



TOPE ADEBAYO LP



NIGERIA 2025 LICENSING ROUND GUIDELINES: A STEP-BY-STEP GUIDE FOR PROSPECTIVE BIDDERS

On December 1, 2025, the Nigerian Upstream Petroleum Regulatory Commission ("NUPRC" or the "Commission") officially commenced its third licensing round under the Petroleum Industry Act ("PIA") 2021 regime,¹ the Nigeria 2025 Licensing Round (the "Licensing Round"). Upon commencement, the Commission launched the [Nigeria 2025 Licensing Round Portal](#) and published a comprehensive Licensing Round Package comprising the Licensing Round Plan, the Licensing Round Guidelines (the "Guidelines") and accompanying explanatory notes, detailed acreage information, prequalification requirements, and other relevant materials relating to the round.

In our [December Newsletter](#), we examined the policy and regulatory framework governing the Nigeria 2025 Licensing Round, together with its eligibility requirements. In this Article, we examine the scope of the Guidelines, provide a step-by-step walkthrough of the Guidelines and insight on the timelines for the licensing round as prescribed by the Commission, to assist prospective bidders in navigating the licensing round more efficiently.



SCOPE OF THE GUIDELINES

Ultimately, the Guidelines set out the rules governing the conduct of the licensing round, within the framework of the PIA 2021 and the Petroleum Licensing Round Regulations 2022 (the "Regulation"), as we've expounded on in our [December Newsletter](#). The Guidelines set out the objectives of the Licensing Round, which generally entail achieving the Government's aspiration in accordance with prevailing policies for the petroleum industry, and:²

- a. Growing Nigeria's oil and gas reserves through aggressive exploration and development efforts;
- b. Increasing Nigeria's production capacity;
- c. Expanding opportunities for gas utilisation and development in Nigeria, in view of the energy transition;
- d. Reinforcing Nigeria's commitment to openness and transparency in line with the principles of the Extractive Industry Transparency Initiative ("EITI");
- e. Attracting value to the Government for its petroleum assets in the Territory;
- f. Enhancing indigenous participation to drive skills development, knowledge retention, and effective technology transfer within the sector; and
- g. Contributing to long-term global energy sufficiency.

¹ Prior to the enactment of the PIA 2021, Nigeria conducted upstream licensing rounds under the Petroleum Act regime between 1990 and 2007. Under the PIA regime, NUPRC first launched a Mini-Bid Round in 2022 for seven (7) deep offshore blocks, followed by the 2024 Licensing Round offering seventeen (17) blocks, including twelve (12) new greenfield blocks and the deep offshore blocks carried over from 2022.

² Paragraph 1.2, Nigeria 2025 Licensing Round Guidelines.



STEP-BY-STEP GUIDE

In respect of the bidding process for the award of the fifty (50) available blocks listed in the Guidelines,³ the Commission has adopted a two-stage bidding process for the award of blocks in the Licensing Round, which includes the (i) Qualification Stage, and (ii) a Bid Stage.⁴

The Qualification Stage involves the submission of an application, together with the prescribed documents, by applicants in line with the pre-qualification requirements provided for in the Guidelines and Regulation. The Commission evaluates these applications and notifies successful applicants (now “Bidders”) who have been shortlisted to proceed. The Bidders will be required to execute a confidentiality agreement with the Commission,⁵ which governs the protection of all confidential information disclosed by the Commission or its representatives during the Licensing Round. Meanwhile, the Bid Stage involves the submission of technical and commercial bids by Bidders, together with any other bidding documents issued by the Commission.

TIMELINE AND STAGES OF THE LICENSING ROUND

1. Registration

All applicants and prospective Bidders interested in participating in the Licensing Round are required to register on the Licensing Round portal. The registration to qualify as a participant is still ongoing, up until 4:30 pm on February 27, 2026.⁶ However, only Companies incorporated in Nigeria on or before February 27, 2026, will be eligible to participate. While foreign companies may participate in the process, a Petroleum Prospecting Licence (PPL) will be awarded only upon incorporation in Nigeria.⁷

A consortium may participate in the bidding process provided that it submits a Consortium Agreement which designates a Lead Member and clearly define the roles and responsibilities of each consortium member, grants a Power of Attorney in favour of its representative authorising such representative to act on behalf of the consortium in connection with the bid, and designates one member as the Operator with a minimum participating interest of 30% in the consortium.

