

**2016 Oloibiri Lecture Series and Energy Forum:
Welcome Address**

By Engr. George C. Kalu, *KSM* Chairman SPE Nigeria Council

The Speaker of House of Representative, Rt. Hon. Yakubu Dogara,
Member of House Committee on Petroleum Upstream, Rt. Hon.
SerguisOguns

Member of House Committee on Finance, Rt. Hon. UkoNkole Ndukwe

The Honourable Minister of State for Petroleum Resources and GMD
NNPC, Dr. Emmanuel IbeKachikwu,

The Group Executive Director, Exploration and Production, Dr.
MakantiKachalla Baru

The Director of Petroleum Resources, Mr. Modecai Baba-Ladan

Former Presidential Adviser on Petroleum Matters, Dr. Emmanuel
Egbogah

Former Group Executive Directors present

The President of Nigerian Society of Engineers (NSE), Engr.
OttisAnyaeji, (KSM)

SPE Africa Region Director, Engr. Yemi. Akinlawon

SPE Nigeria Council BOT Chairman, Engr. Alex Neyin

Managing Directors of Operating Companies in Nigeria led by SPDC,
MPN, Total, Chevron

Managing Directors of Companies

Past SPE Regional Directors for Africa

Past SPE Nigeria Council Chairmen

Distinguished Ladies and Gentlemen,

I am pleased and honored to welcome you all to the 2016 edition of the Annual Oloibiri Lecture Series & Energy Forum (OLEF) On behalf of the Society of Petroleum Engineers (SPE), Nigeria Council.

This year's event is unique in the sense that it marks the 25th anniversary of the lecture series. The first lecture was held in June 1991 to commemorate the first oil well drilled in Nigeria by Shell Darcy at Oloibiri, in Ogbia, Bayelsa state, in 1956. Over the years, the annual lecture series has attracted participation from government, regulatory agencies, and heads of industry practitioners at all levels, as well as other stake holders.

This year's theme focuses on "Technological Advances in Hydrocarbon Exploration and Exploitation: Solutions to Global Oil Price Stability" in a low oil price scenario; thus provides Nigeria with the unique opportunity of maximizing benefits from adoption of low cost technology in asset management as well as industry collaboration between buyers, suppliers and vendor with operators in the oil and gas Industry. With an all-time high Crude Oil Inventory by OECD, the oil prices dip this time around is different from previous cyclical scenarios. This was partly occasioned by the demand-supply landscape in the global oil market and need to hedge against supply shortfall to the OECD. The emergence of oil supplies from the US shale areas plus the decline in oil demand from Europe and North America has contributed to a large extent. Simple innovative technology deployed such as water shut-off, short radius horizontal sidetrack in existing assets will ensure low cost oil production.

The choice of OLEF 2016 topic and the sub topics is therefore pertinent. It is our hope and expectation that through OLEF 2016's theme and the subtopics selected for presentation by our seasoned and distinguished speakers, we will stimulate discussions aimed at mitigating the effect of low oil prices and helps chart the right course towards a sustainable future for the Nigeria oil and gas industry.

Permit me to mention that OLEF 2016 also coincides somewhat with 60 years of oil exploration and exploitation in Nigeria since the first

discovery in Oloibiri in commercial quantity. During this period Nigeria has operated within the league of oil producing and exporting nations. The industry has experienced much transformation along the way.

I wish to thank all our special guests for finding time to be at this event and also our speakers for the time and intellectual resource that has and will be invested in this lecture series

Our profound gratitude goes to our sponsors for providing the fund and support for this annual event. I wish to specially thank the management of PTDF for graciously agreeing to partner with us by co-hosting this year's OLEF and all future OLEFs.

Thank you for your audience and enjoy the lecture.