

BAHAR ENERGY OPERATING COMPANY
MONTHLY REPORT

October 2020

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EXECUTIVE SUMMARY: *Reported by the President*

A summary of activities during October 2020 are below:

a) Health Safety and Environment:

- October was again a positive HSE month for BEOC, with no TRIR's and no incidents. 47 PTWs were issued, and 16 STOP cards were collected.
- HSE department has been taking preventive actions in the BEOC buildings and main roads against potential Corona Virus infection.

b) Production:

- Oil production was 494 Bopd, up 17 Bopd from August 2020, due to reinstalling ESP failures in South GD wells.
- Gas production was 20.8 MMcfd, which was higher by 1.3 MMcfd from August due to the successful recompletion on the Bahar 169 well in the horizon VII. Total September production of 4263 BOE/d was an increase of 165 BOE/d from August, but still 817 below budget due to the COVID-19 slowing the operations program.
- BEOC also utilized 3.9 MMcfd for fuel gas in Gum Deniz & Bahar operations. The increased gas utilization was the result of having to deliver gas to sales at higher pressure, which required additional compression fuel.

c) Workovers:

- In Gum Deniz, ESP change-outs in the GD 475, 372, 430, and 412 wells add to oil production.
- In Bahar, well BH 172 continues positive fishing and recompletion activities.

d) Construction:

- Offshore construction operations continued on GZU 2, PLT 168, and PLT 175 in the Bahar field.

e) Subsurface

- The AWP&B technical program was completed, and technical meetings of the partners are scheduled for mid-November. The work continues building geo and simulation models for main producing reservoirs in both GD and Bahar fields. Work on a revised Plan of Development is underway.

f) General Management

- BEOC continues to monitor the Corona Virus situation cautiously, and it is complying with all SOCAR and Ministry directives to ensure a safe workplace for all our employees and contractors. BEOC employees are expected to be able to return to general working conditions after December 1, 2020.
- BEOC continues to support the Government of Azerbaijan and local authorities in the Nagorno-Karabakh conflict.

I - HEALTH, SAFETY & ENVIRONMENT: *Reported by Nuslet Safarov*

a) Summary: HSE:

- No medical treatment incident was recorded in October.
- TRIR is 0.17 by the end of October.

b) Monthly Safety statistics for October 2020

Month	LTI	Man Hours	TRIR	Incidents (FA,LTI,NM, PD,RT)	PTW
January	0	133831	0	0	94
February	0	118773	0	1	76
March	0	128686	0	0	54
April	0	93337	0	0	27
May	0	109502	0	0	33
June	0	118542	0	1	51
July	0	121799	0	0	44
August	1	118660	1.68	1	65
September	0	117228	0	0	50
October	0	129277	0	0	47

Total	0	1,189,635	0.17	3	451
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Legend:

- LTI: Lost Time Incident
- Man Hours: Total number of man hours worked
- TRIR: Total Recordable Incident Rate(Number of Injuries and Occupational Illness X 200,000 / Employee hours worked)
- Near Miss: Near Miss Incidents number
- PTW: Permit to work

c) High-Level HSE Comments:

- No incident recorded during this month.

d) HSE Activity

- HEALTH:

- HSE department has been taking preventive disinfecting actions in the BEOC buildings and main roads against potential Corona Virus infection.
- Before commencing crew change operation for the offshore staff BEOCL organized testing employees for COVID-19 to be confident about health condition of workers.
- HSE department have started disinfecting the company rented buses as the number of confirmed cases of COVID-19 continues to rise.
- Installed 25 special dispensers for hand sanitizer regularly control and fulfil by HSE representatives at the BEOCL premises
- The body temperature of the workers coming to the work places have been measuring by a remote temperature meter at the "Gum-Deniz" island Checkpoint, and the workers with high temperatures are sent to the medical facilities located in the residential area.
- Snake repellent treatment was proceeded to carry out at the Office administrative building's vicinity and at the site workshops.
- 65 BEOCL employees applied to First Aid Room with non-work related diseases during the reported period. All of them were rendered corresponding examination and treatment.

- SAFETY:

- Safety inspections of BEOC sites and work performance were carried out.
- General HSE induction was conducted for 6 newcomers/ visitors.
- 16 STOP cards were collected from BEOC facilities/Workshops/Platforms. All issued Cards were registered, tracking is in progress.
- The HSE Audit Permits to Work and associated certificates, verification, risk assessments, and other related documentation were monitored.
- The firefighting equipment monthly inspection was provided and reported. The firefighting water pump was tested at the Oil Process and Transportation field.

- ENVIRONMENT

- Environmental Statistics for Month/Annual

Month	Spills Number	Spill Volume	Comments
January	N/A	N/A	N/A
February	N/A	N/A	N/A
March	N/A	N/A	N/A
April	N/A	N/A	N/A
May	N/A	N/A	N/A
June	N/A	N/A	N/A
July	N/A	N/A	N/A
August	N/A	N/A	N/A
September	N/A	N/A	N/A
October	N/A	N/A	N/A
Total	0	0	0

- The waste segregation process was supervised by the HSE division.
- BEOC sewage water was disposed of through the Hovsan Sewage treatment plant.

e) Training and other activities:

- As a part of HSE assurance plan 2020 Safety Stand down Meetings were conducted at the BEOC worksites in the following themes:

“Guide to working safely during the coronavirus” for 67 employees
“Basic offshore safety rules” for 85 employees

The total participants were 152 workers.

