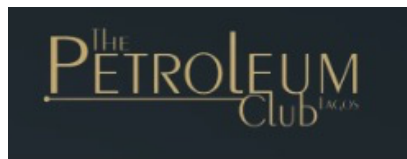


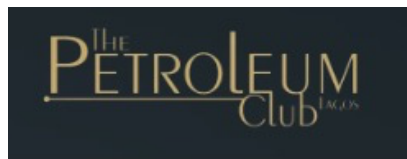
Petroleum Club Lagos: Policy Committee – Monthly Industry Recap for December 2024

No	News Item	Summary
1.	PETAN advocates pipeline privatisation for energy security (Reported by The Sun on 02 December 2024)	The Petroleum Technology Association of Nigeria (“ PETAN ”) has proposed a “commonwealth solution” to bolster Nigeria’s oil and gas sector, which is the privatisation of the nation’s oil and gas pipelines. The PETAN Chairman, Mr. Wole Ogunsaya explained that the solution of privatising Nigeria’s pipeline network stems from the opportunity the country has in its private investors to hold 51% ownership of the nation’s pipelines in conjunction with oil producers, including the Nigerian National Petroleum Company Limited (“ NNPC ”).
2.	Nigeria will never stop fossil fuel production, says Lokpobiri (Reported by Punch News on 05 December 2024)	As the call for energy transition intensifies, the Federal Government (“ FG ”) has vowed never to stop fossil fuel production. The Minister of States for Petroleum Resources (Oil), Heineken Lokpobiri, stated this at the Practical Nigerian Content Forum organised by the Nigerian Content Development and Monitoring Board (“ NCDMB ”) in Bayelsa State. The Minister noted that energy transitions mean “different things to different people” stating that Nigeria would never stop fossil fuel production because no other country is stopping.
3.	Nigeria’s oil output rises 13% to 1.7m bpd (Reported by Vanguard News on 11 December 2024)	Nigeria’s oil output has risen year-on-year (YoY), by 13.3% to 1.7 million barrels per day, (“ bpd ”), including Condensate, in November 2024, from 1.5 million bpd recorded in the corresponding period of 2023. A recent report released by the Nigerian Upstream Petroleum Regulatory Commission, (“ NUPRC ”) indicates that the output is the highest ever to be produced by the nation in 2024. Experts have stated that the leap in output constitutes a good omen for the nation’s 2025 budget, which was based on 1.7 million bpd.



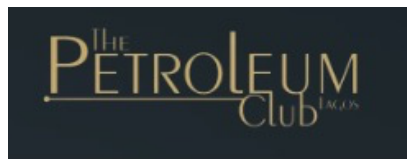
Petroleum Club Lagos: Policy Committee – Monthly Industry Recap for December 2024

No	News Item	Summary
4.	<u>Seplat to Revive Hundreds of Exxon's Old Idle Nigerian Oil Wells</u> (Reported by Rigzone on 13 December 2024)	Seplat Energy Plc will revive hundreds of idle Nigerian oil wells following the completion of the acquisition of Exxon Mobil's onshore oil and gas assets in the country. Currently, only about 200 out of the 600 blocks are producing hydrocarbon. Seplat's goal is to lift output to more than 200,000 barrels a day, from about 71,000 barrels of oil equivalent daily now, as Chief Executive Officer Roger Brown stated in an interview. Roger Brown also expressed his optimism for the opportunities in Liquefied Natural Gas (LNG) and the domestic gas space in Nigeria.
5.	<u>Nigeria's Crude Oil Output to Increase as Shettima Inaugurates \$315m FPSO in Dubai</u> (Reported by ThisDay on 16 December 2024)	Nigeria's crude oil production will rise by 30,000 bpd following the inauguration of the Oriental Energy Resources Limited's \$315 million Floating Production, Storage and Offloading ("FPSO") vessel by Vice President Kashim Shettima; the first FSPO to be fully funded by a Nigerian indigenous company. The vessel is expected to depart for Nigeria in the first quarter of 2025 and commence production at the Okwok Oil Field in the first half of 2025; boosting Nigeria's oil production capacity.
6.	<u>Another oil spill occurs at Shell terminal in Niger Delta</u> (Reported by Nairametrics on 16 December 2024)	According to a statement by the Nigerian Maritime Administration and Safety Agency ("NIMASA"), an oil spill has occurred at a Shell loading terminal at Bonny, in the Niger Delta Region. This marks the second crude oil spill at the company's facility this year, following a spill that occurred at the Obolo-Ogale pipeline in southern Rivers State in January. NIMASA said the spill reached the shoreline and that it was actively monitoring the situation and working with Shell Petroleum Development Company (SPDC) to ensure that the residents of the neighbouring communities were safe.



