

 <p>DEPARTMENT OF PETROLEUM RESOURCESPetroleum Regulatory Agency Of Nigeria DPR</p>	<p>Applicable to all Oil & Gas Operators</p>
<p>GUIDELINES FOR PRODUCERS ASSOCIATED GAS UTILISATION PROJECTS</p>	<p>Code: DPR Guide 0008 - 2020 Revision Date: 1st August 2020</p>

GUIDELINES FOR PRODUCERS ASSOCIATED GAS UTILISATION PROJECTS

ISSUED BY

DEPARTMENT OF PETROLEUM RESOURCES

2020

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1. SCOPE

These Guidelines are issued pursuant to the provisions of Paragraph 35 (b) of the First Schedule to the Petroleum Act, 1969; Paragraphs 1 and 2 of the Associated Gas Re-Injection Act, 1979; and Paragraph 24 of the Flare Gas (Prevention of Waste and Pollution) Regulations, 2018 (Regulations hereafter). These Guidelines shall apply to Producers seeking to execute flare out projects and wish to be exempted from a Third-Party Flare Gas Commercialisation Project bidding process.

2. OBJECTIVE

These Guidelines describe the process applicable for granting Permits to Access Flare Gas to Producers for Producers' Approved Flare Out Projects (PAFOP) in order to take Flare Gas at any Flare Site on behalf of the Federal Government of Nigeria.

These Guidelines also lay out the framework for Producers' Associated Gas Utilisation Projects for Own Consumption and Producers' Associated Gas Utilisation Projects for Commercialisation.

3. CATEGORIZATION OF ASSOCIATED GAS PROJECTS

3.1 The categories of Associated Gas projects and Flare Gas Projects recognised by the Department of Petroleum Resources pursuant to the Flare Gas (Prevention of Waste and Pollution) Regulations, 2018, are:

- a. Own Consumption
 1. Producer's Associated Gas Utilisation Project for Own Consumption means that such use must be limited to sustaining and/or improving oil recovery.
- b. Associated Gas and Flare Gas utilisation projects for commercialisation:

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1. A project with Existing Offtake Commitments prior to the effective date of the Regulations:
 - i. Existing Offtake Commitment project that is in operation
 - ii. Existing Offtake Commitment project that had been approved prior to the effective date of the Regulations but that has not reached the Commercial Operations Date, referred to as Producer's Associated Gas Utilisation Project for Commercialisation
2. A Project with a Permit to Access Flare Gas issued after the effective date of the Regulations:
 - i. Producer's Approved Flare Out Project
 - ii. Third Party Flare Gas Commercialisation Project
- 3.2 Any Producer Associated Gas Utilisation Project for Own Consumption may be developed only if it is incorporated in a Field Development Plan approved by the Department of Petroleum Resources and subject to the conditions laid out in Paragraph 3 (3) of the Regulations.
- 3.3 As from the effective date of the Regulations, the acceptable options to obtain a Permit to Access Flare Gas are:
 - a. Third Party Flare Gas Commercialisation Projects following the procedures laid out in the Guidelines for Grant of Permit to Access Flare Gas; and
 - b. Producer's Approved Flare Out Project following the procedures laid out in these Guidelines.
- 4. GENERAL CONSIDERATION FOR PRODUCERS' APPROVED FLARE OUT PROJECTS**
 - 4.1 Producers' Approved Flare Out Projects
 - a. All Producers shall comply with the provisions of Paragraph 2 of the Regulations in respect of the right of the Federal Government of Nigeria to take Flare Gas and shall

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make every reasonable effort to support the Federal Government of Nigeria in its objective to take Flare Gas to markets.