II - PRODUCTION / OPERATIONS: *Reported by Aliiskender Gurbanzade*

a) Production year to date is shown below:

OIL and GAS Production 2020 Budget and Actual																		
Sep-20	Oil Shipped to sales Point Actual ton/day	One ton equal to barrel	Oil Shipped to sales Point Actual BOE	Oil Production Actual ton/day	Actual BOE for Oil	Oil Production Budget ton/day	Budget BOE for Oil (equal to barrel 7,4)	Gas Production Actual m3/day	Gas Production Actual scf/day	Gas Production BOE	Gas Delivery m3/day	Gas Delivery scf/day	Gas Delivery BOE	Gas Production Budget m3/day	Gas Production Budget scf/day	Budget BOE for Gas	Total Actual BOE	Total Budget BOE
January	93	7.41	686	94	693	109	807	503,369	17,776,476	2,963	493,553	17,429,824	2,905	580,000	20,482,700	3,685	3,591	4,491
February	85	7.47	634	86	644	109	807	520,695	18,388,344	3,065	510,541	18,029,755	3,005	616,000	21,754,040	3,913	3,639	4,720
March	86	7.47	640	86	645	110	814	563,562	19,902,192	3,317	552,572	19,514,080	3,252	617,000	21,789,355	3,920	3,892	4,734
Q1 Average	88	7.45	653	89	661	109	809	529,209	18,689,004	3,115	518,889	18,324,553	3,054	604,333	21,342,032	3,839	3,707	4,648
April		7.47		86	642	110	814	556,996	19,670,314	3,278	546,134	19,286,722	3,214	615,000	21,718,725	3,907	3,214	4,721
May	55	7.46	409	80	596	110	814	571,667	20,188,420	3,365	530,309	18,727,862	3,121	623,000	22,001,245	3,958	3,531	4,772
June	80	7.46	600	80	595	110	814	572,778	20,227,655	3,371	525,926	18,573,077	3,096	636,000	22,460,340	4,040	3,695	4,854
Q2 Average	45	7.46	336	82	611	110	814	567,147	20,028,796	3,338	534,123	18,862,554	3,144	624,667	22,060,103	3,968	3,480	4,782
July	80	7.43	595	66	489	110	814	567,785	20,051,327	3,342	540,580	19,090,583	3,182	644,000	22,742,860	4,091	3,777	4,905
August	85	7.41	629	54	403	110	814	559,590	19,761,921	3,294	517,637	18,280,351	3,047	655,000	23,131,325	4,161	3,676	4,975
September	85	7.36	625	65	477	110	814	641,868	22,667,568	3,778	591,686	20,895,391	3,483	645,000	22,778,175	4,098	4,108	4,912
Q3 Average	83	7.40	616	62	456	110	814	589,748	20,826,939	3,471	549,968	19,422,108	3,237	648,000	22,884,120	4,117	3,854	4,931
October	89	7.35	655	67	494	110	814	644,531	22,761,612	3,794	588,664	20,788,669	3,465	671,000	23,696,365	4,263	4,120	5,077
November																		
December																		
Q4 Average																		

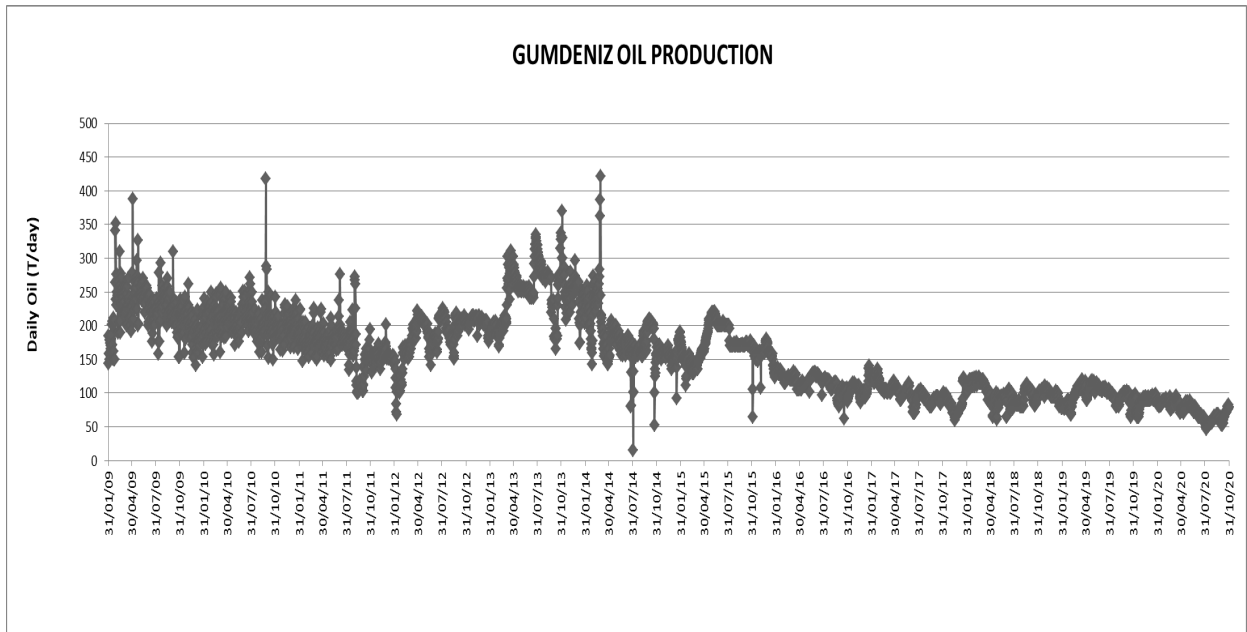
b) Production – Gum Deniz

- The production rate of the Gum Deniz field averaged 67 tons/day, delivered 89.2 tons/day.
- During the report covering period we haven't delivered any solution gas, the volume of gas used by compressors for internal needs for oil refinery was 3 410 000 m3 (110 000 x 31).
- The chart below shows the reasons for oil production decrease:

