MINISTRY OF PETROLEUM & MINERAL RESOURCES - NEWS (EGYPT) · EGYPT

Egypt Western Desert unconventional oil potential confirmed

Saga deep read · 31 October 2026 · Score 58

Egypt's Minister of Petroleum and Mineral Resources has held discussions with the Chairman and CEO of NESR (National Energy Services Reunited Corp) on study results indicating promising unconventional oil production potential in the Western Desert, according to a statement from the Ministry of Petroleum and Mineral Resources. The nature of the engagement is at the study and ministerial discussion stage — no block award, contract, or field development decision has been announced.

The Western Desert is Egypt's most active onshore petroleum province, and interest in its unconventional resource base reflects a broader push by Cairo to arrest declining conventional production and extend the productive life of an aging hydrocarbon sector. Unconventional plays — typically tight oil or shale-bearing formations — require specialised drilling, completion, and stimulation services that differ significantly from conventional well programmes. The involvement of NESR, a regional oilfield services company operating across the Middle East and North Africa, signals that technical screening work is sufficiently advanced to warrant senior-level government engagement.

No specific resource volumes, well counts, acreage dimensions, or investment figures were disclosed in the ministry statement. The discussions appear to centre on translating study findings into a defined appraisal or pilot programme, though no timeline or formal procurement process has been announced. Until Egypt's government moves to tender appraisal wells or issue an expression of interest for stimulation services, the opportunity remains in the pre-commercial evaluation phase.

For international service companies, the significance lies in Egypt signalling appetite to develop unconventional resources at a governmental level — a step that, in peer jurisdictions, has preceded multi-year drilling campaigns requiring hydraulic fracturing, coiled tubing, and specialised completion equipment. Egypt's existing pipeline of LNG exports and its Mediterranean gas infrastructure also means that any material unconventional liquids or gas discovery in the Western Desert would have clear monetisation routes. Norwegian service companies with unconventional well engineering, stimulation technology, or multiphase flow expertise should treat this as an early-stage market signal worth tracking closely, but procurement engagement is premature at this point.

Why this matters to partners and clients of Saga

This is a pre-commercial study discussion — no tender or contract has been issued, so outreach to procurement is not yet appropriate. Norwegian service companies with unconventional drilling, hydraulic fracturing, or well stimulation capabilities should monitor Egyptian Ministry of Petroleum announcements and NESR partnership activity for signs of a formal appraisal programme or EOI. Building relationships with Cairo-based energy advisors and tracking Egypt's upstream licensing rounds would be the right preparatory step now.

PARTNER ANGLES

- **Drilling:** Unconventional appraisal in the Western Desert will require specialised directional drilling and well design expertise — Norwegian drilling contractors should monitor for pilot well tenders.
- **Well Services:** Hydraulic fracturing and coiled tubing stimulation are central to unconventional development; service companies with MENA-deployable equipment should track this programme for early supplier positioning.
- **Subsea/FPSO:** No offshore angle at this stage — Western Desert unconventional plays are onshore, so subsea and FPSO segments are not relevant to this specific opportunity.

- **Pipeline:** If unconventional gas volumes prove material, tie-in to existing Western Desert gathering and pipeline infrastructure may require upgrade or expansion work — pipeline engineers should note the longer-term possibility.
- **LNG:** Egypt's active LNG export infrastructure means any unconventional gas finds would have a ready monetisation pathway; LNG technology and process companies should flag Egypt as a market to watch.

Original source: Ministry of Petroleum & Mineral Resources - News (Egypt) →

Saga Advisory

General: info@saga-advisory.com · saga-advisory.com

STAVANGER · CAPE TOWN