expression of Interest is for the “Supply of drilling materials, consisting of bentonite, chemical additives for drilling fluids, drilling bits, casing pipes, casing and cementing accessories and chemical additives for cementation; all to be used in geothermal wells to be drilled in the Chinameca and San Vicente geothermal fields”. Interested companies can opt to send an Expression of Interest for one, more than one or all of the materials required.

The shipping of the materials will be distributed in warehouses at both sites, in the proportion that will be established in the tender documents (shipping conditions), for the following batches:

- Bentonite Montmorillonite
- Chemical Additives for Drilling Fluid
- Drilling Bits
- Casing Pipes
- Casing and Cementation Accessories
- Cementation Additives

The international public bidding process is planned to be carried out in the first quarter of the year 2021.

Reply letter content.

When submitting a reply, also include the duly completed forms (attached) with the requested information.

Interested company overview.

The overview of the company, corporation or consortium that is sought is of a company that is a supplier of drilling materials and chemical additives for geothermal wells, with proven experience and technical knowledge of the required supplies as well as verifiable financial robustness, capacity manufacturing and / or logistics material handling and having sufficient knowledge in customs matters.

Additional reference information.

The reply to this letter of expression by the interested parties, can be presented in Spanish or English. The envelope must be labeled designating as "Letter of Expression of Interest for the supply of materials and chemical additives for the drilling of geothermal wells Chinameca and San Vicente geothermal fields - EoI (Expression of Interest)" and must be sent to the following postal address (or sent by email) no later than February 21 of 2021.

LAGEO S.A. de C.V.
Final 15 Avenida Sur y Blvd. Sur, Colonia Utila, Santa Tecla
La Libertad, El Salvador.
Telephone: +503-22116700
e-mail: compras@lageo.com.sv

List of Companies to which they have Provided the Service.

Detail below the list of companies to which the Bidder has been a supplier of drilling materials and that are related to the drilling of wells in geothermal fields.

Enterprise /Company:						
Address:						
Contact:						
Batch	Description	Enterprise	Geothermal Field	Country	Agreement Amount (US\$)	Reference Contact
A	Bentonite Montmorillonite					
1						
2						
3						
4						
5						
B	Chemical Additives for Drilling Fluid					
1						
2						
3						
4						
5						
C	Drilling Bits					
1						
2						
3						
4						
5						
D	Casing pipes					
1						

2						
3						
4						
5						
E	Casing and Cementation Accessories					
1						
2						
3						
4						
5						
F	Cementation Additives					
1						
2						
3						
4						
5						