BAHAR ENERGY OPERATING COMPANY MONTHLY REPORT

<u>May 2020</u>

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EXECUTIVE SUMMARY: Reported by the President

A summary of activities during May 2020 are below:

a) Health Safety and Environment:

- May was again a positive HSE month for BEOC as there were no LTIs, TRIR remained at zero, and there were no reportable spills. This is commendable as 33 PTW were issued, and ten safety inspections and 20 TSOP cards were collected

-BEOC Board has approved and released a BEOC Corona Virus Plan

- To take necessary precautions for the prevention of potential employee infections from the coronavirus (COVID 19), the Representative Office of "Bahar Energy Operating Company Limited" in the Azerbaijan Republic sent all non-critical employees on paid unplanned vacation from March 29th, 2020 till May 31st, 2020.
- Body Temperature of all employees coming to the workplace is being checked, and all company rental busses for employees are regularly disinfected.

b) Production:

- Oil production was 605 Bopd, down 36 Bopd from April 2020.

- Gas production was 20.2 MMcfd, which was slightly higher by 0.5 MMcfd from April.

- BEOC also delivered 0.017 MMcfd of Solution Gas to SOCAR while utilizing 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.

c) Workovers:

- In Gum Deniz, seven workovers and well service jobs were completed, of which six wells were successfully returned to production during the month.

- WO operations were completed in the well#144 on PLT.48 at the "Bahar" field, and the well was restored to production. Due to "COVID-19" the pandemic virus, WO operations were temporarily suspended in the well#169, PLT.168, Bahar field.

d) Construction:

- To prevent the threat of the spread of coronavirus, given the instructions and recommendations of the relevant Government Agencies, BEOC ordered all major repair and construction works, with the possible support of day-to-day operations, temporarily stopped on the BH platforms.

e) Subsurface

- The work continues building geo and simulation models for main producing reservoirs in both GD and Bahar fields.

- Simulations are being prepared for the Gum Deniz waterflood pilot areas. Preliminary results indicate the potential to demonstrate waterflood performance in these discrete blocks. Operations and Construction teams have started pilot injection in Area "A" from GD PLTM 450 and in the central area in the horizon VIII from Platform 209a.

f) General Management

- BEOC continues to monitor the Corona Virus situation cautiously, and it is complying with all SOCAR and Ministry directives to ensure the safe workplace for all our employees and contractors. Plans were put into place to return employees to work in June 2020

I - HEALTH, SAFETY & ENVIRONMENT: Reported by Nuslet Safarov Head of HSE Division

a) Summary: HSE:

- 0 near-miss incident was recorded in May;
- TRIR is 0 by the end of May.

b) Monthly Safety	y statistics f	for May 2020
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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
Мау	0	109502	0	0	33
Total	0	584129	0	1	284

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 was recorded during this month.

d) HSE Activity

- HEALTH:
 - Before commencing crew change operation for the offshore stuff BEOC organized medical check-up to be confident about the health condition of workers.
 - The HSE department has been taking preventive disinfecting actions in the buildings against potential Corona Virus infection.
 - Installed 25 special dispensers for hand sanitizer A regularly control and fulfill by HSE representatives at the BEOC premises
 - The body temperature of the workers coming to the workplaces 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.
 - 30 employees applied to the First Aid Room with non-work related diseases during the reported period. All of them were rendered corresponding examination and treatment.
 - HSE department have started disinfecting the company rented buses daily as the number of confirmed cases of COVID-19 continues to rise.
 - 475 times drivers passed through daily medical examination before work commencement.

- SAFETY:

- 10 Safety inspections of BEOC sites and work performance were carried out.
- 20 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
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:

"Bus driver responsibility during the pandemic period" for 16 employees. "Rig skidding operation" for 10 employees

The total participants were 26 workers.

