NIGERIAN UPSTREAM PETROLEUM REGULATORY COMMISSION

NIGERIA 2026 LICENSING ROUND: FREQUENTLY ASKED QUESTIONS

These answers are a summary for guidance only. They do not replace or vary the Petroleum Industry Act, 2021, the Petroleum Licensing Round Regulations, 2022, as amended, or the Nigeria 2026 Licensing Round Guidelines, which prevail in case of any difference. Paragraph references are to the Guidelines.

A. About the Licensing Round

1. What is the Nigeria 2026 Licensing Round?

It is a competitive bidding round in which the Nigerian Upstream Petroleum Regulatory Commission (the Commission) offers Blocks for the grant of Petroleum Prospecting Licences (PPLs). The Blocks on offer are listed in Schedule B of the Guidelines.

2. What are the objectives of the Licensing Round?

To grow oil and gas reserves through exploration and development; increase Nigeria's production capacity; expand opportunities for gas utilisation in view of the energy transition; reinforce Nigeria's commitment to openness and transparency in line with the Extractive Industries Transparency Initiative; attract value to Government for its petroleum assets; enhance indigenous participation, skills development and technology transfer; and contribute to long-term global energy sufficiency.

3. What is the legal basis for the Licensing Round?

The Petroleum Industry Act, 2021 (PIA), in particular sections 73 and 74, the Petroleum Licensing Round Regulations, 2022, as amended, and the Nigeria 2026 Licensing Round Guidelines (the Guidelines). A PPL may be granted only through a fair, transparent and competitive bidding process.

4. How is the Licensing Round conducted?

In two stages: a prequalification stage, at which Applications are evaluated, and a bid stage, at which prequalified Applicants submit Technical and Commercial Bids (paragraph 2).

5. What are the key dates?

Launch of the Portal and opening of registration: 20 November 2026. Pre-Bid Conference: 16 December 2026. Closing of registration (Application Submission Date): 15 January 2027, 4.30 p.m. WAT. Notification of prequalified Applicants: 1 February 2027. Technical and Commercial Bid submission: from 2nd February 2027 to 15 April 2027. Commercial Bid Conference and announcement of winning and Reserve Bidders: 7 May 2027. The full calendar is in Schedule A of the Guidelines and may be amended under paragraph 8.

6. Can the Commission change the Guidelines or the timetable?

Yes, within limits. Material changes to the Guidelines may be made no later than thirty days before the deadline for Applications or Bids; they are published on the Commission's website and the Portal and notified to all Applicants by email. Non-material changes may be made at any time. The Commission may extend a deadline to give Applicants reasonable time to take a

change into account, and a change in the qualification criteria will not affect an Applicant that has already prequalified (paragraph 8).

7. Which time zone applies?

All times in the Guidelines are West Africa Time (WAT) (paragraph 2).

8. How do I participate?

Register on the Licensing Round Portal at www.br2026.nuprc.gov.ng and submit your application electronically, in English, with all required documents (paragraphs 10 and 11). Documents in another language must be accompanied by a certified English translation.

9. What licence and contract will be granted?

A PPL, for the initial exploration period provided in section 77 of the PIA for the terrain of the Block, which may be extended for the optional extension period. Deep offshore Blocks are offered on a Production Sharing Contract based on the PSC term sheet in the Guidelines, with NNPC Limited as concessionaire. Shallow Water and Onshore are offered on an Exploration and Production Licence Contract pursuant to section 85(2)(e) of the Act.

10. Why are the Blocks grouped into categories?

The Blocks are grouped into four categories according to terrain: deep offshore, shallow water, onshore and frontier (Schedule B). Because the terrains carry different risk profiles, the financial thresholds, the Signature Bonus range and the minimum work programme are set by category rather than applied uniformly (paragraphs 12.3 and 16 and Schedule G). In this Licencing Round, no blocks are offered for Frontier terrain.

11. What rights does a PPL confer, and for how long?

A PPL confers the exclusive right to drill exploration and appraisal wells, the non-exclusive right to carry out petroleum exploration operations in the licence area, and the right to carry away and dispose of crude oil or natural gas won during production tests (section 72 of the PIA). For onshore and shallow water Blocks, the initial exploration period is three years, with an optional extension of three years; for deep offshore and frontier Blocks, it is five years, with an optional extension of five years (section 77 of the PIA).

B. Eligibility

12. Who can apply?

Any company, whether incorporated in Nigeria or elsewhere. However, a PPL may be granted only to a company incorporated and validly existing in Nigeria (section 70(2) of the PIA.

