

AFRICA OIL+GAS REPORT

Seplat and Aradel Chart Divergent Paths Toward Nigerian Indigenous Major Status

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Nigeria's upstream sector is undergoing a structural shift as two of its most prominent indigenous operators — Seplat Energy and Aradel Holdings — pursue contrasting strategies in their ambitions to become full-scale independent majors. According to Africa Oil+Gas Report, the divergence reflects a broader repricing of Nigeria's energy market that has been quietly accelerating through 2024 and into 2025.

Seplat's approach is characterised as going 'deep' — a strategy centred on consolidating and expanding within its existing asset base, building operational depth and reserves intensity rather than diversifying across multiple fronts. This path prioritises scale within a defined acreage and production footprint, reinforcing Seplat's position as one of the country's most significant onshore and swamp-area operators. The company has been widely associated with efforts to deepen its production capacity and extend reserve life through focused capital deployment.

Aradel Holdings, by contrast, is described as going 'wide' — pursuing a broader diversification strategy that spans multiple segments of the energy value chain. This approach signals an ambition to build an integrated energy company rather than a purely upstream independent, potentially encompassing midstream, downstream, and power-adjacent activities alongside its upstream interests. Aradel's trajectory reflects a growing recognition among Nigerian independents that vertical integration may offer more resilient returns in a volatile commodity environment.

The report frames both strategies as credible responses to the same underlying reality: the partial withdrawal of international oil companies from Nigerian acreage

has created space for indigenous operators to acquire assets, build institutional capacity, and compete at a scale previously unavailable to them. The Petroleum Industry Act has further restructured incentive frameworks, adding urgency to decisions about corporate positioning and capital structure.

The significance of this development extends beyond corporate strategy. If either Seplat or Aradel — or both — successfully transitions into a genuine independent major, it would represent a meaningful shift in the ownership and operational profile of Nigerian hydrocarbons. It would also reshape the commercial landscape for international service providers, who would increasingly need to orient their business development toward indigenous decision-makers operating under Nigerian procurement preferences, local content obligations, and distinct financing structures compared to the IOC model that has historically dominated.

Why this matters to partners and clients of Saga

Norwegian service companies should monitor both Seplat and Aradel closely, as their expansion strategies will drive procurement cycles for drilling, well services, and potentially offshore infrastructure as each company scales. The shift toward indigenous majors with autonomous capex control means Norwegian firms must build direct relationships with these operators rather than relying on IOC-mediated contracting channels. Companies with local content partnership models or Nigerian in-country presence will be better positioned to qualify for upcoming scopes.

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- **Drilling:** Seplat's depth-focused strategy implies sustained drilling campaigns on existing acreage, creating opportunities for rig supply and directional drilling services contracts with a growing indigenous operator.
- **Service:** Both companies will require expanded well services, production chemistry, and integrity management as they absorb IOC-divested assets and ramp production without the IOC's in-house technical capacity.
- **Subsea/FPSO:** If Aradel's 'wide' diversification extends to offshore or swamp assets acquired from departing IOCs, FPSO leasing and subsea tie-back solutions become relevant as the company builds operational infrastructure.

- **Pipeline:** Midstream integration under Aradel's strategy could involve pipeline infrastructure investment, where Norwegian engineering and integrity management expertise is directly applicable.
- **LNG:** An indigenous operator pursuing vertical integration may seek upstream gas monetisation partnerships, particularly if government-backed domestic gas obligations intersect with small-scale LNG or gas processing opportunities.

[Original source: Africa Oil+Gas Report →](#)

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