

Nigeria Annual Conference Draws International Crowd

Ted Moon, *JPT Online* Technology Editor

More than 1,500 oil and gas professionals from around the globe converged on Abuja, Nigeria during 4–6 August of this year for the SPE Nigeria Annual Conference and Exhibition. With a theme “Innovating to Meet the Challenges of Global Energy Demand,” the conference explored key industry issues such as finding sustainable solutions for the increasing worldwide energy demand and developing innovative ideas and technologies that will produce hydrocarbons more efficiently.



Akhigbe

“Even though this conference was held in Nigeria and was organized by the SPE Nigeria Council, it was very much an international conference,” said Charles Akhigbe, Drilling Fluids Specialist with Shell Nigeria’s Wells Technology and Expertise Support Team and Chairperson of the Conference. “Of the 1,500 attendees, we had many expatriates from Asia, other parts of Africa, and Europe. The vast majority of these attendees were

businessmen, representatives of Nigerian government regulatory agencies, banks, technical experts and industry professionals from all major oil and service companies, as well as some research institutions and universities.”

The technical sessions began on 4 August and were sponsored by British Gas Exploration and Production Nigeria. Each technical session had two co-chairs—managers and higher-level executives from major petroleum companies, some of whom are also members of the SPE Nigeria Council. “Participation in the Nigerian council cut across all of the oil companies and many service companies in Nigeria,” Akhigbe said. “We had participants from Shell, ExxonMobil, Addax Petroleum, Total, Schlumberger, Halliburton, Afren, Agip, Chevron, Sapetro, Baker Hughes, Nigerian National Petroleum Corporation (NNPC), Oando, Nigerian Petroleum Development Company (NPDC), Platform Petroleum, Global Energy, and Midwestern Oil and Gas.”

The technical sessions included 48 papers spanning all upstream disciplines, from drilling and completions to geosciences, HSE, and management. “There were also case studies, and most focused on wells and field experiences outside of Nigeria. The feedback I received was that the technical sessions were all of high quality,” Akhigbe said. In fact, in a survey after the conference, 68% of responders considered the technical content of the conference to have been very good or excellent.

“As is typical for our conferences, we gave an award to the best technical paper based on recommendations of the

Technical Paper Committee,” he continued. “The technical paper session chairs assess each presentation in their session and pass the assessment on to the Technical Paper Committee, who then investigates each assessment and determines the winner. The award this year went to Chukwuma Uguru, Shell Nigeria Regional Petrophysics Discipline Lead, who presented a paper titled “A Simple Analytical Model for Vertical Permeability Prediction.”

Plenaries Highlight Nigerian Oil Industry Challenges

The conference included two plenary sessions that discussed topics centered on the future development of field projects and technologies in Nigeria. The first plenary, which took place on 5 August, was titled “Implications and Imperatives of the Nigeria Oil and Gas Industry Reforms” and discussed business and new operating reforms planned by the Nigerian government for the country’s oil and gas industry. “The plenary included a panel of representatives from the Nigerian government and the private sector expressing their opinions on the current business situation in the Nigerian petroleum industry and what the government should incorporate into their reforms to encourage investment in the industry,” said Akhigbe.

Approximately 200 audience members listened to the various presentations and were able to provide direct feedback on the planned reforms to the Nigerian government representatives in attendance. “Once a government representative or industry leader gave the official position on a particular industry issue, the audience could air other opinions or ask questions during the question and answer sessions,” Akhigbe said. “There were approximately 200 people in attendance for this plenary, including the Special Adviser to the President of Petroleum Resources in Nigeria; John Chaplain, the Managing Director of Mobil Producing Nigeria; Chamberlin Oyibo, Former Group Managing Director of NNPC; Mutiu Sumonu, Managing Director of Shell Nigeria; and Van Querio, Managing Director of Addax Petroleum.”

Other topics included a general discussion on environmental improvements during future oilfield projects, particularly with regards to improving waste and water management, and discussions about recurring security issues in the Niger-Delta area. “The militant issue has been a continuing detriment, and the government is talking about trying to improve the development of local communities,” Akhigbe said. “In other words, give the people in these communities more opportunities for advancement

8 maids a milking

KUDU gets the most from your well. Our innovative Progressing Cavity Pump solutions reinvent the status quo to offer you the very best in quality, performance and service.

Not only can KUDU pump it up, but we maximize your production through smart well technology. KUDU's PCP Well Manager adjusts pump speed, monitors torque and measure flow rates.

KUDU holds over 20 patents using Progressing Cavity Pumps in the artificial lift field. This strong commitment for advancing Progressing Cavity Pump technology exemplifies KUDU's dedication to quality and performance.

kudupump.com

Happy Holiday Season!





(L to R) The Hon. Minister of Energy (Petroleum) Odien Ajumogibia (SAN); Emmanuel Odisuna, Minister of Energy (Gas); Abiye Membere, SPE Nigeria Council Chairperson. Behind Membere is Andy Olotu (partly concealed), Executive Director of Schlumberger and past SPE Nigeria Council Chair.

and development so they don't have to resort to criminal and militant activities."

The second plenary, which took place on 6 August, was titled "Emerging Indigenous Participation in the E&P Industry" and discussed the need for Nigerians to participate in developing the country's marginal fields. Many of these fields were relinquished by the Nigerian government in 2003 and awarded to various intending marginal field operators, most of whom were retired industry experts and businessmen.

