

BAHAR ENERGY OPERATING COMPANY LIMITED

Monthly Report

December 2022

Contents

I - HEALTH, SAFETY & ENVIRONMENT:	2
II - PRODUCTION / OPERATIONS:	3
III - WORKOVER:	7
IV – CONSTRUCTION:	11
V – SUBSURFACE:	14
VI - FINANCE:	15
VII – LEGAL AND HUMAN RESOURCES:	16
VIII- ADMINISTRATION & SECURITY:	17
IX – PROCUREMENT & MATERIALS:	18

I- HEALTH, SAFETY & ENVIRONMENT: Reported by Aslan Bakhishov, Manager of HSE Department

Summary: HSE:

- No incidents were recorded in December.
- TRIR is 0.00 by the end of December.

Monthly Safety statistics (Lagging indicators)

Month	LTI	Man Hours	TRIR	Incidents (FA,LTI,NM, PD,RT)	PTW
January	0	89632	0	0	55
February	0	79032	0	0	44
March	0	91343	0	0	59
April	0	84682	0	0	58
May	0	89885	0	0	51
June	0	83030	0	0	53
July	0	77358	0	0	61
August	0	80956	0	0	42
September	0	79520	0	0	44
October	0	86408	0	0	52
November	0	85152	0	0	41
December	0	90177	0	0	50
Total	0	1,017,175	0	0	610

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

High Level HSE Comments: 1 Near Miss incident was recorded during this month.

Near miss incident

On 24.12.2022 around 8 PM, while lowering the work string with the power swivel unit to resume the wellbore cleaning jobs, the brake system get out of control, following that the travelling-block partially fell, and the wire rope was unrolled from the hoist system.

HSE Activity

- HEALTH:

- Daily monitoring of COVID-19 vaccination status of BEOCL employees was carried out by HSE department. 526 employees (100%) received 1st dose, 526 employees (100%) received 2nd dose, 454 employees (86.5%) received 3th dose, 6 employee received 4th dose vaccine by the end of December.
- Installed 25 special dispensers for hand sanitizer regularly control and filled by HSE representatives at the BEOCL premises.
- 57 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.

- Snake repellent treatment against poisonous snakes has been carried out in our production areas.

- SAFETY:

- Safety inspections of BEOCL sites and work activities were carried out.
- General HSE induction was conducted for 14 newcomers/ visitors.
- In accordance with Local Regulation the Health and Safety knowledge evaluation of 5 BEOCL technical and engineering employees was carried out.
- HSE Audit of BEOCL Permits to Work and associated certificates, verification, risk assessments and other related documentation were monitored.
- Firefighting equipment monthly inspection was completed and reported. Firefighting water pump was tested at the Oil Process and Transportation field.
- HSE department initiated inspection and repair the existing safety signs at the BEOCL worksites.
- Fire water poles were inspected, valves, taps and heads were serviced, each water pole was numbered, and a monthly inspection tag was hung on it and registered for control.
- Firefighting boards were inspected and registered. Missing firefighting tools (shovel, axe, link, bucket, etc.) on the fire boards were provided /completed.
- New purchased fire hose cabinets installation was initiated.
- New purchased signal air horns and its prepared operation manuals were distributed to worksites.
- HSE department initiated inspection and repair the existing safety signs at the BEOCL worksites.
- Defensive driving procedure was reviewed.

- ENVIRONMENT

- Environmental Statistics for Month/Annual

Month	Spills Number	Spill Volume	Comments
January	0	0	0
February	0	0	0
March	0	0	0
April	0	0	0
May	0	0	0
June	0	0	0
July	0	0	0
August	0	0	0
September	0	0	0
October	0	0	0
November	0	0	0
December	0	0	0
Total	0	0	0

- Waste segregation process was supervised by HSE department.
- BEOCL sewage water (36 m3) was disposed through Hovsan Sewage treatment plant.

Inspections from enforcement agencies, shareholders & third party:

On 26-30.12.2022, the inspectors of the State Agency for Safe work in Industry and Mining Control conducted next inspection of our production sites.

Outstanding non-conformities recorded by: & percentage of completion

Issued on 23.09.2022 -State Fire Control Service – 40%

Issued on 30.06.2022 -State Agency for Safe work in Industry and Mining Control – 62%

Issued on 14.07.2022 - Ministry of Ecology and Natural Resources – 100%

Issued on 14.07.2021 - SOCAR Upstream – 60%

Issued on 06.05.2022 -Industrial Safety Department of SOCAR – 100%

Training and other activities:

- As a part of HSE Assurance Plan 2022 Safety Stand down Meetings were conducted at the BEOCL worksites in the following topics on December:
“Spills of oil and other chemicals into the environment” for 38 employees.