- b. Producers' Approved Flare Out Projects are those defined in Paragraph 3 (2) of the Regulations and are exempted from the bid process.
- c. A Producer may apply to the Minister of Petroleum Resources to obtain a Permit to Access Flare Gas for a Producer's Approved Flare Out Project subject to meeting the following conditions:
 1. As from the effective date of the Regulations, any Producer that wishes to commercialise Flare Gas must obtain a Permit to Access Flare Gas for a Producer's Approved Flare Out Project through a midstream subsidiary corporate entity, either existing or to be incorporated, following the procedures laid out in these Guidelines.
 2. The utilisation of such natural gas shall not reduce or affect any Flare Gas volume that is subject to a bid process conducted by the Federal Government of Nigeria or has been assigned to any Permit Holder.
- d. Any Producer who wishes to apply for a Producer's Approved Flare Out Project shall make an application to the Minister of Petroleum Resources requesting approval for a Producer's Approved Flare Out Project with the following information and documentation:
 1. Project description
 2. 10-year Associated Gas Production Forecast and Flare Gas Forecast Quantities
 3. A 10-year forecast of the Flare Gas volume to be contracted for by the Permit Holder, the Flare Site(s) that will supply the gas, Flare Gas-to-Market Product (power generation, LNG, CNG, LPG/Condensate extraction, methanol, a combination of products, etc.) proposed and the technology to be utilised;
 4. A list of Flare Gas-to-Market Product Off-Takers;

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5. Investment cost and proof of economic viability;
 6. A Project implementation schedule which shall indicate, among other things, that Commercial Operations Date will commence not later than 36 months after having been granted an Approved PAFOP Applicant status;
 7. A list of shareholders in the existing or proposed midstream company that will execute the PAFOP;
 8. Documentation that shows that the Project Flare Gas consumption volumes are within the Flare Gas Forecast Quantity and that the PAFOP does not reduce or affect any Flare Gas volume that is subject to a bid process being conducted by the Federal Government or that has been assigned to any other Permit Holder.
- e. The Department of Petroleum Resources shall review the data and documentation provided and, if additional information is required, shall request it from the Producer.
- f. If the information provided by the Producer satisfies the criteria established in Section 4.1 (d) of these Guidelines, the Department of Petroleum Resources shall notify the Producer that he has been granted an Approved PAFOP Applicant status.
- g. Following the process described above, an Approved PAFOP Applicant shall fulfil the following conditions precedent prior to the grant of Permit by the Minister of Petroleum Resources:
1. Execution of a Milestone Development Agreement (MDA) with the Federal Government of Nigeria, through which the Permit Holder will be monitored, and performance assured, within sixty (60) days of the date of award of Approved PAFOP Applicant status.
 2. Execution of a Gas Sales Agreement with the Federal Government of Nigeria within sixty (60) days of the date of the award of Approved PAFOP Applicant status.

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3. Execution of a Connection Agreement with the relevant Producer within sixty (60) days of the date of the award of Approved PAFOP Applicant status.
 4. If applicable, execution of the Deliver or Pay Agreement with the relevant Producer within sixty (60) days of the date of the award of Approved PAFOP Applicant status.
 5. Upon the execution of the MDA, a Milestone Bond shall be posted. The Milestone Bond will be in an amount as prescribed in table 2 of Schedule C of the Guidelines for Grant of Permit to Access Flare Gas.
 6. Payment of the prescribed Award Fee for Grant of Permit to Access Gas (see Schedule B of the Guidelines for Grant of Permit to Access Flare Gas) shall be made within sixty (60) days of the date of award of Approved PAFOP Applicant status.
 7. Notwithstanding the above, the Approved PAFOP Applicant must be a Nigerian registered company to be granted a Permit to Access Flare Gas.
- h. In the event that an Approved PAFOP Applicant is unable to fulfil the above conditions, a revocation notice of the approval shall be issued to the Approved PAFOP Applicant by the Department of Petroleum Resources on behalf of the Minister.
 - i. Upon issuance of a revocation notice, where the Approved PAFOP Applicant fails to fulfil the conditions as stipulated in Section 4.1 (g) of these Guidelines within thirty (30) days, the Approved PAFOP Applicant status shall be deemed forfeited.
 - j. If all the conditions in Section 4.1 (g) are met, then an Approved PAFOP Applicant shall be awarded a Permit to Access Flare Gas and become a Permit Holder pursuant to the Regulations.
 - k. All Producers' Approved Flare Out Projects must meet all Applicable Standards

