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Review of Technological Requirements and Challenges in Nigeria's Associated Gas Development

Hezekiah Agogo, Naanna Rimtip
Department of Petroleum and Gas Engineering, Baze University Abuja

ABSTRACT
Associated gas (AG) development represents a critical pathway for Nigeria to achieve energy security, mitigate environmental damage from gas flaring, and unlock significant economic value. Historically, AG, a byproduct of crude oil production, has been widely flared due to inadequate infrastructure, technological deficits, and an insufficient regulatory framework, positioning Nigeria among the world's leading gas-flaring nations. The passage of the Petroleum Industry Act (PIA) in 2021 introduced significant fiscal incentives and penalties to discourage flaring and promote the commercialization of this resource. Successfully transitioning from flaring to utilization, however, hinges on overcoming substantial technological requirements and challenges. This review, derived from a techno-fiscal analysis of the PIA era, systematically examines the core technological advancements—including modular gas processing, small-scale Liquefied Natural Gas (LNG), Gas-to-Power (GTP) systems, and Carbon Capture, Utilization, and Storage (CCUS)—required to monetize associated gas. It highlights that the deployment of these technologies is severely constrained by high upfront capital costs, infrastructure deficits, logistical complexities in remote areas, and the need for robust regulatory enforcement. The techno-fiscal viability of AG projects is intrinsically linked to the adoption of scalable, innovative technologies that can efficiently capture and process both large and small, dispersed gas volumes. The study concludes that for Nigeria to successfully leverage the PIA's intent, it must address these technological barriers through targeted investment, regulatory clarity, and the adoption of advanced monitoring systems to ensure compliance and environmental sustainability.

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INTRODUCTION

The global energy landscape is undergoing a significant transformation, driven by the dual imperatives of meeting rising energy demand and transitioning to cleaner energy sources. In this context, natural gas is positioned as a critical transition fuel, offering a lower-carbon alternative to coal and oil (International Energy Agency [IEA], 2021). For oil-producing nations, associated gas (AG)—the natural gas found in reservoir formations containing crude oil—presents a substantial opportunity. When captured and utilized, AG can be a valuable resource for power generation, industrial feedstock, and export; when flared, it represents a profound economic waste and a source of severe environmental pollution (World Bank, 2022).

Nigeria, with the largest proven natural gas reserves in Africa—estimated at 5,913 billion cubic meters (208.62 trillion cubic feet) as of 2022 (OPEC, 2023)—has historically been one of the world's top gas-flaring nations. Economically, it represents a significant loss of potential revenue. PricewaterhouseCoopers (PwC) estimated that in 2018 alone, the Nigerian economy lost approximately N233 billion (US$761.6 million) to

Corresponding author: Hezekiah Agogo
hezekiah.agogo@bazeuniversity.edu.ng
Department of Petroleum and Gas Engineering, Baze University Abuja.

gas flaring (Ike, 2021). For decades, vast quantities of AG have been flared due to inadequate infrastructure, a weak regulatory framework, and a primary focus on crude oil extraction (Kanshio et al., 2017). This practice has resulted in significant economic losses, estimated in billions of dollars annually, and has contributed heavily to environmental issues such as greenhouse gas emissions, air quality degradation, and associated public health problems (Ndunagu et al., 2022).

The landmark Petroleum Industry Act (PIA) of 2021 was enacted to fundamentally reform Nigeria's oil and gas sector. A key objective of the PIA is to address the perennial challenge of gas flaring by promoting the commercialization and utilization of AG. The Act introduces a comprehensive framework featuring fiscal incentives for gas investments—such as tax holidays, reduced royalties, and capital allowances—alongside stricter penalties for gas flaring (Federal Government of Nigeria, 2021). This creates a new "techno-fiscal" environment where the technological feasibility of AG projects is intrinsically linked to their fiscal attractiveness.