II - PRODUCTION OPERATIONS: *Reported by Alamdar Useynov.*

Production year to date is shown in the table below:

Month	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 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
Jan-22	71	7.47	528	70	521	93	685	460,294	16,255,283	437,234	15,440,919	2,778	713,541	25,198,700	4,533	3,306	5,218
February	72	7.48	535	73	546	105	777	504,296	17,809,213	478,309	16,891,482	3,039	790,583	27,919,439	5,022	3,574	5,799
March	78	7.51	582	82	613	100	740	500,733	17,683,386	478,175	16,886,750	3,038	771,878	27,258,872	4,904	3,620	5,644
Q1 Average	73	7.49	549	75	560	99	734	488,441	17,249,294	464,573	16,406,384	2,951	758,667	26,792,337	4,820	3,500	5,554
April	40	7.51	302	61	460	102	753	580,722	20,508,197	539,801	19,063,072	3,429	805,741	28,454,743	5,119	3,731	5,871
May	65	7.51	486	58	439	99	734	594,412	20,991,660	538,360	19,012,183	3,420	814,953	28,780,065	5,177	3,906	5,911
June	77	7.48	576	63	471	100	737	581,241	20,526,526	523,219	18,477,479	3,324	859,693	30,360,058	5,461	3,899	6,198
Q2 Average	61	7.50	454	61	457	100	741	585,458	20,675,461	533,793	18,850,912	3,391	826,796	29,198,289	5,252	3,846	5,993
JULY	60	7.45	447	56	416	97	718	619,257	21,869,061	559,705	19,765,982	3,556	846,288	29,886,661	5,376	4,002	6,094
AUGUST	52	7.46	386	52	388	99	733	689,481	24,349,022	635,967	22,459,175	4,040	839,770	29,656,478	5,335	4,426	6,067
SEPTEMBER	30	7.47	225	54	402	101	747	655,477	23,148,170	575,972	20,340,451	3,659	887,995	31,359,543	5,641	3,884	6,389
Q3 Average	47	7.46	353	54	402	99	733	654,738	23,122,084	590,548	20,855,203	3,752	858,018	30,300,894	5,451	4,104	6,183
OCTOBER	79	7.47	592	64	481	102	755	605,139	21,370,484	542,056	19,142,708	3,444	928,963	32,806,328	5,901	4,036	6,656
NOVEMBER	64	7.51	478	62	465	102	755	599,034	21,154,886	549,448	19,403,756	3,491	939,518	33,179,078	5,969	3,968	6,723
DECEMBER	57	7.53	426	72	539	98	725	577,099	20,380,251	531,113	18,756,256	3,374	981,867	34,074,633	6,238	3,800	6,963
Q4 Average	66	7.50	499	66	495	101	745	593,757	20,968,540	540,872	19,100,906	3,436	950,116	33,553,347	6,036	3,935	6,781

Production – Gum Deniz

- “Gum-Deniz” field’s average production rate of 72 tons/day. Delivery is 57 tons/day.

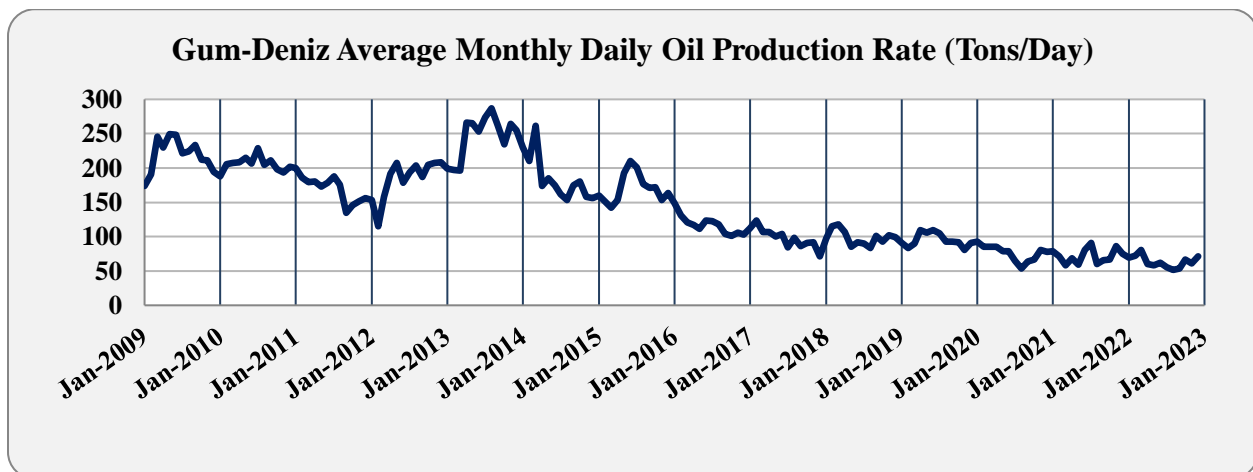
- During the period covered by the report, we did not have any solution gas deliveries, the volume of gas needed for oil processing and domestic demand of compressors was 1,829,000 m3 (59 000 x 31).

The chart below shows the reasons for oil production increase.