13. Can a newly incorporated company or special purpose vehicle apply?

Yes.

14. What if a foreign company wins a Block?

The Company shall, prior to the grant of the PPL, incorporate a company in Nigeria under the provisions of the Companies and Allied Matters Act (CAMA) for the purpose of obtaining the PPL.

15. Can companies bid together?

Yes, as a Consortium of at least two members. The members must sign a Consortium Agreement that identifies the Lead Member, the roles of each member and each member's participating interest. They must appoint an authorised representative from the Lead Member, using the Appointment of Authorised Representative form, and designate an Operator with a participating interest of at least 30%.

16. Can prequalified Applicants form a Consortium after prequalification?
Yes, before the Commercial Bid is submitted, with the approval of the Commission.

17. What happens if a Consortium member leaves or is disqualified?
If the member falls within a disqualification ground and leaves or is voted out, the Consortium is not disqualified (paragraph 14.2). A Consortium must keep at least two members.

18. What happens if a Consortium member defaults after the PPL is granted?
The default is dealt with under the post-award enforcement mechanisms under the PIA and Regulations made thereto.

19. Can Consortium members hold the PPL directly, as an unincorporated joint venture?
Yes. The PPL may be granted to the Consortium members in their participating interests, each of which must be a company incorporated in Nigeria, or to a Licensee Company. In either case the Operator must be a Consortium member with a participating interest of at least 30% that meets the technical and health, safety and environment criteria, and the beneficial ownership of every member must be disclosed . A company that is not a member cannot act as Operator.

20. How many Blocks can I bid for?
Not more than two Blocks, whether alone or as a member of a Consortium, and only one Bid per Block. The limit is applied to direct and indirect participation, including through affiliates and nominees.

C. Prequalification

21. What are the prequalification criteria?
Legal, technical, financial, and health, safety and environment criteria as set out in the Guidelines.

22. What beneficial ownership information must be provided?
Information on every person with significant control, including any person who directly or indirectly holds at least 5% of the shares or interest.

23. Must documents be notarised?
Statutory declarations and formal attestations, including the Beneficial Ownership Declaration Form, must be notarised.

24. Can I change my Application after submitting it?
No.

D. Fees and Payments

25. What fees are payable?
A Registration Fee of US$10,000; a Bid Application Fee of US$25,000 per Bid; the NDR data purchase fee; and, if you choose to view data physically, a data prying fee of US$10,000 per session per Block. Fees and account details are in Schedule F.

26 When must fees be paid?
Application fees must be paid by the Application Submission Date and Bid fees by the Bid Submission Date. The Commission must have received value by that date.

27. Are the fees refundable?

No

E. Data and Confidentiality

28. How do I access the data?

After prequalification, access to the NDR's Physical Data Room shall be granted upon execution of a Confidentiality Agreement.

29. Must I lease data?

Yes. Data must be leased from NDR, or the relevant multiclient company where it exists, and evidence of payment must be submitted with the Bid.

F. Bids

30. What is the Signature Bonus range?

The range is US$3 million to US$7 million per Block for deep offshore, shallow water and onshore Blocks, The Signature Bonus must be paid in full in United States Dollars; it cannot be paid in Naira, and must be paid before the grant of the PPL.

31. Is a bid guarantee required?

Yes. Every Bid must be accompanied by a Bid Guarantee in the form of a Guarantee from a bank whose rating is as stated in the guidelines, for an amount which shall be 5% of the signature bonus bidded.

32. What is the deadline for submission of applications?

4.30 p.m. WAT on 15th January, 2027, except stated otherwise by the Commission.

G. Integrity and Contact

33. On what grounds can an Applicant be disqualified?

On the grounds in regulation 11 of the Regulations and paragraph 14 of the Guidelines, including false information, breach of an existing licence, insolvency, unapproved change of control, and unpaid taxes or statutory payments. False or misleading information at any stage may invalidate a Bid (paragraph 18).

34. What Media Are Available for Submitting Questions or Seeking Clarifications?

Applicants may submit questions and requests for clarification through the following channels:

1. Email: Submit written enquiries to br2026@nuprc.gov.ng.
2. Pre-Bid Conference: Raise questions during the Pre-Bid Conference.
3. Via dedicated telephone numbers stated in the guidelines.

Interested parties are required to notify the Commission of their representatives at least seven (7) days before the Conference. Clarifications and responses issued by the Commission will be published on its website.