ECOFIN AGENCY · NIGERIA · DRILLING

Nigeria targets doubled reserves with 145 new drill approvals

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Nigeria's upstream regulator has approved 145 new drilling operations, 595 well re-entry operations, and 39 field development plans as part of an ambition to more than double the country's oil and gas reserves through accelerated exploration. The approvals have been granted by the Nigerian Upstream Petroleum Regulatory Commission (NUPRC) since the beginning of the reference period cited in the source, signalling a significant uptick in regulatory activity aimed at unlocking untapped hydrocarbon potential.

The NUPRC's strategy centres on expanding exploration into deepwater areas and underexplored basins, which Nigerian authorities believe hold substantial undiscovered resources. The dual focus on new drilling and well re-entry operations reflects a pragmatic approach: pursuing frontier acreage while simultaneously seeking to recover additional production from existing well stock. The 595 well re-entry approvals in particular represent a material workload for well services and intervention specialists active in the Nigerian market.

Nigeria currently holds Africa's largest proven natural gas reserves and ranks among the continent's top crude oil producers, yet successive governments and industry observers have argued that large portions of its sedimentary basins remain underexplored. The NUPRC push to sanction new field development plans alongside drilling approvals suggests the regulator is seeking to move projects through the full project lifecycle, from exploration through to production, rather than allowing acreage to remain dormant.

The scale of the approved activity — particularly the well re-entry programme — points to meaningful near-term demand across multiple service segments. Drilling contractors, well intervention specialists, wireline and coiled tubing operators, and reservoir evaluation firms would all be relevant to executing the sanctioned workload. Deepwater-focused approvals, to the extent they form part of the 145 new drilling operations, would additionally implicate subsea equipment suppliers, marine vessel operators, and floating production system providers, though the precise split between deepwater and other environments is not specified in the available information.

For the broader Nigerian upstream sector, the NUPRC's pace of approvals will be watched closely as a measure of post-Petroleum Industry Act implementation momentum. The 2021 PIA restructured Nigeria's regulatory landscape and created the NUPRC as the dedicated upstream authority, and the volume of sanctions issued since then is increasingly cited by the regulator as evidence that the new framework is enabling faster project progression. Whether the approved drilling and re-entry operations translate into contracted rigs and mobilised crews at the anticipated rate will depend on operator investment decisions, financing conditions, and the continuing resolution of fiscal and security challenges that have historically weighed on Nigerian upstream activity.

Why this matters to partners and clients of Saga

The volume of approved well re-entry and new drilling operations creates a credible pipeline for Norwegian well services, drilling, and intervention companies to monitor and pursue. At this stage — regulatory approvals rather than signed contracts — the appropriate action is to track which operators are taking FIDs against the approved plans and build relationships with NUPRC-registered operators before tenders are issued. Companies with deepwater credentials should position themselves ahead of any forthcoming procurement processes tied to the deepwater component of the 145 new drilling approvals.

PARTNER ANGLES

- **Drilling:** 145 new drilling approvals represent a forward book of potential rig demand; monitor operator FID timelines to anticipate contracting windows.
- **Well Services:** 595 well re-entry approvals constitute a substantial intervention workload — wireline, coiled tubing, and well integrity specialists should identify which operators hold the relevant licences.
- **Subsea/FPSO:** Deepwater exploration focus within the approval set may drive future subsea equipment and floating production demand; relationship-building with active deepwater operators is warranted now.
- **Pipeline:** Field development plan approvals typically include infield flowline and pipeline scope; track sanctioned FDPs for emerging tie-back and export infrastructure requirements.
- **Service:** Reservoir evaluation, logging, and formation testing services will be needed to progress both new wells and re-entries — position with operators before rig mobilisation begins.

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