While the PIA provides a robust policy direction, the physical development of AG resources remains constrained by a complex array of technological and infrastructural challenges (Iledare, & Onwuka, 2016). The deployment of technologies for AG capture, processing, and transportation requires massive capital investment and is often logistically complex, particularly in Nigeria's remote, swampy, and offshore oil fields (Adesina et al., 2021; World Bank, 2021). The economic viability of these technologies is further influenced by market dynamics, including fluctuating global gas prices and the development of domestic gas demand.

Therefore, this article seeks to conduct a detailed review of the technological requirements and challenges in Nigeria's associated gas development within the new PIA context. It moves beyond a mere listing of technologies to analyze the interplay between technical solutions and the fiscal policies designed to enable them. By synthesizing insights from the broader thesis, this review aims to provide a clear pathway for navigating the techno-fiscal landscape, offering valuable insights for policymakers, investors, and industry stakeholders seeking to unlock the potential of Nigeria's associated gas resources.

Research Objectives

This review article is guided by the following specific objectives:

1. To define associated gas and contextualize its significance within Nigeria's energy and economic landscape.
2. To delineate the core technological requirements and infrastructure necessary for the successful capture, processing, and utilization of associated gas.
3. To critically examine the environmental and economic impacts of persistent gas flaring in Nigeria.
4. To establish a techno-fiscal analytical framework for evaluating AG projects, integrating both technical viability and fiscal policy.
5. To provide a detailed overview of both current and emerging technologies applicable to AG development in Nigeria.
6. To identify and analyze the primary technological, infrastructural, and economic challenges hindering AG development in Nigeria.

Overview of Associated Gas

Associated gas (AG) is natural gas produced as a byproduct of crude oil extraction. Associated gas (AG), also referred to as flared gas, is natural gas found in conjunction with crude oil within a reservoir (Kanshio, & Agogo, 2017). The composition of associated gas can vary significantly from one field to another but is primarily composed of methane, along with other heavier hydrocarbons such as ethane, propane, butane, and pentane (Kerunwa, Ekwueme, & Obibuike, 2020) It can also contain non-hydrocarbon impurities like carbon dioxide (CO2),

Corresponding author: Hezekiah Agogo
hezekiah.agogo@bazeuniversity.edu.ng
Department of Petroleum and Gas Engineering, Baze University Abuja.

hydrogen sulfide (H2S), nitrogen (N2), and water vapor.

This gas is a lucrative resource with significant potential to enhance energy security and provide new sources of income through conversion into commercial forms such as Compressed Natural Gas (CNG), Liquefied Natural Gas (LNG), or electricity generation. It exists in reservoir formations in two primary states (Ahmed, 2010; Speight, 2014):

1. Solution or Dissolved Gas: This is natural gas dissolved in the crude oil under the high pressure of the reservoir. As oil is brought to the surface and pressure decreases, the gas separates from the liquid, much like carbon dioxide fizzing out of a soda bottle when opened.
2. Free Gas or Gas Cap Gas: This exists as a distinct, free-gas layer trapped above the oil column within the reservoir, held in place by impermeable rock.

The presence of these impurities, particularly H2S (which makes the gas "sour") and CO2, presents significant technical challenges for processing and utilization. These components are corrosive to pipelines and equipment and must be removed to meet the quality specifications for commercial use or transportation. The process of removing these impurities is a critical and often costly step in the gas value chain.

The historical handling of AG has evolved significantly. In the early days of the oil industry, AG was largely considered a nuisance. Lacking the infrastructure and market to utilize it, the default practice was to dispose of it through flaring (controlled burning) or, less commonly, venting (direct release into the atmosphere) (World Bank, 2022). This practice has persisted in many regions, including Nigeria, due to the high cost and complexity of building gas infrastructure compared to the relatively simpler infrastructure for oil. However, the perception of AG has shifted from a waste product to a valuable economic resource. When properly captured, AG can be (Elvidge et al., 2018; IEA, 2021):

1. Processed for Pipeline Gas: Cleaned and fed into national gas pipeline networks for domestic use in power generation, industries, and homes.
2. Converted to Liquefied Natural Gas (LNG): Cooled to a liquid state for export to international markets.
3. Used for Gas-to-Liquids (GTL): Chemically converted into liquid fuels like diesel and jet fuel.
4. Utilized for Enhanced Oil Recovery (EOR): Reinjected into the reservoir to maintain pressure and increase the ultimate recovery of crude oil.
5. Used for On-Site Power Generation: Fueling gas turbines or engines to generate electricity for oilfield operations or for sale to the local grid.