II - PRODUCTION / OPERATIONS: Reported by Dale McFadden

						OIL	and GA	S Produ	ction 202	20 Budge	t and A	ctual						
May-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	3,656	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	3,709	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	3,962	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	3,776	4,648
April				86		110	814	556,996	19,670,314	3,278	546,134	19,286,722	3,214	615,000	21,718,725	3,907	3,278	4,721
May	55	7.56	415	80	605	110	814	571,667	20,188,420	3,365	530,309	18,727,862	3,121	623,000	22,001,245	3,958	3,970	4,772
June																		
Q2 Average																		
July																		
August																		
September																		
Q3 Average																		
October																		
November																		
December																		
Q4 Average																		

a) Production year to date is shown below:

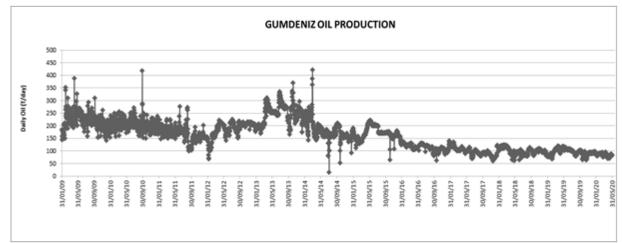
b) Production – Gum Deniz

- The production rate of the Gum-Deniz field averaged 80 tons/day;
- During the report covering period we have delivered 14 226 m3 of solution gas
- The volume of gas used by compressors on internal needs for oil refinery is 3,410,000 m3(110 000 x 31)
- The chart below shows the reasons for oil production decrease:

	Oil Production Rate Differences Between April and May 2020																																
Date / Well#	006	009	012	020	038	372	412	413	414	417	418	430	438	444	445	447	461	465	466	467	468	470	471	475	477	478	479	504	601	715	716	774	Total, m3
April 2020	1.7	2.3	0.0	0.0	3.8	15.5	4.0	0.0	6.5	4.6	4.8	0.0	0.6	1.3	19.1	3.6	0.0	4.8	1.4	2.4	2.9	2.2	2.8	6.9	3.5	2.1	6.5	1.6	1.5	10.3	3.7	1.1	121.5
May 2020	May 2020 1.7 2.2 0.7 0.0 3.7 23.5 2.2 0.0 5.2 3.4 2.7 0.0 0.0 0.2 10.6 2.6 0.0 4.5 1.4 2.8 2.5 2.7 2.1 6.6 3.7 1.6 6.1 1.7 1.5 9.9 1.5 1.1										107.7																						
Difference										-13.8																							

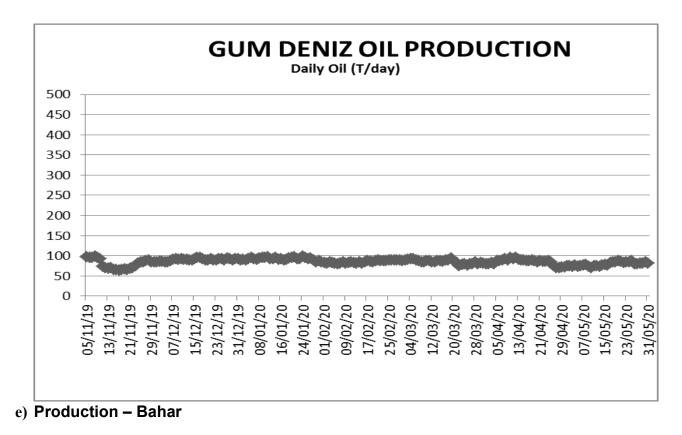
- Water injection to GD-520 well continues.

- WO were carried out in the well#GD-471 and completion by GLV method.
- Schlumberger ESP RIH to GD-454 canister well.
- GD-476 WOs been carried out, water injection commenced.



c) Year to Date Production: Gum Deniz

d) Oil Production for Last Six Months



- Bahar daily gas delivery realized as an average of 571 667 m3/day.
- Gas delivery was 20.19 MMcfd.