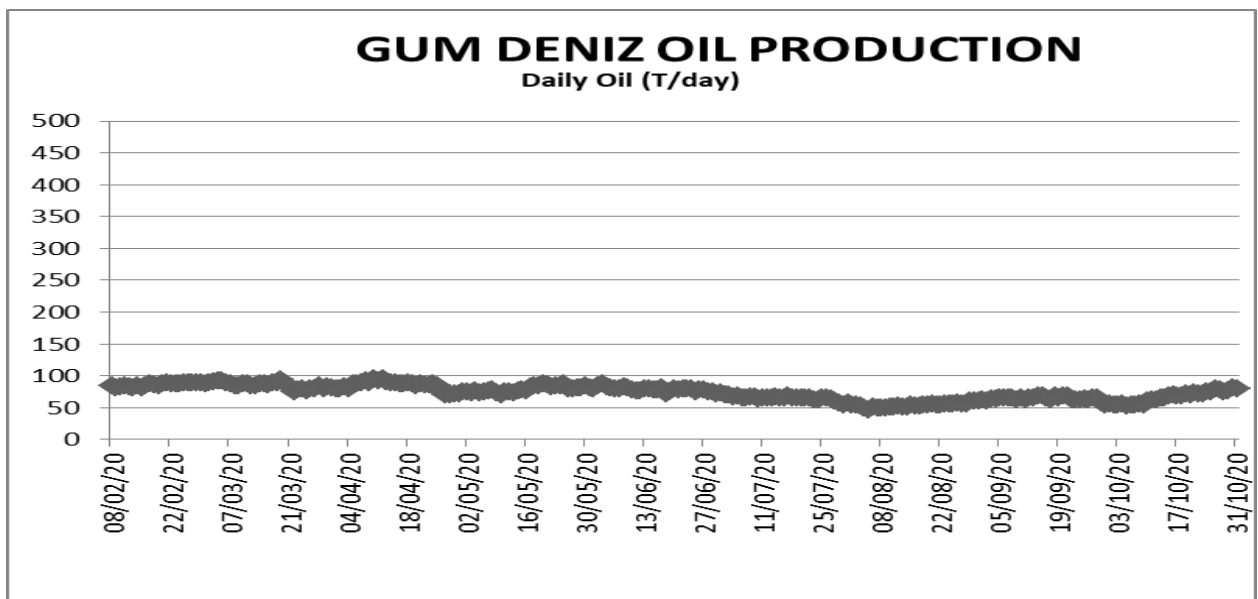
Oil Production Rate Differences Between September and October 2020																																				
Date / Well#	006	009	012	020	038	372	412	413	414	417	418	430	438	444	445	447	456	461	465	466	467	468	470	471	475	477	478	479	504	601	715	716	774	Total, m3		
September 2020	1.6	2.5	0.8	0.0	3.2	16.8	0.0	0.0	11.9	0.0	0.0	0.0	0.0	0.5	4.3	3.3	4.0	0.0	3.9	1.1	2.9	2.4	2.5	2.5	4.9	0.5	1.6	5.5	1.9	1.7	7.7	2.1	1.1	91.1		
October 2020	1.4	2.5	0.8	0.0	3.5	12.6	0.8	0.0	11.7	0.0	1.2	2.4	0.0	0.5	4.2	2.7	3.5	0.0	3.9	1.1	3.2	2.3	2.5	2.5	5.1	0.4	3.6	5.2	1.8	1.7	7.6	2.0	1.1	92.1		
																																			Difference	1.0

- WOs continues at GD-202 well.
- WO completed in GD-475, Completion done by RIH Schlumberger ESP.
- WO completed in GD-372, Completion done by RIH Schlumberger ESP.
- WO completed in GD-430, Completion done by RIH Schlumberger ESP.
- WO completed in GD-412, Completion done by RIH Schlumberger ESP.
- WO commenced in GD-413, continue.

c) Year to Date Production: Gum Deniz



d) Oil Production for Last Six Months



e) Production – Bahar

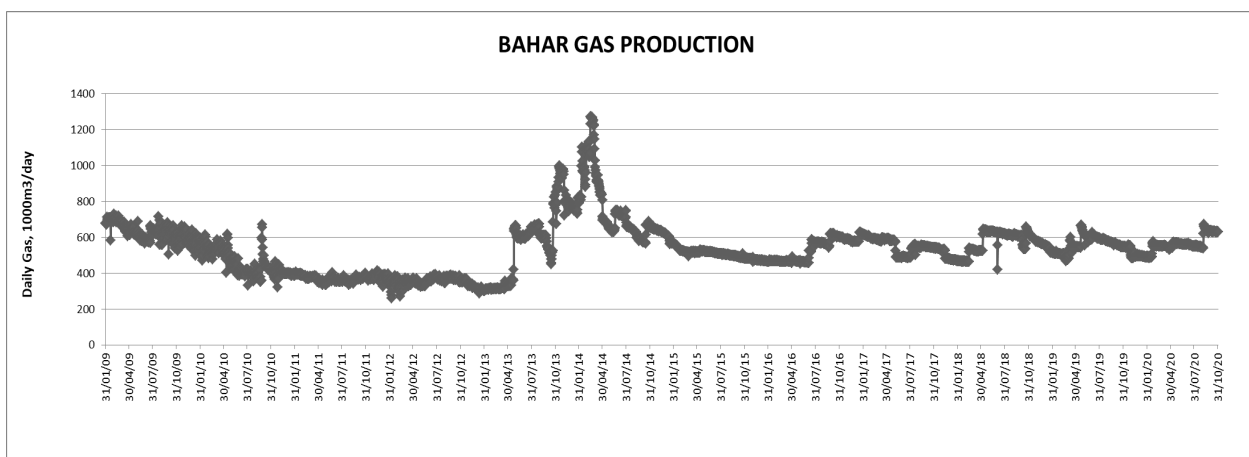
- Bahar daily gas delivery realized as an average of 588 664 m³/day.
- Gas delivery was 20.79 MMcfd.