For Nigeria, the utilization of its vast AG resources is not merely an economic opportunity but a national imperative. It aligns with the government's "Decade of Gas" initiative, aims to reduce the environmental scourge of flaring, and is crucial for bolstering domestic energy security and driving industrial growth (NNPC, 2022).

Technological Requirements

The monetization of associated gas involves a range of technologies to capture, process, and convert the gas into marketable products (Odumugbo, 2010). The choice of technology depends on several factors, including the volume and composition of the gas, the location of the field (onshore or offshore), the availability of infrastructure, and market demand for the end products. The development of associated gas is fundamentally an exercise in infrastructure and technology deployment. Moving from flaring to utilization requires an integrated value chain, each segment with its own specific technological requirements. The primary components of this value chain are detailed below.

Gas Gathering and Compression

The first step is to collect the AG from widely dispersed oil wells. This requires an extensive network of small-diameter pipelines, known as flowlines, which bring the gas from individual wellheads to a central gathering point

Corresponding author: Hezekiah Agogo
hezekiah.agogo@bazeuniversity.edu.ng
Department of Petroleum and Gas Engineering, Baze University Abuja.

(Ige, 2013). Given that reservoir pressure drops as oil and gas are produced, compression stations are essential. These facilities use powerful compressors to increase the pressure of the gathered gas, enabling it to be transported through larger pipelines to processing facilities. The deployment of these gathering systems is particularly challenging in the Niger Delta's difficult terrain of swamps, mangroves, and remote offshore locations.

Gas Processing and Treatment

Raw associated gas straight from the wellhead is not market-ready. It typically contains impurities and valuable heavier hydrocarbons that must be removed or separated. Gas processing plants, therefore, are a critical technological requirement. Key processes include:

1. Dehydration: Removal of water vapor to prevent hydrate formation and corrosion in pipelines.
2. Sour Gas Treatment (Sweetening): Removal of hydrogen sulfide (H_2S) and carbon dioxide (CO_2), which are toxic and corrosive.
3. Natural Gas Liquid (NGL) Recovery: Separation of valuable heavier hydrocarbons like ethane, propane, and butane, which can be sold as separate products (e.g., Liquefied Petroleum Gas – LPG).

Transportation and Distribution Infrastructure

Once processed, the “dry” gas must be transported to end-users. This necessitates a robust national gas transmission pipeline network. Nigeria’s current pipeline infrastructure is insufficient and often vulnerable to vandalism and theft (Evoh, 2002). Developing a secure and extensive pipeline grid is a foundational requirement for creating a viable domestic gas market (Ekwueme, et al. 2019). For export markets or supplying regions without pipeline access, LNG export terminals or Compressed Natural Gas (CNG) transportation systems are required.

Utilization and Monetization Technologies

The end-use of the gas dictates the final technological requirements (Adamu, 2017). These include:

1. Gas-to-Power (GTP) Infrastructure: Construction of gas-fired power plants and the necessary connections to the national grid.
2. LNG Liquefaction Trains: Large, complex, and capital-intensive facilities required to cool natural gas to -162°C for shipping as LNG.
3. Gas-to-Liquids (GTL) Plants: Highly specialized chemical plants that use processes like Fischer-Tropsch synthesis to convert gas into liquid fuels.
4. Industrial Feedstock Systems: Infrastructure to deliver gas to industries such as fertilizer plants, petrochemical complexes, and cement manufacturers.
5. Gas Re-injection: This involves compressing the associated gas and injecting it back into the oil reservoir. The primary purpose is to maintain reservoir pressure and enhance crude oil recovery. While this method has been used to reduce flaring, it is not a long-term monetization strategy as it defers the ultimate production of the gas.
6. Liquefied Petroleum Gas (LPG) and Natural Gas Liquids (NGLs) Recovery: Associated gas is rich in heavier hydrocarbons like propane and butane, which can be extracted and sold as LPG (cooking gas). Other NGLs can also be recovered and used as feedstock for the petrochemical industry. Developing the LPG market is a key component of Nigeria's gas policy, aimed at providing a cleaner and more affordable cooking fuel for its population.
7. Compressed Natural Gas (CNG): This involves compressing natural gas to less than 1% of its volume at standard atmospheric pressure. CNG can be used as a transportation fuel for vehicles, offering a cleaner and often cheaper alternative to gasoline and