Oil Production Rate Differences Between November and December 2022																																			
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	203	Total, m3
November 2022	1	2	0	0	5	12	2	0	0	0	2	9	0	0	0	2	6	0	0	0	2	2	2	3	6	4	4	9	1	0	4	1	0	4	82
December 2022	1	2	0	0	5	6	2	0	8	0	3	12	0	0	0	3	8	0	0	0	1	1	2	3	6	4	2	11	1	0	5	1	0	10	96
Difference																										14									

- The workover operations in well GD-203 was completed, the well was put on production using the ESP method.
- The well GD-372 was handed over to workover department due to malfunction in ESP pump, the repair of the ESP was completed, the well was put back on production using the ESP method.
- The workover operations in well GD-005 was completed, the well was put on production using the Gas-lift production method.
- The workover operations in well GD-058 was completed, the well was put on production using the Gas-lift production method.
- The workover operation in well GD-352 are ongoing.
- The workover operations in well GD-441 have started.
- The workover operation in well GD-444 are ongoing.

Year to Date Production: Gum Deniz



Production – Bahar

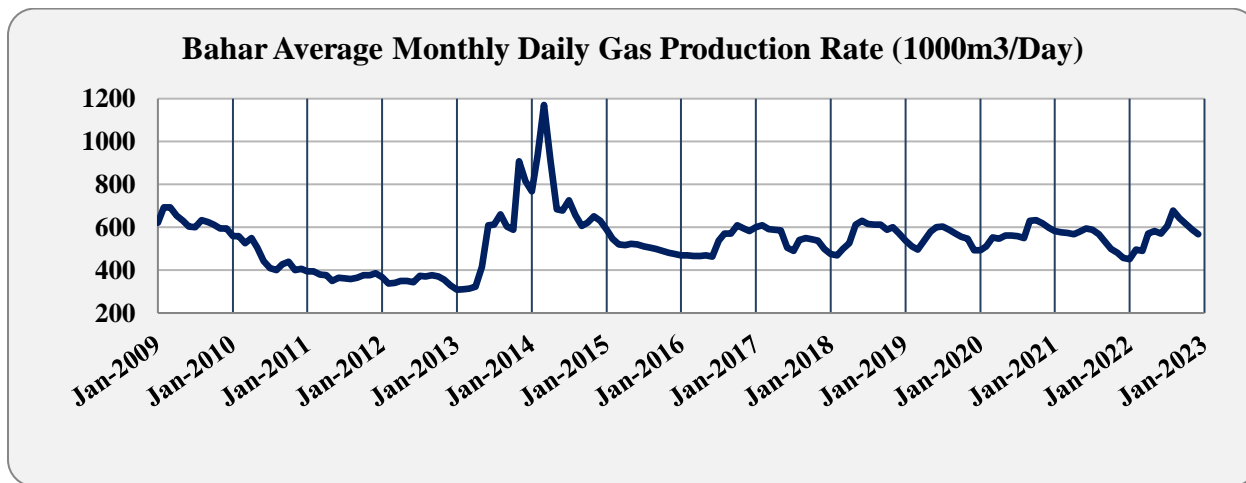
- “Bahar” field’s average daily gas delivery is 531,113 m3/day.
- Gas delivery was 18.76 MMcfd.

The chart below shows the reasons for gas delivery decrease.

Gas Production Rate Differences Between November and December 2022																
Date / Well#	83	140	144	165	167	169	170	171	175	179	182	205	206	241	190	Total, x1000 m3
November 2022	39	40	47	77	0	61	87	0	71	70	0	5	40	50	20	606.0
December 2022	38	39	41	70	0	56	85	0	69	67	0	6	37	47	18	572.7
Difference																-33.3

- The Workover operations in well No.191 at “Bahar” field PLT.065 are ongoing.
- The Construction/Repair works at “Bahar” field PLT.9/129 are ongoing.
- The Construction/Repair works at “Bahar” field PLT.077 are ongoing.
- The Construction/Repair works at “Bahar” field PLT.020 are ongoing.
- The Construction/Repair works at “Bahar” field PLT.0175 have started.
- In order to fix the emergency parts of the DNQYM 1, the Construction/Repair works are ongoing.

Year to Date Production – “Bahar”



During the period covered by the report, "Zulfi Hajiyev" type crane vessels worked on lease.

- Took on board 1 pc of 10x10 panels from “Bahar” PLT.77 and transported/placed on well No.009 at “Bahar” field PLT.9/129. At PLT.9/129, relocated 3 pcs of 8x10 panels to the South and South-Eastern part and 1 pc 10x10 panel to the Eastern part of well No.009. Relocated a tool from the lower part to upper part of the PLT.175. Took on board 25 ton autocrane from PLT.48 and transported/installed it on PLT.77.

Additional Production Works:

- The "**Closed System**" project designed to prevent the environmental pollution by the formation water discharged from the technological tanks at Oil Processing and Delivery Field is being continued by the "Construction Department".
- The 5,000-meter tank, which collects groundwater from the 5,000-meter area in "Oil Processing and Delivery field", has been prepared for repair work and waiting for construction crew.
- Cleaning and replacement works of the formation water line from crystalline sediment deposition between "Oil Processing and Delivery field" and the Island are being carried out by the "Construction Department".
- "Repair and reconstruction works are being carried out in the pumping station intended for the transfer of formation water from "Oil Processing and Delivery Field" to the Island.
- Appropriate work is being done by the "Construction Department" to increase the efficiency of the water line feeding the cooling system at the "Gas Processing and Dehydration Field".
- "Gum-Deniz" field, due to the liquidation of GDU on causeway PLT 450, 3pcs 2.5" gas lift lines were laid from causeway PLT9 to causeway PLT450, and joining works are ongoing by the construction division.
- The 20" production line between the Island and "Gum-Deniz" Causeway was shut down for the purpose of scale removal, the work is ongoing.
- The construction of the OGSU-2 Separator park, designed for separation and delivery of the "Bahar" field's gas to the Gas Export Department in order to increase the quality of the natural gas produced by the "BEOCL" Company, continues.