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4.2 Additional terms for Producers' Approved Flare Out Projects

- a. The Flare Gas delivered to the Producer's Approved Flare Out Project is owned by the Federal Government of Nigeria and the Flare Gas Price paid by the Permit Holder (also referred to as the Flare Gas Buyer) shall at minimum be the Flare Gas Floor Price as approved by the Minister of Petroleum Resources for the duration of the Permit to Access Flare Gas.
- b. The Flare Gas Buyer shall agree to a Take or Pay provision under the Gas Sales Agreement with the Seller.
- c. The Federal Government of Nigeria shall not provide any backstop guarantees to a Producer's Approved Flare Out Project in the event of any Contracted Flare Gas Delivery Shortfall.
- d. The Flare Gas Buyer may enter into a Deliver or Pay Agreement with the Producer.
- e. Emission Credits secured through a Producer's Approved Flare Out Project shall belong to the Federal Government of Nigeria.
- f. On the Commercial Operations Date, the Milestone Bond shall be replaced by a Performance Bond, which shall be valid for the term of the Permit to Access Flare Gas.
- g. As defined in the Guidelines for Flare Payments, the Producer will be exempted only from making Flare Payments for Contracted Guaranteed Flare Gas Buyer Shortfall quantities.
- h. Unless provided otherwise in these Guidelines, Producers' Approved Flare Out Projects are subject to the terms and conditions as defined in the Guidelines for Flare Gas Measurement Data Management and Reporting Obligations and the Guidelines for Flare Payments.

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5. PRODUCERS' ASSOCIATED GAS UTILISATION PROJECTS FOR OWN CONSUMPTION

- 5.1 Producers Associated Gas Utilisation Projects for Own Consumption are those defined in Paragraph 3 (3) of the Regulations.
- 5.2 Producers' Associated Gas Utilisation Projects for Own Consumption shall meet the following criteria:
- a. The utilisation of gas for Own Consumption shall be solely for the purpose of sustaining and/or enhancing production of Crude Oil and Condensate.
 - b. The utilisation of such Associated Gas shall not reduce or affect any Flare Gas volume that is subject to a bid process conducted by the Federal Government of Nigeria or that has been assigned to any Permit Holder.
 - c. The Projects for Own Consumption shall be part of a Field Development Plan approved by the Department of Petroleum Resources.
 - d. The Producers must report to the Department of Petroleum Resources the Producer Reserved Gas for Own Consumption.
- 5.3 Subject to the provisions of the Regulations and these Guidelines, the Producer may use Associated Gas free of charge for its Own Consumption.
- 5.4 Emission Credits obtained through Producers Associated Gas Utilisation Projects for Own Consumption shall belong to the Producer.

6. PRODUCERS ASSOCIATED GAS UTILISATION PROJECT FOR COMMERCIALISATION

Projects with Existing Offtake Commitments fall into either of the following categories:

- 6.1 Projects that are operational:
- a. These are projects that, prior to the effective date of the Regulations, were delivering natural gas or products derived from that natural gas to Producers, subsidiaries of Producers, or third parties for any use other than Own Consumption.