Corresponding author: Hezekiah Agogo
hezekiah.agogo@bazeuniversity.edu.ng
Department of Petroleum and Gas Engineering, Baze University Abuja.

diesel. The development of a CNG market is part of Nigeria's "Decade of Gas" initiative.

The absence or inadequacy of any one of these technological components creates a bottleneck that can render the entire AG utilization chain ineffective, leading to continued flaring.

Environmental Impact of Associated Gas Flaring

The environmental case for ending gas flaring is compelling. The practice has dire consequences for both the global climate and local ecosystems and public health.

Contribution to Climate Change

Gas flaring is a major source of greenhouse gas (GHG) emissions. The combustion process primarily releases carbon dioxide (CO_2), a primary GHG. Perhaps more significantly, incomplete combustion during flaring and the related practice of venting release methane (CH_4). Methane is a far more potent GHG than CO_2, with a global warming potential over 25 times greater over a 100-year period (Intergovernmental Panel on Climate Change [IPCC], 2021). Nigeria's consistent position among the world's top seven gas-flaring nations, with over 7 billion cubic meters flared annually, represents a significant contribution to global warming (World Bank, 2022).

Local Air Pollution and Health Hazards

Beyond GHGs, flaring emits a cocktail of harmful pollutants, including nitrogen oxides (NO_x), sulfur dioxide (SO_2), volatile organic compounds (VOCs), and particulate matter (PM2.5 and PM10). These pollutants are linked to a range of serious health problems for communities living near flare sites, including respiratory illnesses (asthma, bronchitis), cardiovascular diseases, and cancer (Elvidge et al., 2018; Obioh et al., 2005). The deposition of these pollutants can also lead to acid rain, which acidifies soil and water bodies, damaging agricultural productivity and aquatic biodiversity (Obah et al., 2020).

Resource Waste and Economic Loss

From a resource-efficiency perspective, flaring represents a colossal waste of a non-renewable natural resource. The World Bank (2022) estimates that the energy value of gas flared globally in 2021 could have powered the entirety of Sub-Saharan Africa. For Nigeria, a country grappling with severe energy poverty and a struggling power sector, this wasted resource represents a direct economic loss in potential revenue from gas sales, forgone taxes, and stunted industrial development. Reducing flaring is, therefore, an environmental, social, and economic necessity.

The social and health impacts on the host communities are equally alarming. Residents living near gas flares are exposed to a continuous cocktail of toxic pollutants, which have been linked to a range of health problems, including respiratory illnesses like asthma and bronchitis, skin problems, and an increased risk of cancer (Agbadede, & Allison, 2020). The noise and light pollution from the flares also contribute to psychological stress and disrupt the quality of life for these communities. The contamination of water sources and agricultural land further exacerbates poverty and food insecurity in the region.

Importance of Associated Gas Development

The strategic importance of developing Nigeria's associated gas resources extends across economic, environmental, and social dimensions, aligning with both national and global development agendas.

Economic Diversification and Revenue Generation

Nigeria's economy has long been overly reliant on crude oil exports, making it vulnerable to volatile global oil prices. The commercialization of AG provides a pathway for economic diversification. Revenue can be generated through:

1. Export Earnings: From the sale of LNG and NGLs on the international market.

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hezekiah.agogo@bazeuniversity.edu.ng
Department of Petroleum and Gas Engineering, Baze University Abuja.

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2. Domestic Market Sales: Supplying gas to the power sector and industries, creating a more resilient internal revenue stream.
3. Fiscal Revenue: Through taxes, royalties, and penalties collected from a growing gas sector, as outlined in the PIA's fiscal regime.

