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OIL, GAS & INFRASTRUCTURE



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Foreground from left: Alex Nyombi, the director of development and production at the Petroleum Authority of Uganda, Zawedde, Batebe, Nakyobe and Nabbanja cutting the ribbon to launch oil shooting operations at the Kasuruban oil block in Butiaba, Buliisa district, recently. Prospects for oil extraction in the area are said to be promising

UNOC FINDS NINE POTENTIAL OIL WELLS IN BUTIABA AREA

MORE DEPOSITS

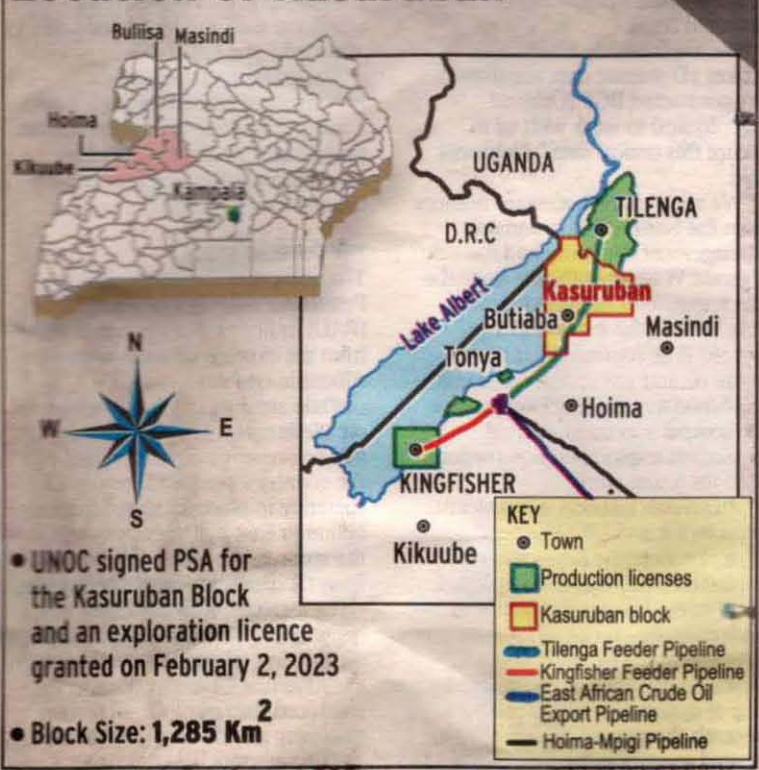
Butiaba sub-county, located on Lake Albert in Buliisa district, is a historical area in Uganda, known for its colonial port connecting to DR Congo and the West Nile. For almost half a century, the area has been largely quiet, with only a few notable events aside from the presence of fish. However, with the ongoing oil and gas exploration, hope has been restored that the area could be vibrant again, writes **Martin Kitubi**

Government scientists have revealed that the Butiaba area could be sitting on crude oil deposits. Scientists from the Uganda National Oil Company (UNOC) hit nine prospects in the Butiaba that could become new oil fields for production. The development is part of the preliminary findings from the ongoing oil shooting operations at the Kasuruban oil block that touches the Butiaba area. The oil block, which spans 1,285 square kilometres, covers three districts: Buliisa, Hoima and Masindi. The Kasuruban block is located a few metres from the Tilenga project area, where oil has been discovered with ongoing developments. The prospect development at

Kasuruban gives the Government hope that we could find more oil to utilise the current infrastructure under development in the Albertine Graben. **UNOC ON THE POTENTIAL** The development was announced by Proscovia Nabbanja, UNOC's CEO. This was during a recent visit to the Kasuruban licence area by Lucy Nakyobe, the head of public service and secretary to the Cabinet. Nakyobe was accompanied by Eng. Irene Batebe and Dr Aminah Zawedde, the permanent secretaries for the ministries of energy and ICT, respectively.

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Location of Kasuruban



- UNOC signed PSA for the Kasuruban Block and an exploration licence granted on February 2, 2023
- Block Size: 1,285 Km²



Standing: Kiconco (fifth-left), Batebe (sixth-left), Nakyobe (seventh-left), Nabbanja (fifth-right) and Zawedde (fourth-right) with scientists from the Uganda National Oil Company, the Petroleum Authority of Uganda, the Uganda Wildlife Authority and BGP (Oriental Geophysics) at the Kasuruban area in Butiaba, Buliisa district, recently

GOVT PREPARES FOR 98.3 BILLION LITRES OF OIL FROM BUTIABA

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Nabbanja said preliminary findings give UNOC hope that it could find more commercially viable resources to run the existing oil infrastructure. She said the national oil company suspects that the Kasuruban area currently holds about 600 million barrels of crude oil. A barrel of crude oil is equivalent to 158.987lts of oil. This implies that the area could contain approximately 98.3 billion litres.

