

OPEOLUWANI AKINTAYO

Lagos -- Shell Nigeria has discovered 1.5 trillion cubic feet, tcf, of gas and 42 million barrels, mb, of condensates in the shallow and deep reservoirs onshore Eastern Nigeria in the last four years, SweetcrudeReports has learnt.

Shell discovers 1.5tcf of gas, 42mb condensates in 4 years

The discovery were made following a four-year campaign by the company between 2014 and September 2018 at the Gbaran-Kolo Creek-Epu field areas.

It was learnt that the

discovered gas will, on production, be sold to the Nigeria LNG Limited, NLNG, for use in the 22 million tonnes per annum NLNG plant in Bonny, Rivers State, while part of it would be sold in the local market, and the

rest, exported.

Revelation of the Shell discovery came in the course of several technical sessions at the recent annual conference and exhibition of the Nigerian Association of Petroleum Explorationists, NAPE, in Lagos.

The four-well campaign in the Gbaran-Kolo Creek-Epu field areas was targeted at unlocking the reserves that were located deeper than normal hydrostatic pressure in the area.

Sweet Crude REPORTS

A Review Of The Nigerian Energy Industry

WEEKLY



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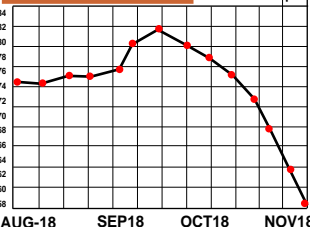
UPDATES

WEEKLY BASKET PRICE

NOV-23	58.80
NOV-16	62.83
NOV-09	66.52
NOV-02	70.51
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	76.71
SEP-14	76.18
SEP-07	75.19

Daily | Weekly | Monthly | Yearly

58.33U\$



Nigeria imports 4bn litres of petrol in Q3

Lagos -- The petroleum products importation statistics for the third quarter, Q3, 2018 show that Nigeria imported a little over 4 billion litres of premium motor spirits, PMS, popularly known as petrol, within the quarter.

According to the newly-released data by the National Bureau of Statistics, NBS, a total of 4.37 billion litres of petrol was imported during the period, likewise 873.72 million litres of automotive gas oil, AGO, or diesel; 312.71 million litres of household kerosene, HHK; 212.80 million litres of aviation turbine kerosene, ATK, and 162.37 million litres of Liquefied Petroleum Gas, LPG, or cooking gas were imported into the country in

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Nigeria earns N1.4tr from petroleum sector in three months



● Oil Refinery

IKE AMOS

Lagos -- Nigeria earned N1.394 trillion from the petroleum industry in the third quarter of 2018, showing 0.29 per cent drop from N1.398 trillion recorded in the second quarter of the year, according to data obtained from the Central Bank of Nigeria, CBN.

The CBN, in its Third Quarter

2018 Economic Report, stated that revenue from the petroleum industry accounted for 55.2 per cent of total revenue in the third quarter of the year.

According to the CBN, total gross federally-collected revenue stood at N2.525 trillion, appreciating by 8.93 per cent from N2.318 trillion recorded in the second quarter.

The financial industry regulator blamed the decline in oil revenue

to sabotage of oil facilities which led to leakages, shut-ins and shut-downs.

The CBN said: "Gross oil receipt, at N1.394 trillion or 55.2 per cent of the total revenue, was below the proportionate quarterly budget estimate by 27.4 per cent. It also fell marginally below the receipts in the second quarter of 2018 by 0.3 per cent.

"Despite the increase in crude oil price, oil revenue declined

relative to the proportionate budget owing to shortfalls in crude oil production and exports, arising from leakages and shut-ins/shut-downs at some NNPC terminals."

Giving a breakdown of earnings from the petroleum industry, the report disclosed that revenue from crude oil and gas sales dipped by 4.42 per cent to N104.49 billion in the third quarter of 2018, compared to N109.32 billion recorded in the second quarter.

The report further stated that the country earned N914.56 billion from Petroleum Profit Tax, PPT, and royalties and N375.14 billion from other sources in the quarter under review, compared to N841.03 billion and N447.71 billion in the second quarter respectively.