³ Schedule B, Ibid.

⁴ Paragraph 2.2, Ibid.

⁵ Paragraph 13, Ibid.

⁶ Paragraph 11.2, Ibid. (Kindly note the deadline may be extended by the Commission at its discretion Paragraph 8.4)

⁷ Paragraph 6.1 & 6.2, Ibid.

In addition, pre-qualified applicants may, at any time after pre-qualification and prior to the submission of the commercial bid, apply to the Commission for approval to form a consortium with one or more other pre-qualified applicants.

At this stage, all applicants are required to pay a registration fee of USD 10,000 (which applies to all terrains)⁸ and submit prescribed pre-qualification documents in line with the financial, technical, legal, Health, Safety, & Environmental (HSE) and safety and environmental performance thresholds.⁹ The Commission has scheduled the notice and publication of prequalified applicants for March 16, 2026.¹⁰

2. Pre-bid Conference

The pre-bid conference, originally scheduled for December 17, 2025, and subsequently rescheduled by the Commission to January 14, 2026, served as the formal engagement platform at which applicants, through a makeshift “Q and A” session, sought clarification on the Licensing Round process and requirements.¹¹

3. Data Prying/Purchase

The Commission is required to establish a Virtual Data Room (“VDR”) and/or Physical Data Room (“PDR”), to provide Bidders with certain geological, geophysical, operational, and well-related information about the available blocks, solely to assist Bidders in evaluating the blocks offered in the Licensing Round.¹² However, access to the data room, is subject to payment of applicable fees, data purchase requirements¹³ and confidentiality obligations. This access can only be granted to a maximum of six (6) representatives of a Bidder per session.

Presently, there is readily available 2D seismic data, 3D seismic data, multibeam data and well data over some blocks. The Guidelines encourage Bidders to purchase these data from the relevant multiclient companies where the data exists.¹⁴ However, the Commission assumes no responsibility for any discrepancies, omissions, variances or inconsistencies between datasets (for example, in wellhead data, field boundaries or operational status), and no liability for any loss suffered by Bidders or third parties arising from the use, interpretation of or reliance on any data by a Bidder.¹⁵

4. Bid Preparation and Submission

At this stage, shortlisted applicants who have scaled through the qualification stage are now required to prepare and submit on the Licensing Round Portal and physically, a technical bid (Part A), commercial bid (Part B), and bid guarantee (Part C), collectively known as a “Bid”¹⁶, on or before the Bid submission date, scheduled for June 12 2026,¹⁷ or any other date as may be prescribed by the Commission.¹⁸ The Bidders are required to pay all applicable fees in respect of the Bid, on or before the submission date. As a condition for acceptance of the Bid, the Bidders are required to submit evidence of payment of the Bid Fee¹⁹ and evidence of data purchase.²⁰

Any individual or consortia participating in the Licensing Round is only permitted to submit Bids in respect of not more than two (2) Blocks offered.²¹ The purpose of this restriction is to prevent market dominance or “block warehousing” by a small group of entities and promote competitive fairness. It should be noted that there should be separate applications for each block.²²

⁸ Schedule F, Ibid.

⁹ Paragraph 12, Ibid. (The Commission provides for the requirements in the Nigeria 2025 Petroleum Licensing Round Pre-Qualification Criteria. <https://br2025.nuprc.gov.ng/media/euzjibg3/prequalification-criteria.pdf>)

¹⁰ Schedule A, Ibid.

¹¹ Paragraph 5, Ibid.

¹² Paragraph 7, Ibid.

¹³ The data prying fee is optional and set at USD 10,000, while the data leasing fee is mandatory and fixed at USD 25,000.

¹⁴ Paragraph 7.3 & 7.6, Ibid.

¹⁵ Paragraph 7.8 & 7.9, Ibid.

¹⁶ Paragraph 17, Ibid.

¹⁷ Schedule A, Ibid.

