

Sapele Power accuses Seistech Energy of trespass, Police complicity

SAM IKEOTUONYE

Lagos -- The Sapele Power Plc, SPP, owners and operator of the 1,020 megawatts Sapele power plant and its associated facilities, has petitioned the Inspector General of Police, IGP, alleging trespass by Seistech Energy Limited on its facilities

and the complicity of the Police in the matter.

In the petition dated December 4, 2018, Sapele Power stated that it had in September 2016 entered into an agreement with Seistech Energy for the lease of one of its (Sapele Power's) tanks for storage of crude oil, adding that Seistech had since failed to meet the terms of the agreement and

resorted to intimidation, attempt to forcibly takeover its facilities and threat to life, among others.

The company called on the IGP to compel Seistech to settle its long overdue rent, peacefully evacuate its product from the storage tank and vacate its premises.

The petition to the IGP read in parts: "Sometime in 2016, Seistech

Energy Limited (Seistech), an oil and gas company, approached us for the lease of one of our storage tanks in our facility for storage of crude oil produced by Mid-Western Oil & Gas Company Limited. A storage lease agreement dated September 6, 2016 was wilfully negotiated and executed by both parties without cause for concern.

"Few months into the transaction, Seistech became bankrupt, and unable to meet its financial obligations under the contract, Seistech then introduced Mid-Western to assume its financial responsibility and Mid-Western effected tank rental payments

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Sweet Crude REPORTS

A Review Of The Nigerian Energy Industry

WEEKLY

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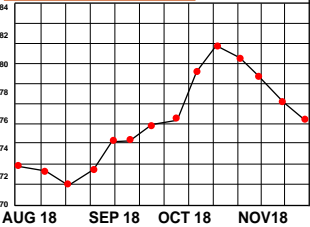
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UPDATES WEEKLY BASKET PRICE

NOV -02	74.16
OCT -26	76.37
OCT -19	78.85
OCT -12	81.43
OCT -05	83.17
SEP -28	80.64
SEP -21	76.62
SEP -14	76.18
SEP -07	75.19
AUG -31	74.76
AUG -24	72.09
AUG -17	70.36
AUG -10	71.88

Daily | Weekly | Monthly | Yearly **71.36**



● Oil refinery

regard also include Iraq, Iran, Turkey, Brunei, Indonesia, the Philippines, and Saudi Arabia, GlobalData report showed.

Kuwait will add 615,000 bpd of CDU capacity by 2022, and is expected to spend US\$7.5 billion through 2022.

Total refining capacity in the world is expected to grow by 15.1 percent between 2018 and 2022, with global CDU capacity expected to grow 117 million bpd by 2022, according to the report.

Asia will lead the globe with the highest CDU capacity of 5.4 million bpd in 2022, followed by Africa and the Middle East with 3.2 million bpd and 2.7 million bpd, respectively.

On capital

expenditure or CapEx, Asia will again be the leader with expected CapEx for new build refineries of US\$194.9 billion, followed by Africa and the Middle East, with US\$126.6 billion and US\$87.1 billion, respectively, the report estimated.

Zabazaba project FID coming before year-end - Kachikwu

Lagos -- Minister of State for Petroleum, Dr. Ibe Kachikwu, has revealed that the much-awaited Final Investment Decision, FID, on the deepwater Zabazaba development project would be made before the end of this year.

According to the minister, some dots were still being connected for arriving at the final decision on the Eni-led project.

"The nation doesn't plan to issue any new offshore licenses before elections due in February. We are shooting for later this year on a final investment decision at the Zabazaba development, as some contractual details are being fine-tuned", he told Bloomberg.

The Zabazaba field development is being executed alongside Etan field, and the two are expected to

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Nigeria to spend \$57.6bn to expand oil refining capacity by 2022 - Report

OPEOLUWANI AKINTAYO

Lagos -- Nigeria will be spending a total of US\$57.6 billion to expand its crude distillation units, CDU, or crude oil refining capacity by 2.003 million barrels per day, bpd, between now and 2022, statistics from GlobalData, a leading data and analytics company, have shown.

According to the report, Nigeria falls among the top ten countries with new refineries in the pipeline.

Nigeria's Minister of State for Petroleum Resources, Dr. Ibe Kachikwu, last week hinted that two out of the 38 modular refineries projects approved by the government would be

inaugurated in December this year: one in Delta State and the other in Rivers State, to boost fuel supply in the country.