The chart below shows the reasons for gas delivery decrease:

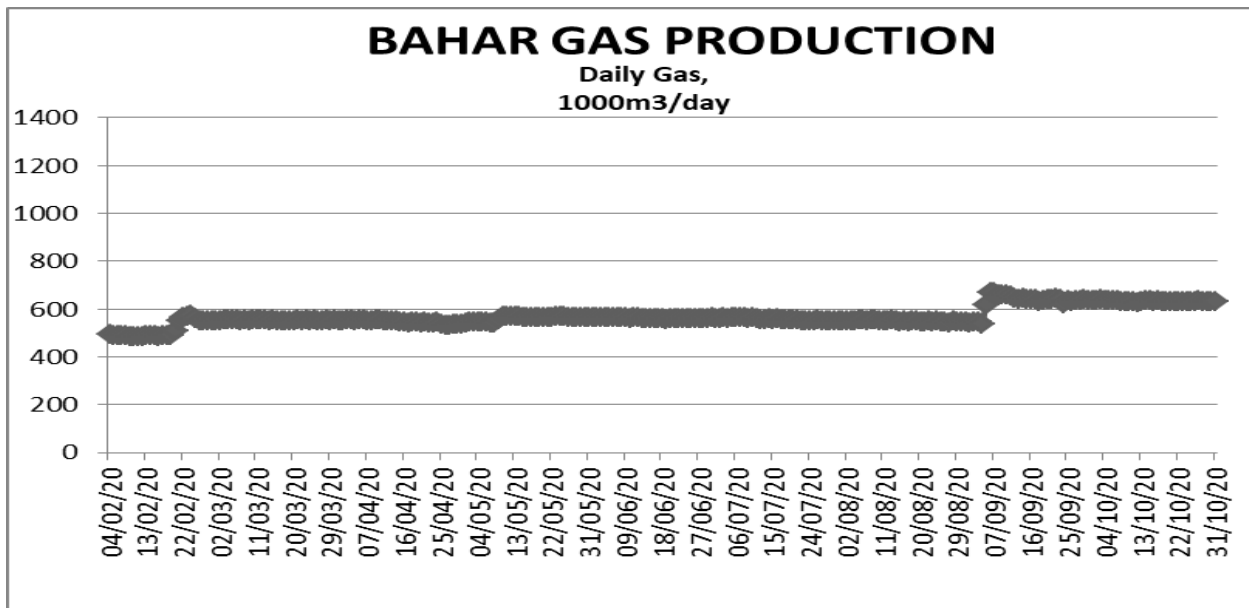
Gas Production Rate Differences Between September and October 2020													
Date / Well#	83	140	144	167	169	170	171	175	179	182	205	241	Total, x1000 m3
September 2020	36	50	25	54	96	118	39	78	75	1	17	47	636.0
October 2020	36	50	25	51	105	117	39	78	75	1	16	46	639.0
Difference												3.0	

- WO has started and continue in the well#172 at PLT.168 of “Bahar” field.
- WO has started and continue in the well#197 at PLT.196 of “Bahar” field “Bahar” sahəsi
- Construction works carrying out continue by construction crews at GZU-2, PLT.168 & PLT.175 of “Bahar” field.
- With assistance of “Ulluçay” crane vessel A-80 rig was transferred & set up on the well#197 at PLT.196.

f) Year to Date Production: Bahar



g) Bahar Gas Production for Last Six Months:



h) Additional Production Works:

- Construction of “Closed Loop System” project stipulated to prevent pollution of environment through discharge of formation water from technological storage reservoirs located at Oil Processing Unit is ongoing by “Construction Department”.
- Completed cleaning out the bottom of 1st tank from the sediments at 2000 tanks farm at Oil Processing Unit. Commence the cleaning out 2nd tank.
- Construction team has repaired and eliminated leaks on 5000 and 2000 water tanks designated for disposed water accumulation located at 5000 area of Oil Preparation and Transportation field.
- Damage was found on the side wall of the cellar of oil heating unit at Oil Preparation and Transportation field, to prevent further damage Construction team started repair works.
- Line connection works of 20” production line considered between OGSU#1 of Compressor Stations, Gas Collection, Processing and Delivery Unit and Oil Processing Unit by Construction team are currently ongoing.
- Due to removal of Gas Distribution Point at causeway connected to PLT450 “Construction Department” initiated laying of 3 ea of 2.5” gas lift lines running from causeway PLT009 to PLT450 at Gum-Deniz Field, connection works will be proceeded.
- The replacement of the old 8” gas lift line with processed water line along the entrance road carried out by “Construction Division “ has been completed.
- Construction team has completed the repairs of damaged places at the causeways in between PLT2 and the crossroads at.
- Construction team has initiated installation of 4” valve on 12” production line which was flushed clean, in between PLT2 and crossroads at Gum Deniz field.
- For carrying out the operations on the wells with high paraffin content on PLT9 of Gum-Deniz field, with assistance of Construction Division replacement with another tank has been started due to the leak on white oil storage tanks.