¹⁸ Paragraph 17.2(d) Ibid.

¹⁹ Application and processing fee (per Bid submission) is set at USD 25,000 (applies to all terrains).

²⁰ Paragraph 17.2 and 17.3, Ibid.

²¹ Paragraph 17.5, Ibid.

²² Paragraph 9.1, Ibid.

The Guidelines also provide that the Bid Guarantee submitted with the Commercial Bid must equal 5% of the proposed Signature Bonus,²³ and it remains valid for one hundred and twenty (120) days after the Commercial Bid Conference.²⁴ This Guarantee must be issued by an international bank rated “BBB” by GCR, Augusto & Co., AM Best, or DataPro.

5. Technical Bid Evaluation²⁵

The technical qualification shall be assessed in accordance with the evaluation criteria set out in the Licensing Round Package. Each Bidder is required to submit details of its work experience and the proposed work plan specific to the block. At the technical evaluation stage (scheduled to run from June 15, 2026, to June 26, 2026), the Commission evaluates and screens for technical competence. It should be noted, however, that a successful technical bid evaluation does not guarantee the automatic award of a license or lease.

6. Commercial Bid Conference²⁶

The commercial bid consists of the evaluation of the outcome of the technical bid, signature bonus and work programme commitment. The commercial bid will be opened at the commercial bid conference scheduled for July 16, 2026. This bid opening process shall be in three (3) stages, in line with Paragraph 12(14) of the Regulation, as we've expounded on in our [December Newsletter](#). The bidder with the highest aggregate number of points of the Bid parameters will be appointed the winning Bidder, and an offer letter issued to the winning bidder

7. Closing of the Licensing Round

At the close of the licensing round, the winning Bidder must fulfil the terms of the award, which includes payment of the signature bonus,²⁷ signing of the model contract, and signing the Licence or Lease instrument and general Licence or Lease conditions following the Minister's approval under Section 73(4) of the PIA 2021.²⁸

The Signature Bonus is required to be paid by the winning Bidder for each block applied for within sixty (60) days from receiving the Offer Letter³⁰

CONCLUSION

The Nigeria 2025 Licensing Round marks another decisive step in Nigeria's post-PIA effort to institutionalise transparency, competition, and investor confidence in the industry. For prospective bidders, success in this round will depend not only on financial capacity and technical competence, but also on early preparation, strategic positioning, and a clear appreciation of regulatory expectations. As timelines advance and bid windows narrow, participants who approach the process with clarity, compliance, and commercial foresight will be best placed to convert opportunity into lasting value.

²³ The Signature Bonus for each block is set within the range of USD 3,000,000 and USD 7,000,000 (the "Prescribed Range"). Bids submitted below or above this range will be deemed non-compliant and will not be evaluated (Paragraph 16).

²⁴ Paragraph 17.7, Ibid.

²⁵ Paragraph 19.1, Ibid.

²⁶ Paragraph 19.2, Ibid.

²⁷ The Signature Bonus for each block is set within the range of USD 3,000,000 (minimum) and USD 7,000,000 (maximum) per block (the "Prescribed Range"). Bids submitted below or above this range will be deemed non-compliant and will not be evaluated (Paragraph 16).

²⁸ Paragraph 20.1, Ibid.

²⁹ Paragraph 19.2(j), Ibid.



PRACTICE KEY CONTACTS



ADEREMI OGUNBANJO
PARTNER



SANDRA OSINACHI-NWANDEM
SENIOR ASSOCIATE



OLAWUNMI ABIOLA
SENIOR ASSOCIATE



EYITAYO AJISAFE
ASSOCIATE



OLUWANIFEMI ALADE
TRAINEE ASSOCIATE

TALP's Energy & Natural Resources Team *For further enquiries, log onto www.topeadebayolp.com*

Do you need to get in touch with us, to know more on how we can help you and your business? Kindly contact us by using any of the details provided below:

TOPE ADEBAYO LP

3rd Floor, The Phoenix, 31 Mobolaji Bank Anthony Way, Ikeja Lagos, Nigeria.
p: +234 708 869 9174, +234 813 532 1156
e: info@topeadebayolp.com
w: www.topeadebayolp.com