According to the GlobalData report, China topped the list of countries expected to increase refining capacities with ten new-build refineries scheduled to

come on line by 2022. The country leads global refinery capacity expansion and investments with 3.12 million bpd additional refining capacity and US\$67.3 billion capital expenditure through 2022, followed by Nigeria and Kuwait. The top ten countries in this

NIMASA considers scrapping seafarers development programme

VINCENT TORITSEJU

Lagos -- The Nigerian Maritime Administration and Safety Agency, NIMASA, is considering scrapping the National Seafarers Development Programme, NSDP.

Speaking during the 2018 graduation ceremony of the

Maritime Academy of Nigeria, NIMASA's Executive Director, Marine and Operations, Engr. Rotimi Fashakin, stated that the NSDP was an interventionist programme meant to bridge the gap created by the dearth of sailors in Nigeria.

Fashakin said that it was not meant to be a permanent

programme, adding that emphasis would now be on sea time training for seafarers that were yet to get such training.

He said: "You will understand clearly that the NSDP has been an interventionist programme.

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OPEC expresses satisfaction with oil market situation

OPEOLUWANI AKINTAYO

Lagos -- The Organization of the Petroleum Exporting Countries, OPEC's, Joint Ministerial Monitoring Committee, JMMC, has expressed satisfaction with developments in the oil market after reviewing the monthly report prepared by its Joint Technical Committee, JTC.

The group said the oil market was as it should be, especially as it concerned the overall conformity levels of the countries participating in the Declaration of Cooperation,

DoC, during the month of September 2018 and the short-term prospects of the global oil market.

The JMMC noted that countries participating in the DoC achieved a conformity level of 111% in September, which showed significant progress towards the goal set at the 4th OPEC and non-OPEC Ministerial Meeting of June 23, 2018.

After reviewing recent market fundamentals, which showed comfortable supply level relative to demand, the Committee likewise expressed overall satisfaction with the

collective performance of member countries in the month of September.

It, however, expressed concerns about rising inventories in recent weeks, noting also "looming macroeconomic uncertainties which may require changing course".

Oil inventories provide insight into the balance of supply and demand in the market, and the

balance of supply and demand influences oil prices.

The JMMC directed the JTC to continue to monitor oil fundamentals and market conditions as well as conformity levels in its efforts to maintain market balance.

It further directed the JTC to

continue to study the 2019 outlook and present options on 2019 production levels to prevent the reemergence of a market imbalance.

The next meeting of the JMMC is scheduled to take place on November 11 in Abu Dhabi.



● OPEC headquarters in Vienna



Gas

Senate stresses support for 2020 gas flares out date



● Gas flaring

Lagos -- The Senate Committee on Gas has expressed the National Assembly's support for the 2020 national deadline for final elimination of gas flaring in the country.

The committee expressed the support as its members made an

oversight functions visit to the Department of Petroleum Resources, DPR, during which the committee chairman, Senator Bassey Albert, assured that the Gas Flaring Prohibition Bill would be passed next month, and would become law

before the end of the year.

He said the bill is currently on third reading and would be giving accelerated hearing to enable it to come to fruition.

He explained that the bill, when passed, would eliminate gas flaring and put punitive measures against perpetrators of the act by

increasing the penalty fees from N10 per 1,000 Standard Cubic Feet, SCF, of gas to three dollars 50 cents per 1,000 SCF of gas.

Albert also expressed discontent over the manner gas resources were being treated like a byproduct, saying there was the need for a paradigm shift on the part of the country to see gas as an economic enabler.

The legislator said the Senate was not resting on its oars to ensure that all the grey areas spotted by the president in the botched Petroleum Industry and Governance Bill were addressed and sent back to him for final assent.

He promised that the Senate will look at the other legs of the Petroleum Industry Bill as part of its contribution to ensure a robust oil and gas industry in Nigeria.

Power



Billing issues: PHED commences customers account reconciliation

Port Harcourt -- The Port Harcourt Electricity Distribution Company, PHED, has set aside two days in a month across all its integrated business centres in Akwa Ibom, Bayelsa, Cross River and Rivers states for a special reconciliation of customers' accounts with billing-related issues.

The Port Harcourt company said the exercise, which is tagged "PHED bill revision camp", will be carried out fortnightly and that the dates for the event would be communicated to customers.

Speaking on the sidelines of the bill revision camp in Port Harcourt, PHED's Manager, Corporate Communications, Mr. John Onyi, said the company



● Electricity workers

was determined to ensure resolution of customer complaints to bring maximum satisfaction customers aimed at increasing loyalty and cordial relationship.

Onyi stated that the exercise holds from 9am to 5pm on the

designated dates, adding that customers who have unresolved issues of over-billing, equipment failure and non-reading of meters should avail themselves of the opportunity offered by the exercise to get their issues resolved on-the-spot.