The CBN report also disclosed that Nigeria's crude oil production, including condensates and natural gas liquids, averaged 1.84 million barrels per day, mbd, or 169.28

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OPEC, partners meet in Vienna to discuss 2019 output

CHUKS ISIWU

Lagos -- The Organization of the Petroleum Exporting Countries, OPEC, and its partners, led by Russia, will meet in Vienna, Austria, on Thursday to discuss crude oil production plan for the coming year.

The two-day meeting, holding November 6-7, will

discuss cutting output, just months after agreeing to pump more oil.

A recent survey by Reuters showed that OPEC's November production fell from a two-year high due to U.S. sanctions on Iran, although most of the output gap left by Iran was plugged by Saudi Arabia and the UAE in response to calls from U.S. President Donald Trump.

The 15-member body pumped

33.11 million barrels per day in the month, down 160,000 bpd from October, which was the highest by OPEC as a group since December 2016.

The survey adds to indications that OPEC output remains ample despite U.S. sanctions imposed on Iran last month. Oil prices have slid 30 percent since early October on worries a new glut may emerge.

With Saudi Arabia and Russia

CONTINUES ON PAGE 02



'African oil producers must support OPEC to restore market stability'

Johannesburg -- The African Energy Chamber has urged the Organization of the Petroleum Exporting Countries and other key global oil producers, including Russia, to continue with the historic production cuts at the December 6, 2018, OPEC meeting to stabilise the oil price.

Oil prices have dropped by about 20 percent in November, and the month is likely to record the biggest one-month decline in oil prices since the crash of 2014. This is not good for producers in Africa and African economies.

The Chamber urged African producing nations, both those that are OPEC members and Non-OPEC members to speak up with one voice in support of OPEC's policy on stabilising the market.

"This new drop in oil prices clearly shows the world that the global supply cut has not been eliminated. The future of the petroleum sector — and indeed the future of global energy security — depends on a continuation of the OPEC-led production cuts," said NJ Ayuk, chairman of the African Energy Chamber.



● OPEC Headquarters, Vienna

Oil producing nations, many of which are within Africa, are at particular risk of economic hardship if the supply glut continues and prices spiral. Such countries include Nigeria and Angola, two of sub-Saharan Africa's largest economies, as well as Equatorial Guinea, Cameroon, Congo, Gabon, South Sudan, Algeria, Libya, and Ghana. Other key countries that are investing in upcoming mega projects, like Mozambique, Uganda, and Senegal, could face project delays in the face of low

oil prices.

The opinion of many Africans on OPEC and the energy sector has taken a measurable, positive jump as people acknowledge the strong connection between the oil and gas sector, the African economies and the African entrepreneurial dream.

The Africa Energy Chamber stands by OPEC and Consumers and we will continue work with our members to educate the public about the need for lasting stability in the oil industry.

Nigeria earns N1.4tr from petroleum sector in three months

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million barrels, mb, during the review quarter. This representing a marginal decline of 0.01 mbd or 0.5 per cent, compared with 1.85 mbd or 168.35 million barrels recorded at the end of the second quarter of 2018.

According to the CBN, the estimated decline in production was attributed, largely, to the ongoing outages on the Trans-Ramos pipeline and the force majeure on exports of the Bonny Light crude.

It noted that crude oil export averaged 1.39 mbd or 128.8 mb, representing a decline of 0.7 per cent below 1.40 mbd or 127.4 mb in the preceding quarter.

OPEC, partners meet in Vienna to discuss 2019 output

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pumping at record rates, U.S. output surging and forecasts pointing to lower demand in 2019 due to a slowing economy, some analysts are sceptical the producers will avoid generating a surplus.

"The most likely outcome of next (this) week's OPEC meeting is a fudge," said Stephen Brennock of oil broker PVM. "Russia and Saudi Arabia will agree to curb production but by less than is needed to prevent a supply imbalance in early 2019."

OPEC, Russia and other non-

members agreed in June to return to 100 percent compliance with output cuts that began in January 2017, after months of underproduction in Venezuela and Angola that had pushed adherence above 160 percent.

In November, the 12 OPEC members bound by the supply-limiting agreement boosted compliance to 120 percent as production fell in Iran, from a revised 110 percent in October, the survey found.