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- b. The price of gas for a buyer receiving Associated Gas from a Producer under an Existing Offtake Commitment is the price agreed upon by the Producer and the buyer. The price of this Associated Gas shall be communicated to the Department of Petroleum Resources by the Producer, and any revenues derived from the sale of this Associated Gas are subject to the same royalty rates as those in the associated Oil Mining Lease or Marginal Field. In the event that no price has been set by the Producer, it must do so and communicate the price to the Department of Petroleum Resources within 4 months after the effective date of these Guidelines. Should the Producer fail to communicate the price, the Department of Petroleum Resources will establish a Presumed Natural Gas Price over which royalties shall be paid.
- 5.2 Producer's Associated Gas Utilisation Project for Commercialisation:
- a. These are projects that, prior to the effective date of the Regulation, had not reached the Commercial Operations Date but have committed to delivering natural gas or products derived from that natural gas to Producers, subsidiaries of Producers, or third parties for any use other than Own Consumption.
- b. Producers' Associated Gas Utilisation Projects for Commercialisation are exempted from a Programme bid process and from paying to the Federal Government of Nigeria for the gas used as feedstock or fuel subject to the Producers' Associated Gas Utilisation Projects for Commercialisation meeting the following conditions:
1. These projects shall be part of a Field Development Plan approved by the Department of Petroleum Resources.
 2. The Producer should have concluded FEED and have achieved FID prior to the effective date of the Regulations.
 3. A Producer's Associated Gas Utilisation Project for Commercialisation shall achieve a Commercial Operations Date prior to January 2020.

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- c. Natural gas that is used in a Producer’s Associated Gas Utilisation Project for Commercialisation is subject to the same royalty rates as those in the associated Oil Mining Lease or Marginal Field.
- d. Emission Credits secured through Producers’ Associated Gas Utilisation Projects for Commercialisation shall belong to the Producer.

7. GREENFIELD PROJECTS

In accordance with Paragraph 12 (3) of the Regulations, no Producer shall engage in Routine Flaring or vent natural gas from Greenfield Projects. In the Field Development Plan for a Greenfield Project, the Producer shall demonstrate that use of Associated Gas will be optimised for Own Consumption and that there is a solution in place upon start-up of the Production Facility to use or commercialise Associated Gas volumes over and above the volumes that are needed for Own Consumption.

For the above reason, the permits referred to in Sections 4, 5 and 6 of this Guidelines do not apply to Greenfield Projects.

8. DEFINITION OF TERMS

<p>Applicable Standards</p>	<p>Include:</p> <ul style="list-style-type: none"> a) Environmental Guidelines and Standards for the Petroleum Industry in Nigeria (EGASPIN) b) Guidelines for the Establishment of a Natural Gas Plant Facility in Nigeria; c) Procedure Guide for the Construction and Maintenance of Oil and Gas Surface Production Facilities; d) Procedure Guide for the Construction and Maintenance of Fixed Offshore Platforms; e) Procedure Guide for the Determination of Quantity and Quality of Crude Oil and Petroleum Products at Custody Transfer Points;
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	<p>f) Procedure Guide for the Determination of Quantity and Quality of Gas and Gas Derivatives at Custody Transfer Points; and g) International Standards recognised by DPR</p>
<p>Approved PAFOP Applicant</p>	<p>A Producer whose application for a Permit to Access Flare Gas has been reviewed by the Department of Petroleum Resources and has met the application requirements as stated in the Guidelines for Producer’s Associated Gas utilisation Project</p>
<p>Associated Gas</p>	<p>Gas associated with Crude Oil or Condensate production</p>
<p>Associated Gas Production Forecast</p>	<p>Associated Gas quantity forecast over time provided by the Producer and subsequently validated by DPR</p>
<p>CNG</p>	<p>Compressed natural gas</p>
<p>Commercial Agreements</p>	<p>Each of the Milestone Development Agreement, Gas Sales Agreement, Connection Agreement, and (if applicable) the Deliver or Pay Agreement</p>
<p>Commercial Operations Date</p>	<p>Date upon which the Flare Gas Buyer declares start of commercial operations or the date upon which it starts delivering its Flare Gas-to-Market Product(s) to its Off-Taker(s), whichever comes earlier</p>
<p>Condensate</p>	<p>A low-density, high-API gravity liquid hydrocarbon phase that generally occurs in association with natural gas</p>
<p>Connection Agreement</p>	<p>An agreement, conforming substantially to the template appended to the template issued as part of the tender documentation by the Department of Petroleum Resources and appended to the document during the request-for-proposals stage under the Programme , which is entered into by and between a Producer and a Flare Gas Buyer with respect to the connection of the respective facilities of the Producer and the Flare Gas Buyer through the Buyer and Producer Gas Connection Assets</p>
<p>Contracted Flare Gas Delivery Shortfall</p>	<p>Any Contracted Flare Gas Quantities under the Gas Sales Agreement that, when requested by the Flare Gas Buyer, the Seller was unable to deliver to the Flare Gas Buyer</p>
<p>Crude Oil</p>	<p>Oil in its natural state before it has been refined or treated (excluding water and other foreign substances)</p>