Sapele Power accuses Seistech Energy of trespass, Police complicity

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on behalf of Seistech. Subsequently, Seistech had a fall-out with Mid-Western and payment for the tank rental was suspended.

"Rather than look for creative means of liquidating its indebtedness, Seistech chose to cunningly cook up lies and misinform our business partners, regulatory authorities and unsuspecting third parties that the rented tank did not belong to SPP, rather, belonged to Seistech.

"As a result of this development, we terminated the tank rental contract with Seistech and asked them to pay up outstanding rental debt, evacuate the products from the storage tank in question and vacate our premises immediately.

"Instead of complying, Seistech surreptitiously and continuously sought ways to defraud us by evacuating product in storage without settling its indebtedness (presently in excess of N600,000,000 (Six Hundred Million Naira)). So far, its threats and activities have impeded our activities and smooth operations of the power plant".

Sapele Power Plc maintained that to undermine security and control of its power plant, within which the storage tank is located, Seistech, with the connivance of the Police, deployed mobile policemen from Mopol 33 into the plant, leading to a faceoff with SPP's mobile policemen from Mopol 44 with threat of gunfire exchange.

According to SPP, Seistech again orchestrated replacement of mobile policemen from Mopol 33 and 44 with mobile policemen from Mopol 51 who report to Seistech. With the assistance of the men from Mopol 51, Seistech has laid siege on SPP, bringing all manner of third parties to perfect arrangements

for evacuating the tank without settling its rental debt, the company added.

It said its several petitions to the police to check the activities of Seistech have not yielded any result.

"Mr. Akpovi Oyo of Seistech has severally boasted in the plant that the IGP is the owner of Seistech, thus with the support of the police, they will evacuate the tank by any means without settling their debt," the company said.

It also alleged that Mr. Ben Odoko, Managing Director of Seistech, had severally claimed that "he has the backing of the IGP and he has mobile policemen in place to takeover the facility and evacuate their tank without paying".

Sapele Power asserted that Seistech, not relenting in its plan to defraud SPP, instituted a civil suit against SPP at the Federal High Court, Lagos, challenging SPP's title to its tank farm and jetty.

It added that rather than wait for the outcome of the matter, Seistech and Midwestern sought clearance from the Nigerian Ports Authority, NPA, to berth a vessel at the jetty to enable them forcibly evacuate the tank cargo. The request was rejected by NPA.

It noted that out of desperation, Seistech got the Delta State Police headquarters in Asaba to file trumped up charges against the Administration Manager of SPP, claiming that he vandalised oil installations, deliberately concealing the fact that the pipeline in question is property of SPP located within SPP's premises.

The company also alleged that "with the support of the police, Seistech now claims to be the owner of the tank farm and jetty, intimidates and threatens staff of SPP and trespasses SPP's property".



Delta community protests epileptic power supply by BEDC

LUCKY OMAS

Warri, Delta State -- Orokpe community in Okpe Local Government Area of Delta State has denounced Benin Electricity Distribution Company, BEDC, for epileptic power supply to the area.

Protesters stormed the streets recently to convey their anger with the company with placards reading, "BEDC is a fraud, no light, yet bills", "We reject bills for no power", "Give us electricity", "Orokpe has been in darkness for too long".

The protesters later marched to the premises of the electricity firm in the area,

handing it a seven-day ultimatum to resolve the power problem.

Chairman of the community, Mr. Milverton Enajero, berated the electricity distribution firm for deliberately refusing to install pre-paid meters in the community so that resident could still be slammed with outrageous bills.

"You can't ask us to pay between N8,000 to N10,000



● Electricity pole transformer

monthly as bill for power we did not consume. We are asking that prepaid meters be supplied to the community to put an end to these high bills we are forced to pay," he said.



Finance

ExxonMobil earnings increase 57 percent to \$6.2bn in Q3 2018



● Exxon Mobil Lagos office

Houston, Texas -- ExxonMobil Corporation says it earned an estimated \$6.2 billion in the third quarter of 2018, compared with \$4 billion a year earlier. Cash flow from operations and asset sales

was \$12.6 billion, including proceeds associated with asset sales of \$1.5 billion.

During the quarter, the company distributed \$3.5 billion in dividends to shareholders. Capital and exploration expenditures were \$6.6 billion, up 10 percent from the prior year.

Oil-equivalent production was 3.8 million barrels per day, down 2

percent from the third quarter of 2017. Excluding entitlement effects and divestments, liquids production increased 6 percent, as growth in North America more than offset decline and higher downtime. Natural gas volumes decreased 4 percent, excluding entitlement effects and divestments, largely due to a continuing near-term shift in U.S. unconventional development from dry gas to liquids.