NNPC says it will 'aggressively' grow LPG consumption in-country ...Targets 10% global LNG market share

OPEOLUWANI AKINTAYO

Lagos -- The Nigerian National Petroleum Corporation, NNPC, has expressed commitment to aggressively grow local consumption of the Liquefied Petroleum Gas, LPG, popularly known as cooking gas, even as it targets 10 percent share of the global Liquefied Natural Gas, LNG, market through the Nigerian LNG Limited, NLNG.

NNPC is the highest shareholder in the NLNG with 49 percent, other shareholders being Shell Gas B.V, which owns 25.6 per

cent; Total Gaz Electricite Holdings France (15 percent) and Eni International (N.A.) N.V.S.a.r.l (10.4 percent).

NNPC's Group Managing Director, Dr. Maikanti Baru, disclosed the corporation's plan towards LPG consumption growth and control of 10 percent of the global LNG market in a statement in Abuja.

According to him, the corporation was determined to invest in making LPG available to Nigerians to discourage the current trend of using firewood and other unsafe means for cooking.

Baru stressed that it was time

to bring LPG closer to the people and at affordable price, explaining that NNPC has made significant investment to address the challenges of products deficit.

He listed some of the projects aimed at deepening LPG consumption in the country to include expansion of NNPC LPG



● LPG depot

storage facility at Apapa from 4,000 metric tons to 8,000 metric tons in the first phase; construction of pipelines to

deliver LPG to plants in the hinterland; and development of coastal supply facilities.



● Electricity workers

Lagos -- Kaduna Electricity Distribution Company has commenced knowledge-sharing campaigns through formation of energy conservation clubs in secondary schools within its franchise area. The exercise is aimed at inculcating energy

Kaduna Electric takes energy efficiency campaign to secondary schools

efficiency values and safety culture among young people.

A statement by the Head, Corporate Communication of the company, Abdulazeez Abdullahi, stated that the energy conservation clubs were established "to guide the young minds on global best practices on energy efficiency and create awareness on hazard such as; global warming, electrical

accidents, energy conservation techniques and other valuable safety measures through lectures, awareness campaigns and live demonstrations".

He disclosed that the maiden edition of the programme was inaugurated at Government College, Kaduna, where about 100 students participated in the club activity.

Abdullahi, who was represented

by Mallam Idris Muhammad of the corporate communications department of the company, sensitised the students on the Nigerian electricity value chain, importance of energy conservation, energy efficiency techniques, career opportunities and effect of drug abuse and cultism among the youth.



Consumer Council condemns arbitrary billings by Discos

OPEOLUWANI AKINTAYO

Lagos -- The Consumer Protection Council, CPC, has condemned arbitrary billings by the electricity distribution companies or Discos, urging them to embark on aggressive metering to curb estimated billings.

Mr. Babatunde Irukere, the Director General of CPC, made the remarks in a statement while also expressing understanding about challenges in the industry.

He said Discos had "no excuse" for maltreating customers, adding that "arbitrary billing" formed a

larger part of complaints received from electricity consumers.

"There is no excuse for how consumers are treated. The key complaints that we receive are arbitrary, unsupported and unreasonable billing.

"People are not being treated with dignity, the complaint resolution process is either lacking or unclear and there's really no respect for people," he said.

The director general said consumers' complaints have not been primarily about supply, "but about billing for non-existent supply", stating that "as a matter of fact, a vast majority of supply complaints

are attributed to the fact that you (Discos) are asking them to pay for something that was not supplied and the other significant reason is group disconnection".

He advised that holding town hall meetings was necessary to engage with electricity consumers directly and address their complaints with regards to electricity in a civilised and matured manner.

He frowned at group disconnection of consumers' electricity without consideration for those paying their bills, saying this constituted an abuse of consumer rights.

Kachikwu says Nigeria faces budget uncertainties over falling oil prices



● Dr. Ibe Kachikwu

Lagos -- Minister of State for Petroleum Resources, Dr. Ibe Kachikwu, has said Nigeria is facing "uncertainties over budgeting as a result of falling oil prices".

The minister, who made the revelation in a statement, said that besides the budgeting problem, the country was also having a tough time meeting commitments to fiscal responsibilities.

"This portends danger because what it does is that, for the first time, we have been alarmed as one of the countries that rely almost solely on receipts from oil. There is the uncertainty of

budgeting and meeting fiscal responsibilities", he said.