December 2022	
Name of the operation	Completed Operations
Hot Light Oil and Diesel Operations in the Wells	10 (7 wells)
Fluid Level Survey	52 (15 wells)
Sulfanol Treatment in the Wells	-
Salinity Measurement in the Wells	101 (36 wells)
Soap Stick Application in the Gas Wells	-

III – CONSTRUCTION: Reported by Panah Mammadov

#	Field/Location	Work Description	Status
Gum-Deniz			

1	Gum-Deniz, Causeways PLT9	Installation of a platform due to spot change of the unit PQ13 located in between the crossroad and PLT9. Initial stage of the build has been completed by metal construction and welding works. Next, the side walls of the building are being constructed	In progress
2	CS, OGSU-2	On the basis of the project, Representation of BEOCL in the Republic of Azerbaijan, Reconstruction of the separator system in order to improve the quality of sales gas from the "Spring" field in OGSU2. Installation of 6 new separators and coordination between them.	In progress
3	Gum-Deniz, Causeways No.2	"Gum-Deniz" field, repair works to prepare wells 351 and 352 located in Causeway PLT2 for workover operations. Work is underway to install a rack around the well to accumulate the platform and pipes. Currently workes are being carried out around the well No.352.	In progress

Bahar field			
1	Bahar, offshore oil&gas collecting Unit No.2	The project continues to install 12" fluid and gas lines and supports along the existing bridge direction. Expansion of the existing comb separator area in the south-western part of the working area. Reinforcement of lines from wells in the southern part of the existing work site and installation of a 6x13m size service area. The installation of comb separators and pipe-fitting joints, manufactured and delivered from the workshop, has been completed on the newly installed panels. Connecting new lines with existing lines and laying a new technical water line.	Work has been temporarily suspended.
2	Bahar, PLT-9/129	Installation of metal panels and repair/construction works of PLT 9/129 in connection with WO of wells 129; 9; and 45.	In Progress
3	Bahar, PLT 48	Preparation of well No145 for WO in PLT48. Installation of a sliding section on the north and south sides of the metal plate to slide the derrick over wells 144 and 145 has been completed. Assembling of the underrotor supports of wells 145 and 146 and the area around the wells had been completed. The installation and fastening of the new embarkations in the eastern part of the residential block has been completed. Waiting for crew to prepare the well No.146 for workover operations.	In Progress
4	Bahar, offshore oil&gas collecting Unit No.1	Carrying out works to increase the durability of existing lines and connecting bridges in offshore oil&gas collecting Unit No1.	In Progress
5	Bahar, PLT 77	As the first stage of PLT 77, in order to prepare the well 77 for WO: the base preparation in order to install metal panels and the replacment of piles around the well and under the rotor.	In Progress
6	Bahar, PLT 175	By use of the Shikhlinisy crane vessel; removal of 2 unusable 53m derricks and installation of 1 53m derrick from well 174 on to well 177 for the purpose of preparing the well No.177 for workover operations	In Progress

		has been completed. Waiting for the installation of 10x10m metal plates and relocation of the work crew.	
7	Bahar, PLT 83	Installation of 4 pieces of 10x10 metal plates for the purpose of preparing the well No.171 on PLT.83 for workover operations. 10x10 metal plate taken from PLT No.20 by Shirvan crane vessel has been installed on pedestal of well No.171. Waiting for the Instalation of living quarters and relocation of the work crew.	In Progress
8	Bahar, PLT 73	Elimination of leak on the 8" gas line between the PLT No.168 and the PLT No.58/73 at "Bahar" field. Also the elimination of leak detected at PLT No.58/73. In addition, carrying out works to connect the existing 6" lines at PLT No.58/73.	The works are carried out with the "Ulluchay" crane vessel
9	Bahar, PLT-409	Constrution of new embarkation at PLT No.409, due to damaged embarkation on the eastern and western parts of this PLT.	In Progress
10	Bahar, PLT-20	Preparing the well No.205 at Bahar PLT No.20 for workover operations. Installation and fastening of panels. Installation and fastening of A-80 lifting crane and submersible pumps.	In Progress