"We are seeing the benefits of integration as we capture value from advantaged feedstock from the Permian and Western Canada for our North American refineries," said Darren W. Woods, chairman and chief executive officer. "The logistical network we've established provides reliable connectivity between Upstream production and manufacturing facilities.

NIMASA considers scrapping seafarers development programme

CONTINUED FROM PAGE 01

It was not meant to be a permanent feature within the maritime structure within the country.

"Be that as it may, it means that at one time or the other, we will begin to wind down on it and concentrate on ensuring sea time for those that need that.

"You heard part of the statement earlier in the day that about 5,000 seafarers are still waiting for their sea time training. So that is where the emphasis shall be, so that Nigeria can reap the benefits of merchant marine".

Similarly, the president of Nigeria Association of Master Mariners, Namm, Captain Joseph Ahodeha, said that the NSDP has failed in its objective of producing quality seafarers.

Pointing to the backlog of seafarers that have not had sea time training, he said this should be dealt with before the programme is scrapped.

He said: "The NSDP programme has failed. There is no need to send cadets abroad for training anymore. They need to clear the backlog before they think of scrapping the programme.

"Maritime training was never meant to be mass production of cadets without proper arrangement for their sea time training. But, first of all, they must clear the backlog they created (before scrapping the programme)".

Also, former Managing Director of the Nigerian Port Authority, NPA, Chief Adebayo Sarumi, was of the view that the scrapping of the programme should be a gradual process.

A lecturer at the academy, Engr. Richard Owolabi, suggested that half of what was spent on the NSDP cadets should be used to purchase a training vessel so as to give the cadets the sea time training they needed.

Zabazaba project FID coming before year-end - Kachikwu

CONTINUES ON PAGE 02

grow Nigeria's oil production by 150,000 when the project comes on stream.

First production from the \$13.5 billion integrated development project is expected in 2020.

The Zabazaba and Etan fields are located in oil prospecting lease, OPL, 245 offshore Nigeria in water depths of 1,200 metres to 2,400 metres.

The oil and gas fields are being jointly developed by Eni's Nigerian subsidiary, Nigerian Agip Exploration, NAE, and Shell Nigeria Exploration and Production Company, SNEPCO. NAE is the project operator.

Operational performance improved significantly versus the second quarter with lower levels of scheduled maintenance and reliability levels in line with our expectations."

"We're pleased with the increase in production from the second quarter of 2018

recognizing it reflects contributions from just one of our key growth areas, the Permian," Woods said. "We expect to continue to increase volumes over time as we ramp up activity in the Permian and new projects start up."

Solid Minerals



Govt monitors mining sites in Ogun, 3 other states

SAM IKEOTUONYE

Lagos -- The Ministry of Mines and Steel Development has commenced nationwide environmental monitoring of mining sites to ensure title holders comply with mining laws and regulations.

Director, Mines Environmental Compliance Department of the ministry, Mr Sallim Salaam, who disclosed this in Abuja, said teams from the department had already

visited some states for the monitoring exercise.

He said the team visited six sites in Ogun and six in Edo, adding that samples were taken from all the sites for analysis. "We also visited lead and zinc mining sites in Ebonyi and a granite mining site in Calabar," he said.

Salaam added that the programme, which started in October and would cover the six geo-political zones of the country, would be completed

by the middle of December.

According to him, the states selected from the six political zones included Edo, Cross River, Oyo, Ebonyi, Nasarawa, Benue, Kogi, Kaduna, Zamfara and the Federal Capital Territory, FCT.

Salaam said the aim of the programme was to monitor mining title holders in those states to ensure that their mining activities did not pose environmental, social and health hazard to their host communities and workers.



● Miners

"We want to ensure that they comply with all environmental requirements with regard to fulfilment of Environmental Protection Rehabilitation Programme.

"The idea of this programme is to also ensure that all title holders reclaim all sites mined and to revert to the status-quo as required by the law," he said.



Nigeria advocates harmonised framework for cargo movement in Africa

VINCENT TORITSEJU

Lagos -- Nigeria, through the Nigerian Ports Authority, NPA, has called for a harmonised legal framework that will enhance and ease the movement of cargos within the African continent.

Speaking at the second continental conference of African Women in Maritime, WIMAFRICA, Managing Director of NPA, Hadiza Bala

Usman, said that an African framework targeted at enhancing the conveyance of cargos and the quality of logistics in a more predictable manner would increase trade amongst countries in the continent.

Usman also said that the move to have a harmonised framework in Africa have become imperative to eliminate encumbrances affecting trade liberalisation

and facilitation of trade in the continent.