(October 2020)	
Name of the operation	Completed Operations
Hot Light Oil Operation in wells	6
Fluid level survey	78 (21 wells)
Sulfanol treatment in wells	-
Salinity measurement in wells	91
Soap stick application in gas wells	-

i) Transportation Division:

Auto-Transportation Field Report for October 2020								
Description	Number	Work hours	Moto hours	Repair Hours	Milage km	Amount of works carried out		
						Number of Vehicles/ hourly	Number of Vehicles/ monthly	Number of Vehicles/ daily
TRF	50							
Pulling Units serving for WO	9	474	474	112				
Stationary Type Pump (V-12)	1	30	30	8				
Stationary Type Pump (V-16)	1			72				
Drawwork (QBQ-120)	2	729.5	729.5	26				
Mobile Boiler Truck (Consisting of two parts)	1	3.5	3.5	8				
Cement Trucks serving all BEOC Departments	11	1428	81	48	6			
Water Tank Trucks of Autotransportation Workshop	3	360	57	26	3466			
Other vehicles of Autotransportation field	7	948	54	1	889.9			
Number of Trucks put back into service after a long term repair works								
Rented Heavy/ Civil Plant trucks						8/78	6/months	9/37
Buses and Minibuses by Service contract							16/months	

Logistic Report for Lifting Operations for October 2020			
01.10-31.10			
Months	Orders	Weight (kg)	Hours
GENERAL	Total: 50	Total: 762 000	Total: 250

Marine Transportation Report for October 2020								
	DAYS	PASSENGER NO		TONNAGE	INCIDENT	REPAIR	SAILING	CANCELLATION
		OUTBOUND	INBOUND					
ULLUCHAY	15 days			792,000 kg	NO		TOTAL-38	TOTAL-10
MAGIC-1	19 days	319	299		NO			
SLV-363	2 days			102,588 litr diesel fuel	NO			
XEZER-3	2 day			349,000 kg water	NO			

j) Power usage and charges chart:

POWER/ELECTRICITY COST by MONTHS - 2020

ACTIVE ENERGY	Kwatt										
LOCATION	January	February	March	April	May	June	July	August	September	October	TOTAL
GumDeniz - Field	900,000	742,000	805,600	800,000	812,000	798,000	714,000	630,000	470,000	491,000	7,162,600
Compressor station 14	260,000	90,000	110,400	105,000	111,000	220,000	686,000	686,000	90,000	251,000	2,609,400
Compressor station 1	356,000	215,000	249,000	253,000	274,000	410,000	405,000	342,000	190,000	205,000	2,899,000
Compressor station 2	530,000	470,000	498,000	481,000	499,000	600,000	828,000	612,000	640,000	667,000	5,825,000
Automotization Industrial Processes	7,200	6,286	7,986	7,829	8,794	8,708	8,246	7,900	8,200	8,500	79,649
Electric workshop	7,500	6,500	10,980	9,032	8,995	8,809	8,347	8,150	8,400	8,700	85,413
Oil Process	80,000	66,000	84,560	79,500	86,500	88,500	75,000	80,000	85,000	98,000	823,060
5000 area	152,000	132,000	178,000	172,000	173,000	171,000	180,000	170,000	167,000	185,000	1,680,000
Gas Process	8,662	8,261	11,170	8,437	3,592	3,253	3,767	3,368	3,663	4,259	58,432
Workover	43,324	40,128	57,960	56,010	60,173	57,302	56,840	39,684	44,481	48,716	504,618
Offices	83,700	77,900	79,060	40,060	44,223	52,100	51,638	48,472	53,270	57,505	587,928
Transportation	42,032	38,900	48,700	46,750	52,816	48,405	47,943	44,768	49,565	53,800	473,679
Laboratory	23,015	21,130	23,230	20,685	23,848	21,203	20,741	17,575	22,373	26,608	220,408
Construction	12,102	10,400	15,493	18,350	23,339	20,489	20,489	31,361	36,159	40,396	228,578
Water supply	167	146	129	31	28	52	49	48	57	69	776
TOTAL -KW	2,505,702	1,924,651	2,180,268	2,097,684	2,181,308	2,507,821	3,106,060	2,721,326	1,868,168	2,145,553	23,238,541
0.076271187											
COST AZN total	191,113	146,795	166,292	159,993	166,371	191,274	236,903	207,559	142,487	163,644	1,772,431
REACTIVE ENERGY kVAR											
AZN/kVAR 0.00104											
kVAR	1,056,804	1,141,576	1,179,464	1,143,362	1,254,237	1,678,234	2,007,753	1,948,526	1,282,975	978,029	13,670,960

k) Workovers:
Bahar WO's

- BHR 172 – Continue WO fishing operation, proper rotation was problem due to high well bore deviation. Arranged 158 jts of 2-3/8" EU DP from AzNefit IB organization based on technical support. RIH w/114mm BJM on combined string, 2-3/8" EU DP and 2-7/8" EU DP. Got sufficient rotation, hard tag at 3792.04m. Set off 1 ton roughly, released at 6 tons over pull, expecting lose junk (strip). Will continue with remedial cementing - to have lose junk stable and stationary in the hole for proper milling ops.
- BHR 197 – BEOCL A80 Rig have spotted onto the well via Crane Vessel. Completed RU of the Rig and related WO equipment. Continue prep. Will deliver Pump truck and tubing string via crane vessel.

Gum-Deniz WO's:

- GD 202 – Continue fishing operation in the well. Total fished out from the well 62 joints of 2-7/8" NUE tubing (604.27m). Current TOF at 1926.97m. Continue fishing operation.
- GD 475 – Moved the derrick onto the well from G477. Pulled ESP Assy. POOH ESP Assy. Checked and confirmed TD at 2583m via Wireline. Will RIH w/STC and clean the well bore from sand fill to 2657m (2640 WM). RIH w/New ESP Assy. Landed at 2234m. POP.
- GD 372 – Due to ESP stop, suspended G202 WO ops. Moved Rig onto the well POOH ESP Assy. RIH w/New ESP Assy. Landed at 2139.35m. The well was successfully put back on production.

South Gum Deniz WO's.

