

EXECUTIVE SUMMARY OF FIELD-O

Field-O (this is a nominal name used in place of the real name)

Field-O is one of the fields the Federal Government of Nigeria earmarked for the 2020 Marginal Field Bid Round which is now concluded.

A client is seeking funding for the development of the field to produce first oil and/or gas.

The preferred funding option is debt capital. Structured finance is also in consideration.

- 100% Finance Required - \$60M
- Client's Share: 30%

- The field is located in the coastal Swamp depo-belt of the Niger Delta.
- The field has two wells that are hydrocarbon-bearing, with a combination of non-associated gas and oil.
- Basecase Reserves: Oil is 2.75 MMBO, Gas is 207.06 BCF and Condensate is 3.23 MMBO.
- The notional development plan involves the wells being either re-entered or re-drilled.
- There are 5 marginal field companies in the SPV.

Extract from the Competent Persons Report (CPR)

The Field-O is located in onshore Nigeria in the SPDC operated OML 46 block in the Coastal Swamp depo-belt of the Niger Delta. The concession area is ~40 sq km, and it is contained in sands of the Agbada Formation and alternate shales provide a seal.

The Field-O was discovered by the current operator, SPDC, in 1977 by the Well-11. It was later tested by the Well-2 in 1986. Both wells were hydrocarbon-bearing, with a combination of non-associated gas and oil being discovered in eight reservoir intervals. 3D seismic data was acquired in 1991/1992 and reprocessed in 1999. No further activity has been undertaken on the field.

The table below shows the resource and revenue summary.

Resource and Revenue Summary

Contingent Resources*	100 % Gross and Net					(units)
	Development Case					
	Min	Base	High	Base		
	Probabilistic				Deterministic	
1C P ₉₀	2C P ₅₀	3C P ₁₀	P _{mean}	Base Case		
STOPIP	12.92	14.03	15.18	14.04	14.36	(mmbo)
OGIP	234.88	250.08	266.11	250.35	253.30	(bcf)
CIIP	5.76	6.18	6.64	6.19	6.25	(mmbc)
Oil Recovery	2.43	2.69	2.97	2.70	2.75	(mmbo)
Gas Recovery	188.49	202.34	215.08	202.56	207.06	(bcf)
Condensate Recovery	2.94	3.15	3.35	3.12	3.23	(mmbo)
NPV ₁₀	84.58	92.22	99.63	91.88	94.21	(\$MM)
CAPEX	55.53	55.53	55.53	55.53	55.53	(\$MM)
Internal Rate of Return	65.80	70.09	73.78	69.89	70.58	(%)
Years to Payout	1.49	1.43	1.37	1.43	1.42	(years)
Development Wells	2	2	2	2	2	

* economic recoverable

mm - millions

As the License Holder's field OPEX and CPF throughput are not known, it is assumed that the farmee's transportation and processing tariff is \$0.55/boe, escalating at 2%/annum. This comprises a \$0.50/boe base tariff + a 10% (\$0.05/boe) uplift.

Dr Leesi Gborogbosi, CEO of Gabriel Domale Consulting is the Commercial Advisor mandated to raise the funds and he is supporting this process as an Ex-Shell Manager with deep knowledge of the oil and gas industry from 26 years working with Shell Nigeria.

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