Enhancing Energy Security and Power Generation

Nigeria suffers from a chronic electricity deficit, which is a major constraint on economic growth. AG represents a readily available and reliable feedstock for power generation. By channeling flared gas into gas-fired power plants, Nigeria can significantly increase its electricity supply, reduce reliance on expensive and polluting diesel generators, and improve energy access for its population and industries.

Environmental Sustainability and Climate Compliance

As outlined in the previous section, AG development is synonymous with flaring reduction. This directly supports Nigeria's commitments under international climate agreements, such as the Paris Agreement, and its Nationally Determined Contributions (NDCs). By reducing its GHG emissions, Nigeria can improve its global environmental standing, potentially access climate finance and carbon credits, and fulfill its moral obligation to protect the environment and the health of its citizens.

Industrialization and Job Creation

The development of a robust gas sector is a catalyst for broader industrialization. Reliable and affordable gas supply attracts and supports gas-based industries such as fertilizers, methanol, petrochemicals, and manufacturing. This, in turn, creates significant employment opportunities across the value chain—from construction and engineering to plant operations and maintenance—thereby stimulating local economic development and capacity building.

Techno-fiscal Analytical Framework

Evaluating associated gas projects requires a holistic approach that integrates both technical and fiscal considerations—a "techno-fiscal" analysis. This framework is essential for stakeholders to make informed investment and policy decisions.

A techno-fiscal analysis systematically assesses a project's viability by combining engineering assessments of technical feasibility with financial modeling of economic returns. In the context of Nigeria's PIA, this framework becomes particularly critical for several reasons (Adeyinka & Aron, 2018):

1. Evaluation of Gas Utilization Options: It allows for a comparative analysis of different AG utilization pathways (e.g., Gas-to-Power vs. LNG vs. GTL) by modeling their capital expenditure (CAPEX), operational expenditure (OPEX), revenue potential, and profitability under the PIA's fiscal terms.
2. Risk Assessment and Mitigation: The framework helps identify and quantify key risks, such as fluctuating gas prices, technological performance uncertainties, cost overruns, and potential regulatory changes. This enables developers and investors to develop robust risk mitigation strategies.
3. Optimization of Fiscal Incentives: It provides a quantitative basis for understanding the impact of specific PIA provisions—such as tax holidays, reduced royalties, and capital allowances—on a project's bottom line. Financial metrics like Net Present Value (NPV), Internal Rate of Return (IRR), and Payback Period are calculated under various fiscal scenarios to determine the minimum incentives required to make a project commercially viable.
4. Policy Formulation and Evaluation: For the government, techno-fiscal modeling is used to design effective policies. It helps answer questions such as: Are the flaring penalties high enough to deter flaring? Are the gas-focused fiscal incentives sufficient

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hezekiah.agogo@bazeuniversity.edu.ng
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to attract investment? The analysis ensures that policies are both economically efficient and effective in achieving desired outcomes, such as flaring reduction and increased government take.

5. Investment Decision Support: For investors, the framework provides a rigorous, data-driven basis for committing capital. It assesses the project's resilience under different market conditions (scenario and sensitivity analysis), providing confidence in the long-term financial viability of the investment.

The parent thesis employed this framework extensively, using financial modeling to demonstrate, for instance, how gas flaring penalties can render projects unviable at high rates, while tax incentives can significantly boost contractor returns, thereby incentivizing investment in gas infrastructure over flaring.

Technological Aspect of Associated Gas Development

The technological landscape for AG development is diverse, encompassing both well-established commercial technologies and a suite of innovative emerging solutions.

Current and Established Technologies

These are proven technologies deployed at scale globally and in some Nigerian projects.