- GD 430 – Moved the derrick onto the well from G418. Pulled ESP Assy. Observed hole at Drain Sub. RIH w/93mm STC, tagged at 3770m (3778 WM). Confirmed TD. Pulled STC. RIH w/New ESP Assy. Landed at 1825.65m. The well was successfully put back on production.
- GD 412 – Moved the derrick onto the well from G430. POOH ESP Assy. Observed BHA has parted from Gas separator sub and LIH. LIH: 0.42m of GS + Hydro, Protector + Pump + Guide as total 11.87m. No cable left in a hole with TOF at 1949m. Successfully Fished out LIH ESP Assy. MU and RIH w/New ESP Assy. Landed at 1763m. The well was successfully put back on production.
- GD 413 – Derrick and drawwork moved onto the well from G412. POOH ESP Assy. Observed 10mm hole at 2nd joint above the pump. Also, 108 each of cable clamps are missing from BHA due to corrosion / erosion. RIH w/STC ongoing. Plan is to perform remedial cementing works to prevent high water cut from productive zones.

- Monthly / Annual Workover Statistics

Month	Workover & Well Service Jobs completed	Number WO & WS Success
January	11	6
February	10	6
March	8	2
April	6	5
May	7	6
June	4	3
July	7	4
August	7	5
September	6	3
October	8	4
Total	74	44

- Summary of Workover Activity

Workover Operations					
Well	Operation	AFE #	Actual Cost	AFE Amount	Difference
BHR 172	Fishing / Recompletion	40-2-172-01-20	57M \$	331M \$	274M \$
BHR 197	Fishing / Recompletion	40-2-197-01-20	M \$	358M \$	M \$

- Summary of Well Service Activity

Well Services		
Well	Operation	Actual Cost
GD 475	ESP replace	10.4M \$
GD 430	ESP replace	16.5M \$
GD 412	ESP replace	13.5M \$
GD 413	ESP replace	29.2M \$
GD 202	Fishing / Recompletion	47.5M \$
GD 372	ESP replace	23M \$

III) Construction Department: *Reported by Aliiskender Gurbanzade*

CONSTRUCTION PROGRESS REPORT FOR October 2020

#	Field/Location	Work Description	Status
Gum-Deniz			
1	Gum-Deniz,Causeways,Entrance road	Repairs & installation of 20" production pipeline supports along the entrance road and on the causeways in the area between 62-235 and 66-450	in progress
2	Gum-Deniz,PLT232 at Causeways	Hammering of 4 piles 10" each for repair of road section in between 160B and PLT232 at the causeways & hammering of 2 piles for 160-160B, intermediate connection works.	in progress
3	Gum-Deniz,Causeways PLT9	Connection of 600mm i-beam with 10x10 panels installed on the causeways' piles for the widening of the vehicle pass at the causeway in between the crossroads and PLT9 where 6 / 0.4kV Distribution Unit No. 13 located.	in progress
4	Gum-Deniz, PLT9	Piles hammering and linking for road repair at PLT9 and area between PLT9 and road to the base.	completed
5	Gum-Deniz, Causeways, in between PLT235-64	As a part of repair job of the road in between PLT235 and PLT64, hammering and connection of 10" piles around bad piles #36-40	in progress
6	Gum-Deniz, PLT2	Shifting the pedestal from the well#372 onto the well#202 with UPT 1-150 pulling unit on it. The repair works on the derrick of UPT1-150 pulling unit done	completed
Bahar field			
5	Bahar, GZU-2	Piles hammering works have been completed to go on with collector spool, 2 separators, the accommodation of waste water lines . Work is carrying out on connection of existing piles with new hammered ones.	in progress
6	Bahar, PLT168	The replacement and connection works of the workfloor of the well#165 and rotary supports were done. Workfloor area surrounding the wellhead is being set up.	in progress
7	Bahar, PLT-196	Due to WO of the well# 197, installation of well surrounding workfloor, pathway to the well and reinforcement of the panels were completed. Crew moved to the PLT168	completed
8	Bahar, PLT-175	Assembling of new GYM and stairways in the western part of the living block were done. on-going Installation of the entrance path to the Separator.	in progress

Additional Works

1	In the hangar No. 1 of the central warehouse area, the installation of shelves for the collection of goods and materials has commenced,	in progress
2	"The engine base of 2SQ-50 type compressor unit No. 12 was repaired in the machine hall of compressor station No. 14 and the inlet-outlet pipelines to the machine were connected at CS, Gas Collection and Transportation areas. Waiting on unit to put in place. Work is in progress.	in progress
3	Linking works of 4th, 1st tanks and 12" line @ 5000m3 area of Pump Station and Oil Preparation & Transportation field were completed. Pipeline supports' installation works are done.	completed
4	Pipe-fitting joints were prepared in department's workshop for repair of the platform and placement of the collector spools, 2 separators, technological pipelines at GZU # 2 "Bahar" field. Works are on-going	in progress
5	Linking works are carrying out in between old gas lift pipeline along the dam road and the entrance and existing water line close area to the "Halikarnas" restaurant as well as installation of vertical pipeline supports. Installation of new supports on existing water line, cutting off the old lines on-going.	in progress
6	Repair works are done on 16m white oil and cementing pump tank at PLT9 .	completed
7	Repairs of corroded pipeline supports on the 20" production line along the causeways.	in progress
8	Installation of new oil trap for oil separation and construction of pump station at Oil Prep. & Transportation area.	in progress

IV – SUBSURFACE: *Reported by Ray Larijani*

Workover Programs prepared

- GD-418 Pull the tubing string with ESP out of the well. Check TD, if there is a sand plug, clean till 3670m. Inspect the condition of the pump and run 1770m 2 7/8" tubing with ESP in the well.

