AFRICA ENERGY INTELLIGENCE

AFRICA OIL+GAS REPORT

Nigeria Hits 74-Month Production High, Exceeds OPEC Quota at 104%

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Nigeria's crude oil and condensate production has reached a 74-month high, with the country achieving 104% of its OPEC production quota, according to data released by the Nigerian Upstream Petroleum Regulatory Commission (NUPRC). The milestone marks a significant turnaround for a country that has struggled with chronic underproduction in recent years due to oil theft, pipeline vandalism, and aging infrastructure.

The surge in output represents one of the most meaningful production recoveries Nigeria has posted in over six years. Hitting and exceeding the OPEC quota threshold signals that remediation efforts — whether through improved security arrangements, renewed operator investment, or infrastructure rehabilitation — are delivering measurable results at the basin level. For an upstream sector that has repeatedly disappointed on volume targets, this figure carries weight both commercially and politically.

For international oil companies and service providers active in Nigeria, sustained production growth at this level typically precedes a new cycle of upstream spending. Operators who have deferred maintenance, well interventions, and field development decisions during the low-output period now face the operational imperative to protect and build on recovered volumes. Subsea systems, production infrastructure, and well stock that have been running under reduced throughput conditions will require attention to sustain and extend the current performance trajectory.

The condensate component of the reported production figure is also noteworthy. Condensate volumes are closely tied to gas production and processing capacity, pointing toward activity in Nigeria's gas-associated upstream infrastructure — a segment that intersects directly with LNG feedgas supply chains and midstream processing assets. Any sustained increase in condensate output implies either new wells coming online or improved uptime at existing gas-producing facilities, both of which create demand for specialist services.

From a regulatory standpoint, NUPRC's publication of this data reflects the commission's increasing transparency posture under the Petroleum Industry Act framework. Reliable production reporting is a prerequisite for investor confidence, and a credible 104% quota compliance figure — if sustained across subsequent months — strengthens Nigeria's position in attracting fresh capital commitments for deepwater and onshore development alike. Norwegian service companies that have maintained a watching brief on Nigeria through the difficult production years should now treat this as an active monitoring signal rather than a distant opportunity.

Why this matters to partners and clients of Saga

Norwegian service companies should move Nigeria from a monitoring position to active business development, as sustained production growth at this level typically triggers operator spending on well services, subsea integrity, and production optimization. Companies with established local partnerships or prior Nigerian operational history are best placed to respond quickly to tendering activity that typically follows a production recovery cycle. Those without a current Nigeria presence should assess entry options now, before the contracting window opens fully.

PARTNER ANGLES

- **Subsea/FPSO:** Recovering production volumes increase throughput stress on existing subsea and FPSO infrastructure, creating demand for integrity assessments, life-extension work, and potential brownfield upgrades.
- **Drilling:** Sustained quota compliance will pressure operators to protect current well stock through workovers and potentially mobilize new drilling campaigns to maintain the production curve.

- **LNG:** Rising condensate output signals improved gas production rates, which may support LNG feedgas supply discussions and create openings for gas processing and handling service providers.
- **Pipeline:** The production recovery implies reduced pipeline downtime from theft and vandalism, but aging export infrastructure will require inspection and rehabilitation services to handle higher sustained flow rates.
- **Service:** Well intervention and production chemistry service companies should assess Nigeria operator budgets for 2025–2026, as a 74-month production high typically precedes a step-up in field maintenance spending.

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