Additional works

1	The construction of a hangar for storing chemicals near the hangars belonging to the central warehouse on the island has been completed. Installation and welding of shelves using 2.5" pipes inside the hangar has been completed.	Completed
2	"Gum-Deniz" field, in different parts of the causeway, in accordance with the work plan of AFE 70-1-007-01-22Ç TS-01-22-07 dated 07.01.2022, designed for the repair of emergency supports. Driving and connecting the 12" piles due to emergency situation at the turn to Casueway PLT 16.	In Progress
3	Repair works inside and on the facade of the side walls of the demulsification furnace No. 1 located on the territory of "Oil Processing and Delivery Field". Carrying out repairs on the collapsed side walls of the furnace's shaft and smoke channel.	In Progress
4	Installation of 16"-12" oil trap inlet and outlet lines and 6" drainage lines; pile driving for pumps to be installed; construction of the connection lines; and assembling of frames for trap closure in the "Oil Processing and Delivery Field" has been completed.	Completed
5	Carrying out repair and installation works in connection with the workover operations in wells No. 441, 513 and 442 at "Gum-Deniz" field Causeway PLT No 208a.	Completed
6	The reconstruction of the concrete foundation of the 8NDV type water pump No.3 located in the pump house if the compresseor station No.1 of "Gas Processing and Dehydration Field" has been completed. In addition, the connection of these pumps with the existing inlet-outlet lines have been completed. Next, the following woks are being carried out in CS-14: reconstruction of the concrete foundation for 8NDV type water pump No.3 and connecting the pumps with the existing inlet-outlet lines are being carried out.	In Progress
7	"Gum-Daniz" field, repair works to prepare wells 351 and 352 located in Causeway PLT2 for repair. Work is underway to install a rack around the well to accumulate the pipes. Lifting of sub-rotor piles around well 352 and connection to existing panel.	In Progress

8	Welding of 2.5" gas lift lines and elbows laid between causeway PLT9 and PLT450 in connection with the relocation of the Gas Distribution Unit	In Progress
9	Installation and welding of new 16" pipes for the elimination of leaks in the 20" fresh water cooling system coming out of "Gas Processing and Delivery Field CS No.2".	In Progress
10	Carrying out the repair works on the protection parts and increasing the stability of the cooling fins of the AVZ type engine intended for the cooling system in Gas Processing and Delivery Field CS No.2.	Completed
11	De-assembly of "UPT-1-50" type PU device installed at causeway PLT2 and moving it on the wells No 203,716, 297, 372 with the help "Hydraulic-Tower Sliding Jack" set. Moving from well No.716 to wells 203 and 774.	In Progress
12	Carrying out repair works using 4" pipe and composite frame for the purpose of repairing the existing damaged floor of the Causeway.	In Progress
13	Connecting the decommissioned 12" gaslift line with the formation water line and restoring its unusable parts by welding 10" pipes and preparing it for operation as a formation water line.	In Progress
14	On the roof of the engine room, the demolition and replacement of the old pronastil sheets (corroded and deformed by the wind) with new ones have been completed.	Completed
15	Constructing the dismantled parts of the furnace shaft with fire-resistant bricks (clay-fireclay mixture) was carried out.	In Progress
16	Closing the side walls of the "3-phase booster pump" type equipment in the area of the central warehouse for outdoor storage.	In Progress
17	Installation of a new 6" technical saltwater line connecting the island area to the Causeway.	In Progress
18	In accordance with the work plan No. AFE 70-1-007-01-22Ç TS-01-22-07 dated 07.01.2022, prepared for the repair of damaged support piles in various parts of the Causeway at "Gum-Deniz" field. Carrying out preparatory works for the purpose of removing the damaged parts that appeared in the Causeway turn between 64-66 PLTs. Reinforcement of trusses in existing area and driving of new 10"-12" piles.	Completed
19	In accordance with the work plan No. AFE 70-1-007-01-22Ç TS-01-22-07 dated 07.01.2022, prepared for the repair of damaged support piles in various parts of the Causeway at "Gum-Deniz" field. Carrying out preparatory works for the purpose of removing the damaged parts that appeared in the Causeway turn at PLT 62. Reinforcement of trusses in existing area and driving of new 10"-12" piles. Removal of unusable concrete cover on the Causeway and replacement with 4" pipes.	In progress
20	In accordance with the work plan No. AFE 70-1-007-01-22Ç TS-01-22-07 dated 07.01.2022, prepared for the repair of damaged support piles in various parts of the Causeway at "Gum-Deniz" field. Carrying out preparatory works for the purpose of repairing the damaged parts of the road turn at Causeway 16. Reinforcement of trusses in existing area and driving of new 12" piles.	Completed

21	In accordance with the work plan No. AFE 70-1-007-01-22Ç TS-01-22-07 dated 07.01.2022, prepared for the repair of damaged support piles in various parts of the Causeway at "Gum-Deniz" field. Carrying out preparatory works for the purpose of repairing the damaged parts of the road turn at Causeway PLT 140. Reinforcement of trusses in existing area and driving of new 12" piles. Removal of unusable concrete cover on the Causeway and replacement with 4" pipes.	Completed
22	Conducting works for the installation of liquid-gas manifolds and connection/discharge lines in order to put well No.5 in the island area on production.	Completed
23	Preparation of 12"-10" and 20"-16" transitions in the workshop. Preparation of 16" and 12" clamps. Preparation of houses with dimensions of 1000x1000x2100mm according to the order of "Oil Processing and Delivery Field".	In progress

IV – WORKOVERS: Reported by: Yunus Namazov , Workover Department Manager

Bahar Field WO.

- BHR 191 – Cleaned wellbore till 4138m by drilling out cement plugs. Executions are ongoing...
- BHR 205 – MAPSET Packer retrieving jobs. Executions are ongoing...