The chart below shows the reasons for gas delivery decrease:

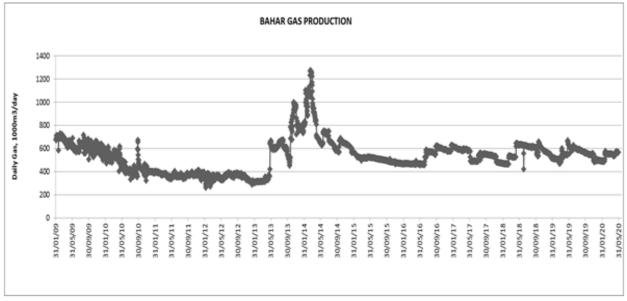
	Gas Production Rate Differences Between April and May 2020													
Date / Well#	83	140	144	167	170	171	175	179	182	205	241	Total, 1000 m3		
April 2020	37	51	0	76	123	43	77	75	0	24	50	556.0		
May 2020	37	51	22	70	121	43	77	75	1	23	49	569.0		
Difference											13.0			

- WOs in the well#144 at PLT.48 on Bahar field were done, well completed.

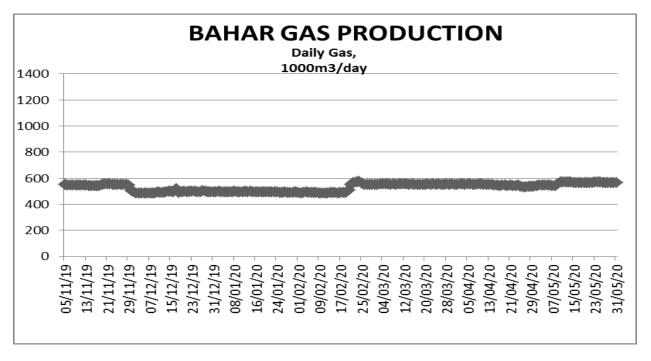
- WOs continues in the well 169 at PLT.168 on Bahar field.

- The leak detected on 12" gas line running from GZU 3 to GZU 1 at Bahar field, was eliminated by installing 1 clamp on it (the gas line on GZU 1 is at 4m height from the sea level), pressure tested to P=6 atm, no leaks observed, is hermetic. Gas line is launched to work.

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".
- Relocation, installation and landscaping works of measuring point at well#5 located at the GD470 area in Gum-Deniz field area is ongoing by Construction Team.
- Line connection works of 20" production line considered between OGSU#1 of Compressor Stations, Gas Collection, Processing and Delivery Unit and Oil Processing Unit are currently ongoing by Construction team.
- In regard with removal of Gas Distribution Point at causeway connected PLT450 "Construction Department" initiated installion of 3 ea of 2.5" gas lift lines from
- causeway connect PLT009 to PLT450 in Gum-Deniz Field, works are currently ongoing.
- The replacement of an old 8" gaslift line with processed water line along the entrance
- road carried out by "Construction Department"is currenly ongoing.
- Leakage on 8" production line running from PLTs 409 & 412 of Gum-deniz field to the causeways was eliminated by "Construction Department" with the help of divers, so the well #414,417,412,418 POP.

(May	2020)
Name of the operation	Completed Operations
Hot Light Oil Operation in wells	4
Fluid level survey	88 (13 wells)
Sulfanol treatment in wells	-
Salinity measurement in wells	88
Soap stick application in gas wells	-

i) Transportation Division:

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	Aut	o-Transp	ortation	Field Repor	t for Ma	y 2020		
						Am	ount of works ca	ried out
Description	Number	Work hours	Moto hours	Repair Hours	Milage km	Number of Vehicles/ hourly	Number of Vehicles/ monthly	Number of Vehicles/ daily
TRF	53							
Pulling Units serving for WO	9	256	256	101				
Stationary Type Pump (V-12)	1	49	49	6				
Drawork (QBQ-120)	2	178	178	8				
Mobile Boiler Truck (Consisting of two parts)	1	3.5	3.5	6				
Cement Trucks serving all BEOC Departments	11	1198	70	124	38			
Water Tank Trucks of Autotransportation Workshop	3	432	49	51	3124			
Other vehicles of Autotransportation field	7	420.5	83.5	32	283			
Number of Trucks put back into service after a long term repair works								
Rented Heavy/ Civil Plant trucks						10/104	4/months	8/11
Rented Light vehicles							16/months	

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Logistic Rep	port for Lifting Op	erations for May	2020
	01.05-31.0)5.	
Months	Orders	Weight (kg)	Hours
GENERAL	<u>Total: 53</u>	<u>Total: 489000</u>	<u>Total: 120</u>

