



RIFT ENERGY SUBMITS BID ON TURACO BLOCK IN UGANDA

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Uganda: Nigerian Firms Dominate Bid List for Uganda's Oil

By Mark Keith Muhumuza

Kampala — Uganda has announced that seven companies have submitted bids for exploration of oil in the next round of licensing. In October 2015, government announced that at least 16 firms had expressed interest in acquiring oil exploration blocks in the Albertine Graben. A statement released by the ministry of Energy reveals that three of the seven companies are from Nigeria.

The seven companies are; Armour Energy Limited of Australia, WalterSmith Petroman Oil Limited of Nigeria, Oranto Petroleum International Ltd of Nigeria, Niger Delta Petroleum Resources Ltd of Nigeria, **Rift Energy Corporation** of Canada, Glint Energy LLC of USA and Swala Energy Ltd of Australia.

"The attraction of seven bidders is significant taking into consideration the current low global oil and gas prices," the statement reads. Mr Fred Kabagambe-Kaliisa, the permanent secretary in the Ministry of Energy, said: "The good success of the bidding process is largely attributed to geological success within the Albertine Graben and the fact that majority of the blocks on offer have proven oil and gas potential."

Tullow missing out

Tullow Oil, one of the companies that had expressed interest in October 2015, did not submit bid documents to qualify for the next round. The firm has paid the price for the slump in crude oil prices which has resulted in the company cutting back on any planned exploration. Releasing the 2015 results in February, the company revealed it was scaling back on exploration expenditure. Also absent on the list is the integrated company, Sasol from South Africa; and none of the Ugandan registered firms that expressed interest were able to submit bid documents.

Hope for more oil

Further exploration of at least six blocks in the Albertine has the potential of increasing Uganda's oil prospects from the current 6.5 billion barrels. Mr Kabagambe-Kaliisa said the next step will be an evaluation of the bids and will be based on the proposed work programme, technical and financial capability, national content, health safety and environment, proposed royalty and signature bonus.

About the project

The areas on offer are: Ngassa in Hoima District, Taitai & Karuka (565 Km²) in Buliisa District, Ngaji (895 Km²) in Rukungiri & Kanungu Districts, Mvule (344 Km²) in Moyo and Yumbe Districts, as well as **Turaco (425 Km²)** and Kanywantaba (344 Km²) in Ntoroko District.