However, the numbers will be confirmed after exploration of the potential areas.

"We are currently conducting 150km 2D seismic data acquisition. We contracted BGP (Oriental Geophysics) to work with us to secure this critical data," Nabbanja said.

"We secured the necessary licences from the National Environment Management Authority and the Uganda Wildlife Authority since the block touches a protected area."

As UNOC, the entity entrusted to hold state commercial interests in the oil and gas sector, Nabbanja explained that the block will enable the company to build internal capacity in exploration and prepare itself for future work.

Dr Lyoidah Kiconco, a petroleum geoscientist and UNOC's head of exploration and new ventures, explained that they have deployed some of the latest technologies to undertake the works.

As part of the exercise, she indicated that they have deployed 2kg of dynamite buried about 9m beneath the ground, which will be blasted to analyse the field depth.

"When the dynamites are blasted

About 78% of the Albertine Graben is currently not under any licence.

it will send sound waves, from which the data will be picked and analysed," she said.

"The acquisition of 150-line kilometres of 2D seismic data marks a major milestone in our exploration programme, helping us identify new opportunities and increase the country's oil potential."

THE CURRENT STOCK

The latest data shared by the Petroleum Authority of Uganda (PAU) indicates that there is more oil from the existing oil wells within the Albertine Graben.

While announcing the development on Wednesday, Ernest Rubondo, PAU's executive director, noted that the country's petroleum resources currently in place increased from 6.5 billion to 6.65 billion barrels, and that the recoverable resources increased from 1.4 billion to 1.65 billion barrels.

The increase, Rubondo said, was a result of improved understanding of the existing oil and gas discoveries in the Albertine Graben, owing to the enhanced data portfolio within the discovery and development areas.

"The authority [PAU] reviews technical data submitted by the



Kiconco, explaining how data will be collected under the Kasuruban licence

licensed oil companies and uses this information to estimate the country's resource endowment. The description of this resource endowment is professionally undertaken using internationally established standards," he said.

For the country, Rubondo said, the increase in recoverable oil resources gives hope that the country will earn more from the current oil resources based on the prevailing global market prices.

Regarding the ongoing activities in the Kasuruban area, the PAU executive said it is noteworthy that a Ugandan company (UNOC) is making significant contributions towards the discovery of more oil resources.

This project [Kasuruban

activities] has more benefits than just having more oil resources. UNOC is the first local company to carry out explorations. This is a boost for national content capacity development. Personally, as one who participated in the earlier discoveries, it excites me to see young Ugandans doing this," he said.

KASURUBAN FACT SHEET

In February 2023, the Government signed a production sharing agreement with UNOC, listing how the proceeds from the oil would be apportioned in the event of commercially viable resources.

As part of the licence, UNOC will carry out three exploration periods of two years each, with targets set for each period and is required to deliver

SIGNIFICANCE OF STUDIES

Energy ministry permanent secretary Irene Batebe said the works undertaken by UNOC under the Kasuruban licence are part of the greater goal to discover more oil for the country.

She said the current oil discoveries are expected to be extracted for about 25 years, and yet the infrastructure can be utilised even further with more resources.

"We are drawing closer to the completion of the crude oil pipeline and production. Around the financial year 2029/2030, our oil refinery will be up and running. We will have many more benefits if we discover more oil to keep the infrastructure running beyond 25 years," Batebe said.

The energy ministry official added that the Albertine Graben, which has since shown more potential, has over 60% of the acreage not yet explored. She also said about 78% of that acreage is currently not under any licence.

This means that only 21.7% of the area currently licensed has undergone some level of exploration.

the work in collaboration with a strategic joint venture partner.

Under the first two years of the licence, UNOC planned to undertake exploration works on the block.

During the period, the national company planned to secure a joint venture partner, with whom they would undertake geophysical and other technical studies as well as acquire infill 2D seismic data.

In the second phase of the licence, UNOC and its joint venture partner will undertake both exploration and appraisal of the oil block. During this period, UNOC will also undertake geological, geophysical and engineering studies, acquire infill 2D and 3D seismic data, as well as conduct drilling exploration wells.

It is within the third phase of the licence that UNOC is expected to determine whether the block is commercially viable. The company will then share the final report with the energy ministry to secure a production licence and progress to the development and production in the area.