

SPE summit focuses on marginal fields

THE Society of Petroleum Engineers (SPE) Nigeria Council has said that its annual conference scheduled for July 30 to August 1, in Lagos, will focus on Marginal Field Development best practices.

The SPE Chairman, Mr. Osayande Igiehon, said, "The marginal field best practices workshop is a must-attend event for all those who have interest in the growing segment of the industry. It will feature seasoned experts who have successfully put marginal fields on production and they will be sharing their experiences and challenges."

"They will also proffer valuable ideas on how to improve the success rates and increase the contribution from marginal fields to meet the overall production growth aspirations."

He insisted that the theme of the 2013 conference, "To Grow Africa's Oil & Gas Production: Required Policy, Funding, Technology, Techniques & Capabilities" is very relevant to the aspirations of the established, emerging and

By SEBASTINE OBASI

NIGERIA is nowhere to be found in the growing list of shale oil and gas production in the world. In a recent report by the United States-based, Energy Information Administration, EIA, (statistical and analytical agency within the U.S. Department of Energy), the most prospective shale formations are found in a group of 41 countries.

The report said that these countries have demonstrated some level of relatively near-term promise and have a sufficient amount of geologic data for a resource assessment.

Reacting to the development, Mr. Emeka Okwuosa, a consultant described the EIA's report as sad news. He argued that what this shows is that while other countries were investing millions of dollars on these unconventional discoveries, Nigeria remained static, and undecided on the way forward with the shale revolution.

Against this backdrop, he suggested the following,

Nigeria not on global shale production map

"Continue our push to pass the PIB and take advantages of other investments that will accrue from its passage to earn more revenue; the Federal government should push for unconventional discoveries like shale in Nigeria; diversification of the economy especially solid minerals and agriculture; try and find new buyers for our crude in North America and Asia; build refineries in Nigeria to refine our crude; and cut cost."

He added that these steps will greatly reduce Nigeria's over dependence on crude oil export to earn money.

Reserves estimates

According to the EIA, there are 7,299 trillion cubic feet (TCF) of technically recoverable shale gas and 345 billion barrels (BBL) of shale oil reserves. Technically recoverable resources (TRR)

are defined as the volumes of oil and gas that can be produced with current technologies and does not take into account costs, pricing or other economic factors that may limit oil and gas production.

Based on the EIA shale gas reserves estimates, China is ahead of the pack with 1,115 TCF followed by Argentina (802), Algeria (707), the United States (665) and Canada with 573 TCF. Also among the top ten countries are Mexico (545), Australia (437), South Africa (390), Russia (285) and Brazil (245).

Shale oil reserves estimates on the other hand, has Russia with 75 BBL followed by the United States with 58, China (32), Argentina (27) and Libya (26). Others include Australia (18), Venezuela (13), Mexico (13), Pakistan (9) and Canada (9).

Putting these new reserves

estimates into context, the EIA further stated that worldwide consumption of dry natural gas was estimated at 113 TCF in 2010, and oil consumption at 31.2 BBL.

Natural gas and oil consumption rose significantly across the world since 1980 with natural gas demand increasing from 53 TCF and oil consumption from 21.8 BBL. The growth for demand in natural gas has been led by Asia with consumption increasing from 2.2 TCF in 1980 to 19.2 TCF in 2010.

Demand in the Middle East has grown from 1.3 TCF to 13.2 TCF over the same period. Natural gas consumption is forecast to increase with an abundant supply and relatively low cost compared to other feedstock coupled with the worldwide industrialization.