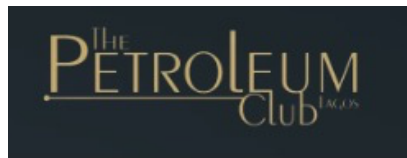
Petroleum Club Lagos: Policy Committee – Monthly Industry Recap for December 2024

No	News Item	Summary
7.	Shell invests in Bonga North deep-water project (Reported by The Guardian on 16 December 2024)	Shell Nigeria Exploration and Production Company Limited (“ SNEPCo ”), a subsidiary of Shell Plc, has announced a final investment decision (FID) on Bonga North, a deep-water project off the coast of Nigeria. This announcement was contained in a post on the company’s website, where it was stated that the Bonga North Project will involve the drilling, completion, and start-up of 16 wells, comprising eight production wells and eight water injection wells: in affiliation with the Shell-operated Bonga FPSO facility. The Bonga North project is expected to produce up to 110,000 bpd at its peak.
8.	TotalEnergies, MRS, others win new oil blocks in FG’s first commercial bid round (Reported by Nairametrics on 19 December 2024)	The FG has successfully concluded its first oil bid round under the Petroleum Industry Act 2021, with several indigenous oil and gas companies emerging as winners of Petroleum Prospecting Licences (PPLs). This landmark event witnessed strong participation from companies such as TotalEnergies, Sifax, MRS, Applefield, First E&P, and Sahara Deepwater which dominated the bid round. Out of the 31 blocks offered by the NUPRC, 25 attracted bids, while six failed to garner interest. This event marked a significant step toward increasing local participation in Nigeria’s oil and gas sector.
9.	CSOs Kick against the Divestment of Nigeria’s Oil and Gas Sector (Reported by AIT on 21 December 2024)	During a peaceful protest in Port Harcourt, Rivers State, a Coalition of Civil Society Organisations (“ CSOs ”) called on the FG to halt all divestment processes by multinational oil companies operating in Nigeria. The group stated that approving the divestment process will not only weaken the independence of regulatory agencies, but will further impoverish an already degraded environment and the social well-being of the Niger Delta region. The activists also demanded that the International Oil Companies be held accountable for their harmful activities including environmental degradation and human rights abuse in the affected areas.



Petroleum Club Lagos: Policy Committee – Monthly Industry Recap for December 2024

No	News Item	Summary
10.	Saipem secures \$900 million Shell contract for Bonga North Deepwater project in Nigeria (Reported by Nairametrics on 23 December 2024)	Saipem, in partnership with two Nigerian companies, KOA Oil & Gas and AVEON Offshore, has secured an offshore contract valued at approximately \$1 billion from SNEPCo. This collaboration marks a critical step forward in the Bonga North Project, a deepwater oil and gas initiative located 130 kilometres off the Nigerian coast. The contract encompasses the Engineering, Procurement, Construction, and Installation (EPCI) of risers, flowlines, subsea umbilicals, and associated subsea structures.
11.	NNPC Floats Crude Production Monitoring Centre to Track Oil Output (Reported by ThisDay on 27 December 2024)	The NNPC has announced the establishment of a Production Monitoring Command Centre (PMCC), which it said is a transformative step in hydrocarbon operations in Nigeria. This was announced in a statement by the Company's Corporate Communications Officer, Olufemi Soneye, who explained that the initiative aims to track oil barrels produced by the country; building on the success of the Command-and-Control Centre to enhance monitoring, operational efficiency and boost production in the industry.
Comments from the Petroleum Club Policy Committee.		<p>From the selected news items, the following are our key takeaways:</p> <ul style="list-style-type: none"> Despite the growing global calls for energy transition, it is clear that fossil fuels are still the main source of energy in Nigeria, as well as the primary driver of the country's economy. This is evident in Minister Lokpobiri's statement and continued oil exploration and production investments. However, this fossil fuel reliance has a counter-narrative with CSOs protesting against divestment by multinational oil companies and the recent oil spills, highlighting concerns about environmental damage and social. Ultimately, there is a need to strike a balance between developing the Nigerian economy and inculcating sustainable practices in our oil and gas industry.



Petroleum Club Lagos: Policy Committee – Monthly Industry Recap for December 2024

No	News Item	Summary
		<ul style="list-style-type: none">Recent initiatives, including the FG's recently concluded oil bid round and the newly inaugurated FSPO in Dubai demonstrate a clear push for greater local involvement in Nigeria's oil and gas industry. There is a clear strategy to cultivate domestic expertise and generate greater economic gains for the country.