Gum Deniz Field WO.

- GD 203 – POP at 1344m with ESP system – HOR IX.
- GD 445 – POP at 1004.50m with GLV system – HOR VIII.
- GD 058 – Successfully complete the well by perforating at intervals 3489 -3486m, 3482 - 3479m, and 3478 - 3476m HOR KaS. POP at 1509.17m with GLV system.
- GD 005 – Successfully complete the well by perforating at intervals 3055 - 3052m HOR PK. POP at 2004.12m with GLV system.
- GD 352 – Successfully fished out Tapered Mill BHA. Could clean the wellbore till 2509.70 m with milling out. Executions are ongoing...
- GD 372 – Drifted the wellbore till 2606m. POP at 2137.87m with ESP system – HOR X. Note: ESP ASSY completely replaced to 400m³ rate.
- GD 441 – Cleaned wellbore till 2014.55m. Executions are ongoing...
- GD 444 – POP at 1802m with GLV system after remedial re-cementing at 2148-2152m intervals – HOR VIII.
- GD 716 – Perforated at the intervals HOR VIII 2330-2327m; 2285-2280m; 2277-2273m; 2270-2267m. POP at 2205.44m with GLV system.
- Moving to the wells GD774 and GD006.

Out of Field report.

- Continue coordinating orders regarding equipment:
 - Power Swivel Unit – 1 set.
 - Skid base Triplex Slurry Pump – 2 sets are being prepared by IDS.
- Coordinated with “IDS” Company for 4th 120 tonners Drawwork set. Planning to hand it over in 1st decade of January.

- Teste the special design derrick at ADO-G base. Working on a plan to move the derrick onto the PL2.
- Prepared AFEs for continued and upcoming ops.
- “End of Wells” report has been prepared and submitted.
- Service company’s rental act, SGGI’s monthly operations act, and contractor’s other services act were prepared with coordinating related groups and submitted accordingly.
- Implementing and executing repair and maintenance programs for Heavy Equipment assets (completion and fishing tools) to support operations without delays.
- Coordinating purchase and delivery with the Procurement team.

Monthly / Annual Workover Statistics

Month	Workover & Well Service Jobs completed	Number WO & WS Success
January	8	2
February	9	3
March	8	2
April	16	8
May	8	5
June	12	6
July	13	3
August	14	7
September	11	5
October	10	4
November	8	3
December	11	7
Total	128	55

Summary of Workover Activity

Workover Operations		
Well	Operation	AFE #
BHR 191	Re-completion	40-2-191-01-22
BHR 205	Re-completion	40-2-205-01-22
GD 058	Re-completion	40-1-058-02-22
GD 352	Fishing / Recompletion	40-1-351-01-22
GD 005	Fishing / Recompletion	40-1-005-01-22
GD 441	Re-completion	40-1-441-01-22
GD 716	Re-completion	40-1-716-04-22

Summary of Well Service Activity

Well Services	
Well	Operation
GD 203	Well service /ESP Replace
GD 445	Re-completion
GD 372	ESP Replace
GD 444	Well service

Well operations heavy equipment report

Well operations heavy equipment field 2022 December					
Work Description	Number	Work hours	Engine Hours	Repair Hours	Mileage km
TRF	12				
Pulling units and Tow tractors used at Workover Workshop	6(14)	1452.5	1452.5	134.5	
Stationary type pump unit (V-12)	1	43	43	18	
Stationary type pump unit (V-16)	1				
QBQ-120	2(5)	643.5	643.5	40	
QBQ-160	1				
Mobile (two-part) ADPM unit	1	8	8	4	
Cementing Pump Trucks serving BEOC Departments	10(12)	2424	554.3	258	49
Steam Unit Transportation field	1	120	41.5	12	81
Fire trucks of Transportation field	1(4)			16	
Transportation field - Added repairs	2			17	
Number of trucks put into operation after long-term repairs					

