

GOOGLE NEWS QUERY: NIGERIA RIG CONTRACT / FID · NIGERIA · LNG

UTM Offshore signs 15-year deal, nears \$3bn FLNG FID

Saga deep read · 07 July 2026 · Score 87

UTM Offshore has secured a 15-year gas supply agreement, moving its \$3 billion floating LNG project materially closer to a final investment decision. The deal represents a significant commercial milestone for a project that has been in development for several years, providing the long-term feedstock commitment that lenders and equity partners typically require before sanctioning capital-intensive FLNG schemes.

The gas supply agreement is the type of anchor contract that de-risks the upstream input side of an FLNG project, signalling that UTM Offshore has secured a counterparty willing to commit gas volumes over a decade and a half. While the article does not specify the gas supplier, the volumes committed, or the precise timeline to FID, the 15-year tenor is consistent with the bankability thresholds demanded by project finance institutions operating in the Nigerian LNG space. The \$3 billion project cost underscores the scale of the undertaking and the level of procurement activity that would follow a positive FID.

Nigeria remains one of Africa's most consequential gas markets, holding substantial proved reserves that have historically been undermonetised due to infrastructure constraints and project execution risk. Floating LNG technology has attracted renewed interest as a route around the capital intensity and timeline risk associated with onshore liquefaction trains. A sanctioned FLNG vessel at this scale would require a broad supply chain spanning FLNG hull and topsides fabrication, mooring and offloading systems, subsea flowlines and risers, commissioning services, and

ongoing operations and maintenance contracts. None of these procurement processes have been formally opened, as the project has not yet reached FID.

The current instrument is a gas supply agreement — a commercial heads-of-agreement-level input contract — that advances but does not yet confirm FID. Norwegian service companies should treat this as a monitoring situation rather than an active bid opportunity. The project's trajectory, however, warrants close attention: if UTM Offshore proceeds to FID, the resulting FEED and EPC contracting rounds would be among the larger single-project procurement events in West African LNG in the near term.

Why this matters to partners and clients of Saga

This project has not yet reached FID, so procurement engagement is premature; Norwegian service companies should monitor UTM Offshore's progress toward project sanction and begin positioning through relationship-building with the project developer and any appointed FEED contractors. If FID is confirmed, the \$3 billion project scope would generate significant demand across FLNG topsides, subsea tie-back, mooring, and marine services — all segments where Norwegian firms hold strong credentials. Saga recommends adding UTM Offshore to the watch list and tracking any FEED contractor appointment as the earliest actionable signal.

PARTNER ANGLES

- **LNG:** Monitor UTM Offshore's FEED contractor appointment as the entry point for topsides process technology, liquefaction module supply, and LNG transfer system scopes on the \$3bn FLNG vessel.
- **Subsea/FPSO:** An FLNG project of this scale will require subsea flowlines, risers, and turret-mooring or spread-mooring systems — track the project's progression to FID before engaging procurement.
- **Drilling:** Gas feedstock delivery to the FLNG unit may require well workover or new well drilling campaigns; monitor which upstream operator holds the supplying acreage for early positioning.

- **Pipeline:** Offshore or nearshore gas transport infrastructure connecting the supply fields to the FLNG vessel represents a potential pipeline engineering and installation scope — follow FEED outputs for confirmation.
- **Service:** Commissioning, pre-startup testing, and long-term O&M services on a Nigerian FLNG unit would suit Norwegian firms with relevant LNG asset experience; relationship-building with UTM Offshore now is appropriate.

[Original source: Google News query: Nigeria rig contract / FID →](#)

Saga Advisory

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

STAVANGER · CAPE TOWN