- GD-372 Pull the tubing string with ESP. Check TD, if there is a sand plug, clean till 3670m. Inspect the condition of the pump and run 2090m 2 7/8" tubing with ESP.
- GD-412 Pull the tubing string with ESP out of the well. Run 2.5"-1820m tubing with ESP.
- GD-413 POOH tubing. RİH special mill set artificial sand plug at 3510m. 2930-2937m damaged zone will be tested for feedrate. if there is a feedrate perform remedial cementing works . RİH special mill clean well from 3510m to TD. Further operations will be planned according to INNG results.
- GD-475 Run sand bailer to clean down to 2676m if there is a sand plug. Inspect the condition of the pump and Run 2230m 2 7/8" tubing with ESP .
- GD-477 If the perforation zone is plugged, pull the tubing string with gaslift valves out of the well. Run Sand Bailer to clean the sand, if doesn't work, wash the sand with the washing tool. If the perf zone open, run GGI Memory Gauge tool, shut the well for 24 hour for PBU test. Perform injection of 15m³ of (15% HCL+1.5%HF) acid. In the next step injection of 5.5m³ of chemical treatment (EGMBE). Chase pumped acid w/10m³ of water into the well in order to deliver the acid into the productive zone.
- B-197 Fishing of damage tubing strings. Clean well down to 3852m. Perform QR/NGL/CCL(3852-2630m) logging. Further operations will be planned according to GR/NGL results.

Wells logged/re-logged

None

Wells completed

- B-172 Fishing/Recompletion. Continues. Expected gas rate is 50 Mm³/d free gas. Actual cost \$57.
- B-197 Fishing/Recompletion. Expected gas rate is 60 Mm³/d free gas.
- GD-202 Fishing . Expected oil rate is 7 t/d. Actual cost \$47.5M.
- GD-372 Well service. ESP replace. Well produces 20 t/d oil, 245m³/d water and 3 Mm³/d solution gas. Actual cost \$23M.
- GD-475 Well service. ESP replace. Well produces 5 t/d oil, 306m³/d water and 3 Mm³/d solution gas. Actual cost \$10.4M.
- GD-430 Well service.ESP replace. Well produces 6 t/d oil, 327m³/d water and 1 Mm³/d solution gas. Actual cost \$16.5M.
- GD-412 Well service. ESP replace. Well produces 4 t/d oil, 256m³/d water .Actual cost \$13.5M.
- GD-413 Well service. ESP replace. Expected oil rate is 4 ton/d. Well is under monitoring. Actual cost \$29.2M.

Note* Actual cost is taken from WO monthly reports and reported amount is for only current month.

a) Cased-hole logging

- Interpreted logs from GGI:
None

b) Geology

- Bahar field horizon VII geomodelling completed.
- Potential WO candidates for GOC were evaluated on Dashgil, Duvanny, Kyanizadag and Solakhay Fields.

c) Reservoir Engineering

- Bahar FS-BX-BIX Simulation & WO Candidates Forecast continues.
- B-197 WID document prepared.
- GD-477 PBU test interpretation.
- WO Success file updated.
- Monthly Reports for SOCAR (Production, Delivery, Used, Production and Delivery Indicators, Well Fund).
- Updated Bahar and GD OFGM database.
- Updated Daily and monthly Production follow up database.
- Gobustan log data loading and interpretation

d) Seismic

- Bahar field BVII fault system review completed.
- Gobustan 3D seismic cubes are loaded to the project and interpretation started.

e) Task Scheduler

<u>Tasks started</u>	<u>Start date</u>	<u>Provisional completion date</u>	<u>Completion date</u>
GD Field			
GD NKP Simulation and Forecast	30 June 2020	31 December 2020	
Bahar Field			
Bahar FS-BX-BIX Geomodelling, Simulation & WO Candidates Forecast	31 March 2020	31 October 2020	
Bahar horizon VII Geomodelling, Simulation & WO Candidates Forecast	15 September 2020	31 December 2020	
Bahar BVIII fault system review	10 November 2020	30 November 2020	
Gobustan 3D seismic cubes are loaded to the project and interpretation	20 October 2020	20 November 2020	
Completed			
Pepeared GOC data.	1 October 2020		15 October 2020
Potential WO candidates for GOC were evaluated on Dashgil, Duvanny, Kyanizadag and Solakhay Fields.	16 October 2020		31 October 2020
Bahar BVII fault system review	20 September 2020		10 October 2020
Bahar horizon VII geomodelling completed.	10 October 2020		31 October 2020
GD-477 PBU test interpretation.	30 October 2020		30 October 2020

V – FINANCE: *Reported by Rasul Gafarov*

a) On a Monthly Base:

- Completed Sep-20 accounting cycle in accordance with the monthly schedule.
- According to JOA issued Sep-20 Monthly reports to Contractor Parties.
- According to JOA Oct-20 and Nov-20 Cash Calls distributed to Contractor Parties.
- Issued Sep-20 Additional Monthly reports to Contractor Parties.
- Issued and distributed Sep-20 Monthly departmental cost reports to Budget Holders / Department Managers.

- Issued and submitted Sep-20 monthly reports to government bodies, including but not limited:
- Prepared and submitted monthly Sep-20 Financial Highlights report to the Management.

VAT, payroll, social fund and statistical reports;

b) On an Annual Base:

Continue preparation for 2019 Audit of below shown reports and actions:

- BEL Group Audit-finalized;
- BEOC Cost Recovery Report;
- BEL Profit Tax Return-finalized;

VI - PROCUREMENT & MATERIALS: *Reported by Rasul Gafarov*

a) Procurement

- 35 MRs & SRs Received;
- 46 POs and SOs prepared in SUN System;
- 0 MRs canceled/oh hold;
- 1 MRs & SRs passed to Contract/Tender;
- 11 MRs & SRs under sourcing stage.

