

BLOOMFIELD LP WEEKLY ENERGY TITBITS (BWET)

Bloomfield LP's Energy Practice brings you highlights of interesting energy developments in Nigeria
January 14, 2025.

Seplat Energy Plc Proposes the Reactivation of Four Hundred (400) Idle Oil Wells in Nigeria

Following the acquisition of ExxonMobil's onshore oil and gas assets in Nigeria by Seplat Energy Plc ("**Seplat**" or the "**Company**") in December 2024, Seplat disclosed its commitment towards developing Nigeria's oil and gas industry by reactivating dormant oil wells across various oil fields in Nigeria.

The Chief Financial Officer and Executive Director of Seplat, Mrs. Eleanor Adaralegbe, in an interview with Financial Times on Tuesday, January 7, 2025, stated that only about two hundred (200) of Seplat's six hundred (600) oil wells are producing, but noted that with the acquisition of ExxonMobil's assets, the Company will be able to oversee the reactivation of hundreds of idle oil wells into full operation.

He further stated that the Company plans to double output of crude oil production from about fifty thousand (50,000) barrels per day ("**bpd**") to one hundred and twenty thousand (120,000) bpd in over six (6) months.

Read more at:

https://businessday.ng/energy/article/after-acquiring-exxonmobil-seplat-moves-to-revive-400-oil-wells/#google_vignette

The Nigerian Electricity Regulatory Commission Issues Order of Transfer of Regulatory Oversight to the Niger State Electricity Regulatory Commission

In furtherance of the fifth alteration to the 1999 Constitution of the Federal Republic of Nigeria and the provision of the Electricity Act of 2023 ("**Electricity Act**"), the Niger State (the "**State**") Government has duly notified the Nigerian Electricity Regulatory Commission ("**NERC**") and requested for the transfer of regulatory oversight of its proposed intrastate electricity market.

With regard to the above, NERC issued "*the Order of Transfer of Regulatory Oversight of the Electricity Market in Niger State from Nigerian Electricity Regulatory Commission to the Niger State Electricity Regulatory Commission*" ("**NSERC**") (the "**Order**").

Read more at:

https://nerc.gov.ng/resources/?doc_term=Transfer+of+Regulatory+Oversight+from+NERC+to+NSERC+%28IBEDC%29&ins=1#nerc-documents

Nigeria's Crude Oil Production Surpasses One Million, Five Hundred Thousand Barrels Per Day ("**bpd**") Quota For The First Time In Four (4) Years

Nigeria has crossed the one Million, five hundred thousand barrels (1,500,00) per day ("**bpd**") threshold in crude oil production, surpassing its December 2024 quota set by the Organisation of Petroleum Exporting Countries ("**OPEC**").

According to tanker tracking data compiled by Bloomberg, Nigeria's output rose by forty thousand (40,000) bpd to reach one million, five Hundred and ten thousand barrels (1,510,000) bpd, marking its highest production level in four (4) years.

Following the quota set by OPEC, Nigeria recorded further progress in October 2024 when the Nigerian National Petroleum Company ("**NNPCL**") disclosed the achievement of one million, eight hundred thousand (1,800,000) bpd. This milestone was attributed to enhanced security measures aimed at reducing oil theft and curbing pipeline vandalism.

Read more at:

<https://businessday.ng/energy/article/nigeria-surpasses-1-5mbpd-crude-output-first-time-in-4-years>



Dangote Refining Company Limited Plans Expansion of its Crude Oil Storage Facility

Dangote Refining Company Limited (“**Dangote Refinery**”), one of the largest industrial projects in Africa, is set to expand its crude oil storage capacity through the construction of eight (8) new tanks for storage of crude oil. The eight (8) new tanks have a total capacity of six Million, three hundred thousand (6,300,000) bpd, which is equivalent to one billion (1,000,000,000) litres storage capacity.

The construction of these additional tanks is set to increase Dangote Refinery’s overall storage capacity by about forty-one point sixty-seven percent (41.67%), thereby increasing the current two billion, four hundred million litres (2,400,000,000) storage to three billion, four hundred million litres (3,400,000,000) storage.

The expansion enables Dangote Refinery to stockpile imported crude, reducing dependence on inconsistent supplies from the Nigerian National Petroleum Company Limited (“**NNPCL**”).

Read more at:

<https://punchng.com/dangote-refinery-builds-eight-more-tanks-for-imported-crude>

Shell Plc Awards Construction Contract to Chinese Contractor for Development of Oil Mining Lease (“**OML**”) 144 in Niger Delta

Shell Plc. has awarded a major Engineering, Procurement, and Construction (“**EPC**”) contract to China’s Offshore Oil Engineering Company (“**COOEC**”), in a significant move to bolster Nigeria’s gas production output.

The contract entrusts COOEC with delivering a platform jacket and topsides for the shallow-water HI gas and condensate project (“**the Hi Project**”) in Nigeria’s Oil Mining Lease (“**OML**”) 144. The HI Project is located fifty (50) kilometres offshore in the Gulf of Guinea and is poised to significantly enhance Nigeria’s gas output and condensate production.

Upon commencement of operations, the HI Project is expected to deliver up to five hundred million (500,000,000) cubic feet of gas per day to the Nigeria LNG Limited (“**NLNG’s**”) Train 7 facility and export approximately seventy thousand (70,000) barrels of condensate daily at peak production.

Read more at:

<https://businessday.ng/energy/article/shell-taps-chinese-contractor-for-nigerias-oml-144-gas-project>