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<p>Deliver or Pay Agreement</p>	<p>An agreement that the Producer may sign with the Flare Gas Buyer under which the Producer guarantees to supply an agreed quantity of gas to the Flare Gas Buyer</p>
<p>Delivery Point</p>	<p>Point within the Metering Station at which the title to the Flare Gas passes from the Seller to the Flare Gas Buyer</p>
<p>Department of Petroleum Resources (DPR)</p>	<p>The Department of Petroleum Resources of the Federal Ministry of Petroleum Resources, or any successor entity that has statutory responsibility for ensuring compliance with petroleum laws, regulations and guidelines related to the oil and gas industry in Nigeria</p>
<p>Emission Credits</p>	<p>A generic term for any tradable certificate or permit representing the right to emit metric ton of carbon dioxide or the mass of another greenhouse gas converted to a ton of carbon dioxide equivalent (tCO₂e)</p>
<p>Existing Offtake Commitment</p>	<p>Gas delivery commitment the Producer had in place with a third party for the delivery of Associated Gas to a third party or a Producer Entity prior to the Regulations becoming effective</p>
<p>FEED</p>	<p>Front end engineering and design</p>
<p>FG2M-P</p>	<p>Flare Gas-to-Market Technology Product</p>
<p>FID</p>	<p>Final investment decision</p>
<p>Field Development Plan</p>	<p>The field development plan as presented by the Producer to the Department of Petroleum Resources for its review and approval. A field development plan (FDP) gives the best technical solutions for field optimisation. A FDP comprises all activities and processes required to develop a field: environmental impact, geophysics, geology, reservoir and production engineering, infrastructure, well design and construction, completion design, surface facilities, economics, and risk assessment.</p>
<p>Flare Gas</p>	<p>Any natural gas produced in association with Crude Oil and/or Condensate by a Producer and finally diverted toward a Flare Site by the Producer with the intent of flaring the natural gas so diverted, including any such natural gas from a Greenfield Project</p>
<p>Flare Gas Buyer</p>	<p>The entity which, after having executed the requisite Commercial Agreements with the Seller and having been granted the Permit to</p>