Kachikwu expressed concern over the fall in oil prices, saying it poses danger to the country's economy.

He said: "The tumbling of oil price from 82 US Dollars per barrel to about 61 over the past few weeks is the toughest black Friday that we have faced. The price has tumbled by about 30 dollars in a short period of about 54 weeks".

The minister called on US President Donald Trump to work together with the Organization of the Petroleum Exporting Countries, OPEC, and its

partners, to achieve a balanced market.

"What this says to us is that ultimately, we have to find the world's oil order in which prices are stable and investors can make the right decisions. Everyone has to work together, including President Trump to protect consumers as well as producers because, unless we have a steady and determinable price for oil, we are not going to have investments," he said.



● Mr. Babatunde Irukere

Nigeria imports 4bn litres of petrol in Q3

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the quarter.

The month of September saw the highest level of petrol import at 1.59 billion litres while the highest volume of diesel and household kerosene were imported in July and August, respectively.

State-wide distribution of truck-out volume for the third quarter 2018 showed

that 4.52 billion litres of petrol, 1.02 billion litres of diesel, 168.42 million litres of household kerosene, 189.21 million litres of aviation turbine kerosene, and 125.43 million litres of LPG were distributed nationwide during the period under review, according to the NBS statistics.



Finance

Labour



Abuja -- The Nigerian National Petroleum Corporation, NNPC, has clarified that it was not conducting performance probe of its staff members as it denied having 70,000 staff members in its employ.

The clarification followed media reports that the corporation had a staff strength of over 70,000 and was about conducting a performance audit of staff across its operations.

Making the clarification in a statement in Abuja, NNPC's Group General Manager, Group Public Affairs Division,

Mr. Ndu Ughamadu, said the corporation had never at any point in its history maintained a 70,000 staff strength and wondered the source of such erroneous information.

"NNPC is not embarking on any staff performance audit. What we said in the press release that was apparently misrepresented in the media was that the chief operating officers of the various autonomous business units signed performance bonds with the Group Managing Director, Dr. Maikanti Baru, as part of efforts to ensure that all the units deliver on their

mandates in the upcoming year. There was nothing in that statement that indicated that NNPC would carry out a performance probe of staff", Mr. Ughamadu explained.

Urging journalists to always adhere to the ethics of the profession and seek clarification whenever they were not sure about any information contained in press statements, he added that the doors of the Corporation were always opened to such inquiries.

NNPC not conducting staff probe –Ughamadu



● NNPC towers



● Miners

Govt offers tax holiday, other incentives to mining companies

Lagos -- The Minister of Mines and Steel Development, Abubakar Bawa Bwari, has revealed that the Federal Government has offered mining companies operating in the country three to five year tax holiday as part of incentives to carry on with their business.

Bwari, quoted by Reuters as disclosing also that the government had awarded mining contracts to ten exploration companies, stated that as part of the package of incentives, the government also offered the mining companies duty and tax-free importing of equipment, full ownership of their businesses and the ability to take profits out of the country.

The minister, who had earlier in July revealed that eight firms would be awarded contracts worth N 12.7 billion, told Reuters: "Recently we gave a contract to four

exploration companies, with six consulting firms to explore our mineral resources focusing on gold, zinc, iron ore, rare earth metals".

He added that as a form of encouragement, government offered mining companies a three to five year "tax holiday", duty and tax-free importing of equipment, full ownership of their businesses and the ability to take profits out of the country.

Bwari further stated: "Apart from the normal budgetary allocation government has given intervention of \$100 million and we are focusing on exploration," adding that the funds would be used to help government to

develop the sector.

The World Bank was in Nigeria a few weeks ago to discuss progress on spending the \$150 million the bank agreed to lend the country in April to develop the mining industry, Bwari said, adding that he would like things to move more quickly.

South Korea had in July, showed interest in the country's mining sector, saying it would renew the memorandum of understanding, MoU, signed with the ministry in 2004 as a result of the Korean country's desire to strengthen trade between the two countries.

Onne ports repositioned for better oil and gas logistics - NPA

MKPOIKANA UDOMA

Port Harcourt -- The Nigerian Ports Authority, NPA, says the Onne seaport in Rivers State has been repositioned for better service delivery as the biggest oil and gas logistics hub in West Africa.