"There were approximately 200 people in attendance for this plenary, including the Technical Adviser to the Minister of Petroleum Resources in Nigeria, Osten Olorunsola; O.A Olaosebikan, the Managing Director of NPDC; Austin Avuru, Managing Director of Platform Petroleum; Shawley Coker, Chairman of Petan and Managing Director of Cison; Bank Anthony Okoroafor, Managing Director of Vhelberg Nigeria; George Osahon, Group General Manager for the Nigerian Content Division of NNPC; and Tayo Akinokun, Managing Director, Baker Hughes Nigeria."

Participants in this plenary discussed the difficulty they have had in getting local banks and financial organizations to finance marginal field development projects. This was mainly attributed to banks not having a firm understanding of how the oil and gas business works and their desire to get a quick return on their investment, which is not always possible. Participants also discussed their own personal experiences in trying to develop these marginal fields.

"We had marginal field operators like Mr. Avuru with Platform Petroleum and Mr. Olaosebikan with NPDC," said Akhigbe. "They both gave key position papers about their companies' activities, and how it has been difficult to source partners that can help fund projects. They also discussed how it has been difficult to get banks to understand what they are doing, and even when they get the funding, how

it has been difficult to find good service contractors to do the jobs on time and within budget. They also described the current security difficulties they have working in the Niger-Delta area."

A government position paper was presented by Osten Olorunsola on behalf of the Minister of Petroleum that outlined how the Nigerian government plans to break NNPC into six independent business units, including an exploratory division, commercial division, general services, and a production sharing contracts division for deep offshore assets. The purpose of this restructuring is to ensure that the divisions operate more efficiently and generate their own funds rather than having to rely on the government.

"Historically, national oil companies have been operating very inefficiently and have been very dependent on the government for their counterpart funding," Akhigbe said. "The idea is to restructure these NNPC divisions such that they can get better financing and provide and deliver services cost effectively. Plenary attendees discussed examples such as Petrobras, Petronas, and other world class indigenous national oil companies who have grown quickly over the past several years and are very independent."

Audience members had many questions for the assembled plenary panel, particularly concerning specific points on how the government plans to help the indigenous companies to grow. "The response from the Petroleum Minister's Technical Adviser was to discuss the reforms, how and why the Nigerian government put these policies in place, and what they are designed to do," Akhigbe explained. "The idea is that these local companies will have the leverage they need to go to the bank, get money, build their business, and consequently improve the local economy and create jobs."

Discussions about the future plans for the Nigerian petroleum industry were not limited to the session rooms. Executives and government representatives had several opportunities to continue sharing ideas at the various cocktail parties and dinners.

"The Oil Industry Night and Awards dinner was held on 5 August and sponsored by ExxonMobil," Akhigbe said, "and we used it as a chance to get government representatives and chief executives of oil companies together to discuss issues in a more informal setting."

The SPE Nigeria Annual Banquet and Awards, sponsored by Shell Nigeria, was held on 6 August and honored many of the local SPE members who ran the SPE Nigeria organization over the past year and organized the 2007 conference. An award was also given to 2008 SPE President Bill Cobb, honoring his involvement and initiatives in improving the SPE Nigeria section for all of its members.

"The annual banquet was also an opportunity to hear from Nigeria's Minister of Petroleum and Minister of National Planning," Akhigbe said. "They gave general talks about what the government is trying to do to reposition the oil industry, streamline operations, and allow investors to see the attractiveness of investing. They reiterated the government's wishes to eliminate government bureaucracies and make local oil companies easier to run."

(cont'd. on page 100)



Emmanuel Egbogah, SPE Regional Director, Africa and Nigerian Presidential Adviser on Energy Matters, delivering a welcome address to the SPE-I delegation and SPE Nigeria Council Members.

Young Professionals Garner Much Discussion

In addition to the main conference, a young professionals (YPs) workshop was held on 3 August which brought together representatives of the various SPE Nigeria student chapters as well as oilfield professionals under the age of 35. The workshop, which was chaired by one of the board members of the SPE Nigeria Council and attended by Mellissa Schulte, Lawrence Slade, Frances Leon (all from the SPE London office), and Bill Cobb, provided presentations on what YPs are doing now and what is needed to encourage them to participate in more SPE conferences, both in Nigeria and internationally. “It was really about encouraging greater involvement for their own professional development,” Akhigbe said.

A student chapter contest was also held in which each SPE student chapter from across Nigeria made presentations about what they do, gave full reports on their funding, and what

they did with the money. They were also ranked by the level of social work and awareness they created amongst their local communities.

“Prior to the YP workshop, Bill Cobb held a meeting with the four SPE Nigeria section chairs,” said Akhigbe. “The purpose of the meeting was to discuss our activity in Nigeria sections and determine what level of support is required. Bill’s final comment was to challenge each section to more fully support both the students and the young members in attending workshops and conferences to encourage their professional growth and also guarantee the future of SPE at the sections.”

The sections were encouraged to reach out more to both their YPs and the companies that employ them. “We are going to have the various section chairmen talk to the management of the various companies in an effort to allow YPs to participate in more SPE conferences,” Akhigbe confirmed. **JPT**