V- SUBSURFACE: Reported by Alamdar Useynov

Workover Programs prepared

1. **GD-005** Set sand plug at 3070m. Log GR/CCL. Perforate 3052-3055 m at horizon PK. Run 2000 m 7/8 " tubing with gas lift valves in the well (1 st Work Plan). Add 300m to the tubing string (2 nd Work Plan). Add 300m to the tubing string (3rd Work Plan). Add 400m to the tubing string (4th Work Plan). Decreasing 1000m from the tubing string (5th Work Plan). Add 500m to the tubing string (6th Work Plan).
2. **GD-058** Add 300m to the tubing string (1 st Work Plan). Decreasing 600m from the tubing string (2nd Work Plan).
3. **GD-006** POOH tubing with gaslift valves. Check TD with GGI. Clean down to 3270m. Further chemical solution injection procedure should follow the required standarts of the regulation.
4. **GD-372** POOH tubing string with ESP. Replacing salt-bound pipes with a new one. RİH special scraper cleane inside of the casing from scale, clean to TD. İnspect the condition of the pump and Run 2130m 2 7/8" tubing with ESP in the well
5. **GD-441** Fish out 395m 2-7/8" NUE TBG at 2005m and strip gun at 2431m. Drill out the cement plugs at 2494m and 2614m. Fish out the Casing Gun at 2610m. Drill out the cement plug at 2757m. Fsh out the LIH D85type PDM 97mm Drill Bit and 100m long 2-7/8" Drill Pipe. Drill out the cement plug at 2882m, clean till TD at 2912m. Run QUAD Neutron/GR/CCL. Further operations will be decided according to log interpretation results.
6. **GD-444** POOH tubing string with gaslift valves. Set BP at 2280 and put on 1 voyage cement liquid with GGI. Run 2000m 2 7/8" tubing with gaslift valves in the well. Logging GR/CCL,perforate 51mm tubing guns at 2162-2165m(3m),2147-2149m(2m),2129-2132m(3m) at horizon VI. Put the well on production.
7. **GD-716** Logging GR/CCL,perforate 51mm tubing guns at 2330-2327m(3m), 2285-2280m(5m), 2277-2273m(4m), 2270-2267m(3m) at horizon VIII. Put the well on production.
8. **GD-774** Logging GR/CCL, perforate 51mm tubing guns at 2186-2182m(4m), 2164-2159m(5m), 2151-2144m(7m), Hor-VI. Put the well on production.
9. **B-205** POOH production tubing with 86 mm TCP and 95 mm MP. If pulling MP is unsecpful then open from on-off, if not successful install lubricator and test it to 50 atm pressure and cut tubing string with geophysical equipment. Further operations will be decided according to QUAD Neutron log interpretation result.

Wells logged/re-logged

GD-716 GR-CCL

Wells completed

1. **B-191 Recompletion. Ongoing.** Target horizon is VII. Expected gas rate is 40 Mm3/d.
2. **B-205 Recompletion. Ongoing.** Target horizon is I. Expected gas rate is 30 Mm3/d.
3. **GD-445 Recompletion.** POP from horizon VIII. Well is under monitoring.
4. **GD-352 Fishing/Recompletion. Ongoing.** Target horizon is FS. Expected oil rate is 3 tons/d.

- 5. GD-005 Fishing/Recompletion.** Perforated at horizon PK 3055-3052m. Well produces 1 m3/d oil and 80 m3/d water by gas injection method.
- 6. GD-203 Well Service/ESP Replace.** Well produces 10m3/d oil and 200 m3/d water by gas lift injection method.
- 7. GD-058 Well Service/Damage Zone Isolation-Recompletion.** Perforated at horizon KaS 3489 -3486m, 3482 - 3479m, and 3478 - 3476m Cleaned the wellbore from the sand plug to 3507m. POP at 1509.17m with GLV system. Well is under monitoring.
- 8. GD-372 ESP Replace.** Well produces 12m3/d oil and 277 m3/d water.
- 9. GD-444 Well Service.** Remedial re-cementing at 2148-2152m at horizon VIII. Well is under monitoring.
- 10. GD-441 Fishing/Recompletion. Ongoing.** Target horizon is FS. Expected oil rate is 2 tons/d.
- 11. GD-716 Recompletion.** Perforated at horizon VIII 2273-2276m, 2280-2285m and 2327-2330m intervals. Well produces 0.7 m3/d oil and 1.3 m3/d water by gas lift injection method.

Interpreted logs from GGI:

Geology

Analyzed GD-441, GD-716, GD-058 and B-205 potentials for new completions.

Reservoir Engineering

1. WO Success file updated.
2. Monthly Reports for SOCAR (Production, Delivery, Used, Production and Delivery Indicators, Well Fund).
3. Updated Bahar and GD OFGM database.
4. Updated Daily and monthly Production follow up database.

December 2022 Planned and Fact Production Comparison			
	Plan	Fact	Achieved
Oil and Condensate, tons	3047.466	2220.081	73%
Free Gas, Mm3	30437.867	17890.064	59%
Solution Gas, Mm3	3638.479	767.410	21%

Seismic:

1. **GD-447** sidetrack program: seismic review to identify drilling location, check-shot survey.

On a Monthly Base:

Completed Nov-22 accounting cycle in accordance with the monthly schedule.

According to JOA issued Nov-22 Monthly reports to Contractor Parties.

According to JOA Dec-22 – Jan-23 Cash Calls distributed to Contractor Parties.

Issued Nov-22 Additional Monthly reports to Contractor Parties.

Issued and distributed Nov-22 Monthly departmental cost reports to Budget Holders / Department Managers.

Issued and submitted following Nov-22 monthly as well as quarterly reports to government bodies: VAT, consolidated tax report on employment and statistical reports;

Prepared and submitted monthly Nov-22 Financial Highlights report to the Management.