1. Gas-to-Power (GTP): This involves using AG to generate electricity, typically with gas turbines or reciprocating engines. It is one of the most direct monetization routes, especially for addressing Nigeria's domestic power deficit. Projects can range from large-scale grid-connected plants to smaller, distributed generation units for isolated communities or oilfield operations.
2. Liquefied Natural Gas (LNG): For large, continuous volumes of AG, liquefaction for export or domestic distribution is a prime option. Large-scale LNG plants (like the Nigeria LNG project) are capital-intensive. However, the technology is well-established and provides access to lucrative international markets.
3. Gas-to-Liquids (GTL): GTL technology chemically converts natural gas into high-value liquid products like diesel, naphtha, and lubricants. While technologically complex and requiring massive scale for economic viability (e.g., the Escravos GTL project), it produces products that are easier to transport and have established markets.
4. Gas Reinjection for Enhanced Oil Recovery (EOR): This involves compressing and injecting AG back into the oil reservoir. The primary benefit is maintaining reservoir pressure, which increases the amount of crude oil that can be recovered. While it defers gas monetization, it enhances the profitability of the primary oil asset and is a effective way to avoid flaring.
5. Small-Scale and Modular Technologies: For marginal fields or remote locations with smaller, more intermittent gas volumes, large-scale plants are not economical. Small-scale modular technologies offer a flexible alternative. These include:
   a. Modular Gas Processing Units: Skid-mounted, portable plants for gas dehydration and NGL extraction.
   b. Small-Scale LNG (SSLNG) or Mini-LNG: Compact liquefaction units that can produce LNG for local transport and use (e.g., as truck fuel).
   c. Compressed Natural Gas (CNG): Compression of gas for transportation via trucks to off-grid industrial consumers.

Innovations and Emerging Technologies

The future of AG utilization is being shaped by several cutting-edge technological advancements:

1. Carbon Capture, Utilization, and Storage (CCUS): This suite of technologies captures CO_2 emissions from industrial processes, including gas flaring and processing. The captured CO_2 can be utilized (e.g., for EOR, in beverages, or to

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make chemicals) or stored permanently in geological formations. CCUS can potentially decarbonize AG utilization, making it compatible with a net-zero future.

2. Advanced Digitalization and Internet of Things (IoT): The integration of sensors, data analytics, and digital twins into AG infrastructure can dramatically improve efficiency, safety, and reliability. Predictive maintenance, real-time optimization of gas flows, and remote monitoring of flare stacks are all enabled by digitalization, reducing downtime and operational costs.
3. Advanced Gas-to-Power Systems: Innovations include hybrid power plants that integrate renewable energy (solar, wind) with gas turbines, and the use of fuel cells for highly efficient and clean power generation from gas.
4. Hydrogen Production: AG can be used as a feedstock for hydrogen production through processes like steam methane reforming (SMR). When coupled with CCUS ("blue hydrogen"), this offers a pathway to produce a clean energy carrier for the future hydrogen economy.

The adoption of these technologies, both current and emerging, is not a one-size-fits-all solution. It must be tailored to the specific characteristics of the gas field (volume, composition, location) and the prevailing market conditions.

Technological Challenges of Nigeria's Associated Gas Development

Despite the availability of technologies and the supportive intent of the PIA, Nigeria faces formidable challenges in realizing its AG potential.

Infrastructure Deficit and High Capital Costs

The most significant challenge is the sheer lack of foundational infrastructure. A comprehensive gas gathering network is absent in many oil-producing areas. The national gas pipeline grid is underdeveloped and chronically plagued by vandalism and sabotage. This deficit necessitates massive capital investment, often running into billions of dollars, which deters investment, especially from smaller indigenous operators. The high upfront capital expenditure (CAPEX) for processing plants, pipelines, and LNG facilities creates a significant barrier to entry, despite the long-term operational expenditure (OPEX) and revenue benefits.

Technical and Logistical Complexities

The Nigerian operating environment presents unique technical hurdles. A significant portion of AG is produced in:

1. Remote and Inaccessible Terrain: The swampy and mangrove-rich Niger Delta makes pipeline laying and equipment transportation extremely difficult and costly.
2. Offshore Deepwater Fields: Developing AG in deepwater environments involves highly complex and expensive floating production and offloading (FPSO) units with integrated gas handling capabilities. The logistics of transporting gas from these remote offshore locations to onshore markets are daunting.