Onne Ports Manager, Mr. Alhassan Abubakar, said at an event by the company to mark its end of the year activities, that the seaport currently has 12 deep berths of 12 metres each while

plans are underway to increase the berths to 19.

Abubakar stated that Onne ports had the biggest cranes in Africa, with the capacity of lifting over 230 tons of cargo as well as a dedicated container terminal.

He further stated that the improvement recorded in Onne ports was in line with the Federal Government's Economic Recovery and Growth Plan, ERGP, of creating a global competitive economy.

According to him, "The

introduction of ease of doing business by the Federal Government has added impetus to our desire to improve ports operations. As a result, critical infrastructure like lighting in the port had all been reactivated in Onne ports.

"Since 2018, we have had a lot of progress, but whatever we are doing in the port, we don't fail to align with the Federal Government's economic recovery growth plan, to restore growth of the economy and to invest in people and grow a global



● Onne port

competitive economy by 2020 through key priority sectors like the oil and gas.

"We have state-of-the-art facilities in Onne ports, we have deep berths of up to 12 metres. We have 12 berths in Onne and there is a port expansion project to increase the berths from 12 to 19, but that project was stalled because of the economic

recession, but anytime soon, we will spring it up again".

The Onne port boss also commended the administrative style of the Managing Director of NPA, Hadiza Bala Usman, saying her administration had since assumption of office given attention to improving ports operations in the country as well as human capital development.

Diamond S Shipping merges with tanker operator in \$1.65bn deal

SAM IKEOTUONYE

Lagos -- Tanker operator Diamond S Shipping and Nasdaq-listed Capital Product Partners have merged their products and crude tanker fleets in a \$1.65 billion.

The new Diamond S Shipping Inc. fleet will contain 68 vessels, made up of 43 tankers from Diamond S Shipping and 25 from Capital Product

Partners.

The merged fleets will own the second biggest handy tanker fleet, owning a combined 52 vessels, VesselsValue reports. The only larger handy fleet in the world is owned by Torm, the publicly listed Danish shipowner.

Under the new arrangement, Capital Product Partners will retain control of one capesize bulker and 10 post panamax

containers.

According to VesselsValue, this merger will be most significant in the MR2 tanker market. The trading areas of the two fleets is varied, CPLP appears to bring commercial relationships with operators well entrenched in the Latin American market, particularly Brazil.

1,032 beneficiaries clinch Shell Nigeria's 2018 scholarship

MKPOIKANA UDOMA

Port Harcourt -- The Shell Petroleum Development Company Limited, SPDC, has awarded 1,032 scholarships to secondary, tertiary and postgraduate students in Rivers State as a way of promoting academic excellence and quality education in the country.

A total of 532 of the scholarships is for secondary school students while 430 were awarded as university scholarship, 10 for foreign post-graduate studies and 60 for Cradle-to-Career scholarship.

Managing Director of SPDC, Mr.

Osagie Okunbo, said the scholarship was imperative in a bid to develop a sound human resource base for the Niger Delta region and Nigeria.

Okunbo, while handing the awards to beneficiaries at the SPDC-JV Education Day programme held in Port Harcourt, said the company's education initiative was also aimed at developing a sound human resources base for the country.

"In continued recognition of the role of education in our nation's development, SPDC-JV would be giving scholarships to the 2018 awardees.

Delta won't support plot to disrupt oil surveillance contract – Gov. Okowa

VINCENT TORITSEJU

Lagos -- Delta State Governor, Dr. Ifeanyi Okowa, has called on those allegedly plotting to disrupt the oil pipeline surveillance contract in the state to desist from the plan in order not to cause crises.

Okowa made the call in Asaba, the state capital, when he addressed some youths protesting the alleged plot to revoke the contract and re-award it.

The governor, rising from a

security council meeting in the state, addressed the aggrieved youths from host communities to Oil Mining Lease, OML, 30 and some ex-agitators from phases one to three of the Federal Government Amnesty Programme.

"I want to advise that whosoever is plotting against the people, those who are being empowered through the process of surveillance contracts should allow Delta State to remain

peaceful.

"In peace, we will be able to produce and export more crude oil and in that export the nation and the state gains.



● Gov. Okowa

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Freight

Community