She enjoined members of WIMAFRICA to key into the concept of trade facilitation, which, she noted, was a major driver of economic development and growth of nations, adding that would enable Africa to effectively maximise the tremendous benefits of trade facilitation.

The NPA boss, however, charged members of

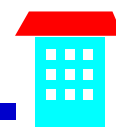


● A cargo ship

WIMAFRICA to unravel critical issues militating against the continent taking the advantages of the prospects of trade facilitation just as she also admonished them to come up with strategic plans that would upscale the desired growth and development of the economy of the continent.

She said: "For us in the

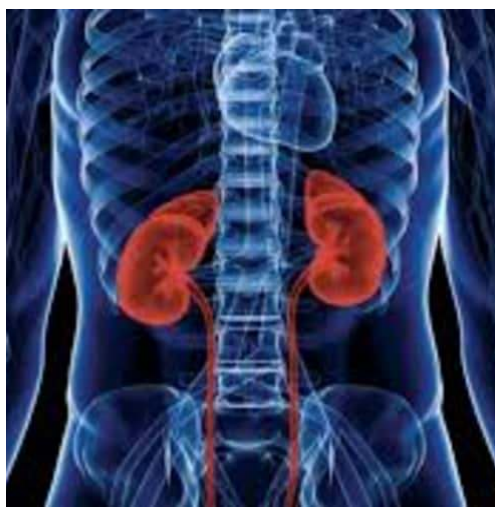
continent to get trade facilitation right, it is imperative that our regulatory environment must be tied with best practices and strengthened to ensure that operators in the trade corridors and border-posts adhere to the various article of the World Trade Organisation on Trade Facilitation Agreement".



Community

Foundation links kidney failure to gas flaring

MKPOIKANA UDOMA



● Image of a damaged kidney

Port Harcourt -- Contaminated air arising from negative hydrocarbon exploitation and processing activities such as gas flaring and soot has been identified as part of the contributors to increasing rate of

kidney failures in the country.

A non-governmental organisation, known as ReKiff Kidney Support Foundation, made this known recently at a community kidney health enlightenment campaign in Port Harcourt, the Rivers State capital.

The founder of ReKiff Kidney Support Foundation, Charles Awoyemi, said the issue of gas flaring and black soot currently plaguing the Rivers State must be tackled to check the rising cases of the disease.

Awoyemi, who himself is a survivor of kidney failure, identified other causes of the disease to include drug abuse, smoking and excessive drinking of alcohol.

While warning that people should be mindful of what they consume, he regretted that more Nigerians were dying of kidney failure and stressed the need for the construction of more kidney treatment centres across the country.

Earlier, Coordinator of ReKiff Kidney Support Foundation,

Cyril Ekpe, explained that the health enlightenment seminar, which has been organised in several communities, including secondary schools, was to enlighten the public on causes of kidney disease and how to avoid it.

Ekpe said that the mission of the foundation was to identify with the victims of kidney failure and in the process provide them with the necessary knowledge and resources to overcome their predicaments.

He assured that the foundation will continue to enlighten people on the effects of kidney disease, adding that over 5,000 persons have benefited from activities of the foundation.

Ogoni youths give oil firms ultimatum over unemployment

Port Harcourt -- A youth group known as Ogoni Youth Development Initiatives, says it has given companies operating in the area a one-month ultimatum to review their employment policy for the benefit of youths in Ogoniland or face mass protest.

Ogoniland, which comprises of four Local Government Areas in Rivers State, namely Eleme, Khana, Gokana and Tai, plays host to several oil and gas facilities, including Indorama/ Eleme Petrochemical Limited, Notore Petrochemicals, Orlean Invest, Oil and Gas Free Zone Authority, Port Harcourt Refining Company, among others.

But, the Ogoni Youth Development Initiatives is accusing these companies of operating a skewed employment and empowerment policy which deprives and denies youths of Ogoniland employment into these firms, as well as other benefits.

President of the group, Mr. Saviour Imeabe, explained that the entire Ogoniland suffers environmental hazards from the operations of oil and gas companies and as such, no Ogoni community should be neglected in terms of community relations policies.

Imeabe, in a statement, disclosed that the body would mobilise Ogoni youths to protest against the

policy of underdevelopment and neglect of Ogoniland by the companies, adding that such attitude led to the kicking out of the Shell Petroleum Development Companies, SPDC, from Ogoni in 1993.

He further stated that the gross underdevelopment in Ogoniland was as a result of the culture of continuous neglect and disregard exhibited by companies operating in Ogoniland.



● Protesting Ogoni youths

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