Furthermore, the composition and volume of AG can vary significantly between fields and decline over the life of an oil well, requiring flexible and adaptable technological solutions that may not be available or economical.

Economic and Market-Related Challenges

The economics of AG projects are often precarious.

1. Fluctuating Global Gas Prices: Project revenues are highly sensitive to volatile international LNG and gas prices. A downturn in prices can quickly erode project profitability.
2. Underdeveloped Domestic Market: While the potential is huge, the effective demand for gas in the domestic market is constrained by the insolvency of the power sector (which struggles to pay for gas), a weak industrial base, and inadequate distribution infrastructure. This creates an "off-taker risk," where investors are unsure

Corresponding author: Hezekiah Agogo
hezekiah.agogo@bazeuniversity.edu.ng
Department of Petroleum and Gas Engineering, Baze University Abuja.

if they will have a reliable customer for their gas.

3. Scale Economics: Many of the most efficient AG utilization technologies (large-scale LNG, GTL) require very high and stable gas volumes to be economical. The AG from many of Nigeria's smaller or mature fields is often insufficient to justify such investments, creating a "stranded gas" problem.

Regulatory and Enforcement Gaps

Although the PIA is a major step forward, implementation challenges remain. Inconsistent enforcement of flaring penalties in the past has undermined their deterrent effect. Bureaucratic delays in securing permits and approvals for gas projects increase costs and timelines. Furthermore, potential jurisdictional overlaps between new regulatory bodies like the Nigerian Upstream Petroleum Regulatory Commission (NUPRC) and the Nigerian Midstream and Downstream Petroleum Regulatory Authority (NMDPRA) could create uncertainty and delay project execution.

Security and Community Relations

The pervasive insecurity in the Niger Delta, including pipeline vandalism, oil theft, and community unrest, poses a direct threat to AG infrastructure. A pipeline carrying gas is as vulnerable as one carrying oil. Damage to these facilities not only results in financial loss but also directly leads to increased flaring for safety reasons. Successful AG development is therefore inextricably linked to resolving the security crisis and ensuring that host communities benefit transparently from projects through effective implementation of the PIA's Host Communities Development Trust.

CONCLUSION

The development of Nigeria's associated gas resources represents a critical nexus of economic opportunity, environmental responsibility, and national energy strategy. The enactment of the Petroleum Industry Act (PIA) 2021 has created a promising techno-fiscal environment designed to incentivize investment and penalize the wasteful practice of flaring. This review has articulated the clear technological requirements for success, spanning the entire value chain from gas gathering and compression to processing, transportation, and final utilization through a variety of established and emerging technological pathways.

However, the path forward is strewn with significant challenges. A profound infrastructure deficit, exacerbated by high capital costs and a difficult operating environment, remains the primary obstacle. Economic viability is threatened by market volatility, the small scale of many AG streams, and an underdeveloped domestic gas market. Persistent security issues and regulatory teething problems further complicate the landscape.

Overcoming these challenges requires a multi-pronged, sustained effort. The government must transition from policy-making to effective implementation, ensuring strict and transparent enforcement of flaring penalties and streamlined regulatory processes. Strategic public-private partnerships are essential to de-risk and finance critical backbone gas infrastructure. There must be a concerted push to adopt flexible, small-scale modular technologies that can economically monetize gas from marginal and remote fields. Finally, resolving the systemic issues in the power sector and improving security in the Niger Delta are non-negotiable prerequisites for creating a sustainable and attractive market for associated gas.

In conclusion, the technological requirements for harnessing Nigeria's associated gas are well-understood and available. The fiscal framework, via the PIA, is largely in place. The missing link is the concerted will, strategic investment, and operational excellence to bridge the gap between policy and project execution. Success in this endeavor will allow Nigeria to finally convert a historical liability into a powerful engine for economic growth, environmental sustainability, and energy security.

Corresponding author: Hezekiah Agogo
hezekiah.agogo@bazeuniversity.edu.ng
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Corresponding author: Hezekiah Agogo
hezekiah.agogo@bazeuniversity.edu.ng
Department of Petroleum and Gas Engineering, Baze University Abuja.