- Tender Packs on hold – 1

- BEOCL 10165 - CS 2 Gas Separator System Renovation;

- Tender Packs on hold – 2

- BEOCL 10169 - Supplies of Steel Materials
- BEOCL 10171 - Supplies of Pipes

- NUMBER OF ACTIVE CONTRACTS

- OPS/WO/LOG – 102 (incl. 16 transportation services and 19 services contracts for empl.);
- Construction-19;
- HSE – 12 (including 1 service contract for empl.);
- G&G – 13 (incl. 3 consultancy contracts & 2 contracts for payment purpose only);
- ADMIN – 19 (incl. 1 service contracts for empl.);
- HR – 4;
- ITC – 12;
- Legal – 16;
- PM – 16 (incl. 1 contracts for payment purpose only);
- Finance – 3;

- NUMBER OF ADDENDUMS / EXTENSION -8

b) Warehouse and Materials

- **213,912.00 kg** handled without incident;
- WHS received **50 PO's, 244-line items** for the amount of **AZN 282,331.93**;
- WHS issued **453-line items** for the amount of **AZN 387,925.15**;
- **16 (sixteen)** NCR's raised; **4 (four)** NCR's was closed;
- Fuel station received **136,784.00** Liter of Diesel;
- Fuel station issued **113,941.00** Liters of Diesel;
- Fuel balance on November 1, 2020, is **29,788.00** Liters

VII – LEGAL, HR, ADMIN, SECURITY & COMPLIANCE PROCESS:

Reported by Ahmadiyya Musayev

a) Legal, Compliance, Document Control & Translation issues

- Letter was prepared and sent to Labor Inspectorate to respond to allegations by Mirvari Gahramanli;
- Necessary package of documents was prepared, liaised with SOCAR and executed for the write off of marine vessel;
- Draft new Statute for Administrative department was drafted;
- Contract review and negotiation activities were continued advising on contract drafts and other contractual documents;
- Work on residency/work permits and registration with the State Migration Service continued applying new SOCAR approved system of application;
- Certain incoming letters were addressed with necessary input;
- Necessary internal orders were drafted/reviewed and commented;
- Rep Office's different structural units were provided with other necessary legal support, including in relation to certain issues arising from PSA and legislation;
- Document control function covering both internal and external correspondence, and maintenance of archive was performed;
- Verbal and written translations support was ensured.

b) HR issues

- Use of the outstanding vacations was monitored;
- Employment of 26 employees have been terminated and re-employed till the end of December 2020;
- Interviewing of 1 candidate for second Electrical welder position
- Termination of employment agreements of 4 employees (3 by own request and 1 died)
- To be expired contracts were followed up and management was updated;
- 3 term agreements were prolonged;
- Overall, 310 HR related operations have been made through this month;
- Organizational structures have been updated as per last changes
- 124 vacations and 42 bulletins have been written and entered to the HRB system;
- Review and revisions of current job descriptions were ongoing;
- Review of employee personal files continued;
- Meetings were held with HRB system provider to discuss issues related with software;

- Performance Appraisal of Company employees for 2019 was followed up;
- Electronic permissions were controlled and updated on e-gov to ensure uninterrupted access of employees to working places.

c) Administrative affairs

- Presentations, schedule changes and route lists were prepared and handed over to Legal & HR Department for issuance of orders on time in lieu with respect to recue-divers of the Security department who travelled to “Bahar” field, and for those who were called back from rest due to these needs;
- Monthly schedules and timesheets for the Administrative and Security departments, as well as for their contractors have been prepared;
- MRs/SRs were prepared for take-off of the goods entered into Administration warehouse.
- Monthly reports on turnover goods and materials, low value goods and write off acts as well as low value goods use acts were prepared
- SRs were collected from all the structural units for stationery and consolidated list was prepared;
- Outsanding membership fee for New Azerbaijan Party was collected and transferred;
- Inventory check of Administrative Affairs Department together with gardeners of Service Division was carried out;
- Lighting lamps and throttles in the administrative building and other sanitary facilities were replaced, lighting supply was restored;
- Old jalousie in some rooms were replaced with a new one based on orders received;
- According to Azersu notification, the amount in the account was transferred to the card and then loaded on a meter with subsequent water supply;
- Severely damaged company name and logo at the main checkpoint were removed and replaced with a new one.

d) Security

- 445 person and 286 vehicles entered to BEOC 332 area based on request issued for one-time entrance permissions.
- On 06.10.2020 at 19:15 while controlling the area of “BEOCL” we have detected a resin boat in the trunk of a car and 2 people- Sharifov Islam Ayaz and Hajiyev Mushfiq Ahmadagha inside the car. The car was “Vaz 2106” with the 10GB 125 plate which belongs to Turabov Khalid Salman who is the driver of “BEOCL”. Act has been made. The police have been informed and they have been taken by the police because of breaking the law by entering the area illegally.
- On 09.10.2020 Security department specialists attended the process of hand over of 158 drill pipes ,which is 1500 m, to the “Bahar” area.
- On 15.10.2020, the specialists of the department took part in the control of the transfer of **102588** liters of diesel fuel to "Bahar" area.

On 17.10.2020 at around 21:50 while the controlling procedure at the 1st checkpoint of entrance of "BEOCL" company area 1 bottle (0.5L) alcohol has been detected on the floor and been taken from "Opel" vehicle with 10FY301 plate which is driven by Manafov Rasim Fikrat who works as a security guard in the "Samaya Co" LTD- in the Island according to the contract with the contractor collector company of ferrous metals

VIII – IT: *Reported by Eldar Eyyubov*

- No disruption in ICT department
- 98 helpdesk requests were processed
- Large printer in President's assistant room was fixed
- All empty cartridges were replaced
- Some big data was received from VITOL partners and passed to Geology department.
- Replaced one faulty computer at the compressor station
- All printers have been checked
- All empty cartridges were replaced
- All servers checked and backed up.

-----**End of Report**-----