VII- LEGAL PROCESS AND HUMAN RESOURCES: Reported by Ahmadiyya Musayev

Legal, Compliance, Document Control & Translation issues

- Contractual drafting and review work continued working on various contractual documents;
- Necessary legal analysis was carried out and information inquiry from the State Tax Service regarding service contracts was satisfied;
- SOCAR Upstream's request for registration documents of BEOC JAFZA and for "Info List" was addressed;
- Order was issued on transfer of boiler room to the balance of Electric Department and of chemical analysis laboratory to the balance of Process Automation Field;
- A cable theft case was reported to police authorities;
- Revisions were made to service contracts and model acceptance act;
- BEOC JAFZA Registration Renewal was implemented;
- Legal support was provided with respect to parent company debt restructuring issues;
- Circle of authorized signatories for goods and materials movements was verified and sent to security company;
- Preparatory activities were undertaken for forthcoming employment dispute at court;
- Coordination activities were conducted with SOCAR regarding Oilman Day award;
- Liaison activities with Surakhany Mayor's office and other government authorities, including security forces continued;
- Participation was ensured in Azerbaijan Ethics and Compliance Network sessions and activities;
- 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; JAFZA related coordination and other activities were carried on;
- Document control function covering both internal and external correspondence, and maintenance of archive was performed;

- Verbal and written translations support was ensured.

HR issues

- Use of the outstanding vacations was monitored.
- Employment Agreements were signed with 4 new employees.
- Employment Agreements of 4 employee were terminated.
- To be expired contracts were followed up and management was updated.
- Overall 329 HR related operations have been made through this month.
- Organizational structures have been updated as per last changes.
- 123 vacations and 31 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.

VIII– ADMINISTRATION & SECURITY: Reported by Ahmadiyya Musayev

- MRs/SRs were prepared for takeoff of the goods entered into the warehouse of the office;
- Monthly reports on turnover goods and materials, low value goods and write off acts as well as low value goods use acts were prepared;
- Due to the situation during the month, the functional duties of the Civil Defense Management Board of the Representative Office were clarified; an action plan was prepared;
- Monthly delivery-acceptance acts for the Administrative contractor have been prepared;
- Administrative offices, and around of administrative buildings were cleaned;
- Non working air conditioners, fridges, and dispensers were repaired
- Unused room furniture was distributed to areas in need.
- Necessary amount of water was supplied to the facilities at Island and other locations;
- Areas were cleaned from grass;
- Current plants were taken care of.
- Necessary medical aid was provided to employees applying for it.

Security& Civil Defense activities

- 398 one-time permissions were issued for 454 person and 397 vehicles entered to Representative Office premises based on the requests received.
- Records in the logbook of 635 employees who left for Bahar Field (working per shift) were maintained and their availability at work was checked during the current month.
- Deployment of employees (working on shifts) to Bahar Field on vessels was accompanied on 02,05,13,16,21,24,30 days of current month by the Department's rescue-diver personnel.

- According to terms of the contract 14 letters were sent to Abdullayev Sabuhi, the Chief of " Tornado-S " LTD, in order to get permission certificates for 1116 employees and 82 special vehicles to be able to enter the Representative Office area;
- On 14.12.2022, the specialists of department took part in the control of the transfer of 170980 liters of diesel fuel to "Bahar" area.
- T-cards control was carried out per the established procedure.
- Civil defense related activities continued per the approved plan.

Information Technologies

- Within December was no disruption in ICT dept.
- 100 helpdesk requests were processed.
- Jale from SS was provided with laptop for remote working.
- Fixed card reader power supply on bus stop area.
- Fixed scanner issue in Oil delivery office.
- Restored were deleted files in contracts share folder.
- Fixed computer issue in transport deprt.
- One printer was repaired.
- Two desktop problems were solved.
- Google subscription was prolonged.
- Server for new payroll soft was prepared.
- Malfunction printer in SS office was replaced.
- All empty cartridges were replaced.
- All printers have been checked.
- All servers checked and backed up.

IX– PROCUREMENT & MATERIALS: Reported by Rasul Gafarov

Procurement Department:

- 78 MRs & SRs Received;
- 96 POs and SOs prepared in SUN System;
- 0 MR canceled/oh hold;
- 25 MRs & SRs passed to Contract/Tender;
- 52 MRs & SRs under sourcing stage.

Number of Valid Contracts

- OPS – 43 (including 11 services contracts);
- WO/LOG – 67 (including 55 services contracts & 2 consultancy contract);
- Construction – 86 (including 65 service contracts);

- HSE – 17 (including 1 service contract for empl.);
- G&G – 9 (including 1 consultancy contracts);
- ADMIN – 15 (including 2 service contracts for empl.)
- HR – 4;
- ITC – 13;
- Legal – 19;
- Finance – 3;
- Procurement-14;
- Logistics – 71 (including 14 service contract for bus drivers; 21 – compulsory insurance; 1- minibus driver; 1 vacuum truck driver; 4 pickup driver; 1- 7t crane driver) ;
- WH – 3 (including 2 service contracts)

Number of addendums/extensions – 33

Termination of agreements - 3

Recommendation to prolongation contracts-0

Materials and Handling Department:

- **1,919,150.00 kg** handled without incident;
- Handling division received **151** materials transfer request
- WHS received **72 PO's, 193 line items** for the amount of **AZN 575,697.14;**
- WHS issued **484** line items for the amount of **AZN 450,641.73;**
- **171** NCR's raised; **43** NCR's was closed;
- Fuel station received **205,030.00** Liter of Diesel;
- Fuel station issued **194,150.00** Liters of Diesel;
- Fuel balance at January 1, 2023, is **55,591.00** Liters;

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