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	<p>Access Flare Gas, will purchase Flare Gas from the Seller through the Gas Sales Agreement</p>
<p>Flare Gas Connection Point</p>	<p>The point where the Producer Gas Connection Assets tie into the facilities of the Producer</p>
<p>Flare Gas Floor Price</p>	<p>The minimum price in US\$/Mscf required to be paid by the Flare Gas Buyer to the Seller for Flare Gas delivered at the Delivery Point</p>
<p>Flare Gas Forecast Quantity</p>	<p>Flare Gas volume forecast on an annual basis provided by the Producer and subsequently validated by DPR. These Flare Gas quantities are reserved for competitive bid processes conducted by the Federal Government Nigeria to take Flare Gas at any Flare Site on its behalf, unless indicated otherwise in the Guidelines.</p>
<p>Flare Gas Header</p>	<p>The gas facility or facilities within the Producer’s existing infrastructure from where Associated Gas is directed to the Flare Stack (Flare Gas Connection Point may or may not be at the Flare Gas Header)</p>
<p>Flare Gas (Prevention of Waste and Pollution) Regulations, 2018</p>	<p>The Regulations by this name that were signed into effect on the 5th of July 2018 and referred to as the Regulations in the Guidelines</p>
<p>Flare Gas Price</p>	<p>The price of a unit of Flare Gas in US\$/Mscf, which shall either be the Contracted Flare Gas Price or the Excess Flare Gas Price, as applicable</p>
<p>Flare Gas to Market</p>	<p>The process of taking Flare Gas from the Flare Site to the Off-Taker</p>
<p>Flare Gas-to-Market Product (FG2M-P)</p>	<p>A product delivered by the Project to an Off-Taker after having been processed and/or transported by the Flare Gas-to-Market Technology</p>
<p>Flare Gas-to-Market Technology</p>	<p>A technology that will convert Flare Gas into a Flare Gas-to-Market Product or infrastructure that will transport Flare Gas to market</p>
<p>Flare Payment</p>	<p>Payment made by the Producer in U.S. dollars for each Mscf of Flare Gas flared or vented as defined in the Regulations</p>
<p>Flare Site</p>	<p>As defined in the Regulations, a location where natural gas produced in association with Crude Oil and/or Condensate is flared, commencing at a Flare Gas Header and going to the point of the flare within an Oil Mining Lease or Marginal Field area or within an oil terminal or refinery. A</p>

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	Producer may consolidate operations for more than one production area into one or more Flare Sites. Flare Stacks connected to different Flare Gas Headers are considered to be separate Flare Sites.
Flare Stack	Gas combustion device used at the Flare Site or at the Project to burn Flare Gas
Gas Sales Agreement	An agreement, conforming substantially to the template appended to the document issued in the request for proposal by the Federal government of Nigeria in the Programme, whereby Flare Gas is sold by the Seller to the Flare Gas Buyer
Greenfield Project	Any project to develop new oil or natural gas production from an Oil Mining Lease or Marginal Field as from the effective date of the Flare Gas (Prevention of Pollution and Waste) Regulations, 2018
Guaranteed Flare Gas	Flare Gas for which a Producer guarantees volume and composition range
LNG	Liquefied natural gas
LPG	Liquefied petroleum gas
Marginal Field	As defined in the Regulations, an oil field within an Oil Mining Lease area awarded to an applicant in relation to a field identified as a marginal field by the President of the Federal Republic of Nigeria
MDA	Milestone Development Agreement
Metering Station	A gas measuring, control and registering station funded, designed, equipped and built according to industry standards by the Flare Gas Buyer. This station incorporates the Delivery Point and is located within the Producer's property at the perimeter of the Flare Site and forms part of the Producer Connection Assets. This station should register, amongst others, the following parameters: <ul style="list-style-type: none"> • Pressure • Temperature • Flow rate
Milestone	An obligation of Flare Gas Buyer as defined in the Milestone Development Agreement

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Milestone Bond	A performance bond posted by the Flare Gas Buyer as defined in the Milestone Development Agreement
Milestone Development Agreement (MDA)	Agreement signed between the Seller and the Flare Gas Buyer or the Producer Entity (in case of a Producer's Approved Flare Out Project) by means of which the Flare Gas Buyer or the Producer Entity (as applicable) commits to the development of the Project according to agreed milestones
Minister	The Minister of Petroleum Resources
Mscf	A thousand standard cubic feet
Nigeria	The Federal Republic of Nigeria
Off-Taker	Entity that receives or purchases the FG2M-P from a Permit Holder
Oil Field	A geographic area under which an oil reservoir lies, and/or a tract of land used for extracting petroleum, otherwise known as Crude Oil, from the ground
Oil Mining Lease	A lease granted by the Minister to a company incorporated in Nigeria, which allows such company to win, work, carry away, and dispose of oil
Own Consumption	Associated Gas quantity consumed by the Producer in the process of production of Crude Oil and/or Condensate (for power generation, heating, artificial lift, re-injection, etc.)
PAFOP	Producer Approved Flare-Out Project
Performance Bond	A payment security lodged by a Flare Gas Buyer as an obligation under the Gas Sales Agreement
Permit	Permit to Access Flare Gas
Permit Holder	A company that has, pursuant to the Regulations, been granted a Permit to Access Flare Gas by the Minister
Permit to Access Flare Gas	A permit granted to a Permit Holder by the Minister to take Flare Gas at a Flare Site or a set of Flare Sites on behalf of the Federal Government of Nigeria. This permit can be granted for either a Producer Entity carrying out a Producer's Approved Flare Out Project or to a Preferred Bidder as

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	<p>part of a competitive bid process under a Programme conducted by the Federal Government of Nigeria</p>
<p>Presumed Natural Gas Price</p>	<p>The price for gas determined by the Department of Petroleum Resources in the event that no price has been formally established through an agreement between the Producer and the entity executing a Flare Gas-to-Market project</p>
<p>Producer</p>	<p>A holder of Oil Mining Lease or allottee of a Marginal Field or a contractor under a Production Sharing Contract</p>
<p>Producer Entity</p>	<p>A midstream entity incorporated in Nigeria that is not a Producer which, following the provisions of the Flare Gas (Prevention of Waste and Pollution) Regulations, 2018, and the Guidelines issued thereunder, can become a Flare Gas Buyer</p>
<p>Producer Gas Connection Assets</p>	<p>The pipeline, equipment, machinery, other assets or facilities including the Measuring Station designed, funded and built by the Permit Holder and used to transport Flare Gas from the Flare Gas Connection Point to the Delivery Point under the Connection Agreement. Title, care and custody of these assets are transferred by the Permit Holder to the Producer on the Commercial Operations Date.</p>
<p>Producer Reserved Gas for Own Consumption</p>	<p>Associated Gas volumes the Producer forecasts to be needed for Own Consumptions as subsequently validated by DPR</p>
<p>Production Facility</p>	<p>Facility where the Producer processes fluids separating and handling Crude Oil, Condensate, water and Associated Gas</p>
<p>Programme</p>	<p>The Nigerian Gas Flare Commercialisation Programme or any other programme to take Flare Gas at any Flare Site on behalf of the Federal Government of Nigeria through a competitive bid process and/or through authorisation of Producers' Approved Flare Out Projects</p>
<p>Project</p>	<p>A technically and commercially viable and sustainable Flare Gas utilisation project developed by the Flare Gas Buyer either as a Third Party Flare Commercialisation Project or a Producer's Approved Flare Out Project</p>

 <p>DEPARTMENT OF PETROLEUM RESOURCES ...Petroleum Regulatory Agency Of Nigeria DPR</p>	<p>Applicable to all Oil & Gas Operators</p>
<p>GUIDELINES FOR PRODUCERS ASSOCIATED GAS UTILISATION PROJECTS</p>	<p>Code: DPR Guide 0008 - 2020 Revision Date: 1st August 2020</p>

Project Facility	The project facilities, including the surrounding facilities and property, at which a Flare Gas Buyer takes Flare Gas as fuel and/or feedstock and which produce and/or transport a FG2M-P
Regulations	Flare Gas (Prevention of Waste and Pollution) Regulations, 2018
Routine Flaring	Flaring of natural gas produced in association with Crude Oil during normal oil production operations in the absence of sufficient facilities or amenable geology to re-inject the produced gas, utilise it on site, or dispatch it to a market. Routine Flaring does not include safety flaring, even when continuous.
Seller	An entity owned and nominated by the Federal government of Nigeria as the Seller of the Flare Gas to the Flare Gas Buyer
Third Party Flare Gas Commercialisation Project	A Project awarded under any auction under the Programme

Approved by		
<p>Engr. Sarki Auwalu, MNSE (Director/CEO, Department of Petroleum Resources)</p>		
	Date	1st August 2020