	Marine Transportation Report for May 2020												
	DAYS	PASSENGER NO		TONNAGE	INCIDENT	REPAIR	SAILING	CANCELLATION					
	_	OUTBOUND	INBOUND				-	_					
ULLUCHAY	13 days			331,200 kg	NO								
MAGIC-1	12 days	162	164		NO								
XEZER-3	1 days			85,000 kg water	NO								
ВМК	7 days (4 days stand by due to weather)				NO		TOTAL-34	TOTAL-15					
irgiz	1 days			136,784 litr diesel fuel	NO								

j) Power usage and charges chart:

POWER/ELECTRICITY COST by MONTHS - 2020

ACTIVE ENERGY	Kwatt					
LOCATION	January	February	March	April	May	TOTAL
GumDeniz - Field	900,000	742,000	805,600	800,000	812,000	4,059,600
Compressor station 14	260,000	90,000	110,400	105,000	111,000	676,400
Compressor station 1	356,000	215,000	249,000	253,000	274,000	1,347,000
Compressor station 2	530,000	470,000	498,000	481,000	499,000	2,478,000
Automotization Industrial Processes	7,200	6,286	7,986	7,829	8,794	38,095
Electric workshop	7,500	6,500	10,980	9,032	8,995	43,007
Oil Process	80,000	66,000	84,560	79,500	86,500	396,560
5000 area	152,000	132,000	178,000	172,000	173,000	807,000
Gas Process	8,662	8,261	11,170	8,437	3,592	40,122
Workover	43,324	40,128	57,960	56,010	60,173	257,595
Offices	83,700	77,900	79,060	40,060	44,223	324,943
Transportation	42,032	38,900	48,700	46,750	52,816	229,198
Laboratory	23,015	21,130	23,230	20,685	23,848	111,908
Construction	12,102	10,400	15,493	18,350	23,339	79,684
Water supply	167	146	129	31	28	501
TOTAL -kW	2,505,702	1,924,651	2,180,268	2,097,684	2,181,308	10,889,613
0.076271187	,					
COST AZN total	191,113	146,795	166,292	159,993	166,371	830,564
REACTIVE ENERGY kVAR						
AZN/KVAR 0.00104						
kvar	1,056,804	1,141,576	1,179,464	1,143,362	1,254,237	5,775,443

k) Workovers:

Bahar WO's:

- BHR 144 MU and RIH w/ 86mm TCP vs 5-1/2" 20-23# Retrievable Packer BHA, set at 4260.28m. Successfully perforated at the intervals 4278 4281m / Hor. IX. Well flowing gas.
- BHR 169 Moved crew from onshore. Started POOH Mill BHA. Will POOH BHA. Secure the well. Suspend the operation till next order. Crew will be sent back to shore.

Gum-Deniz WO's:

- GD 477 Pulled ESP Assy. Added perforation at 2422-2424m(2m),2418-2420m(2m),2415-2417m(2m),2410-2414m(4m),2406-2409m(3m) intervals w/86mm Casing gun. RIH w/New ESP Assy.
- GD 464 Rig skidded to well. Pulled out PS. RIH Drill beat till 957.19m. Suspended ops. due to G476. Crew moved.

GUM-Deniz WS and Optimization:

- GD 471 Pulled production string. Cleaned wellbore till 3112.71m. 93mm Re-entry guide at 2007.4m. POP.
- GD 454 RIH ESP till 711.6m. Started the pump. Injecting into the G476.
- GD 476 Observed pressure raise at the annulus. Decision been made to POOH string and investigate the leak reason. Rig was skid from G464. Packer released and pulled. Tubing string were visually inspected while pull, while pressure test of ON/OFF and Packer BHA, at 80 atm observed leak at ON/OFF stinger connection. BHA was replaced to new. MU and RIH w/ MapSet packer BHA. Set the packer at 2301m. PT of annulus and tubing side were successful (70 / 200 atm). Resumed Injection.

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
Total	42	25

- Monthly / Annual Workover Statistics

- Summary of Workover Activity

Workover Operations								
Well	Operation	AFE #	Actual Cost	AFE Amount	Difference			
BHR 144	Recompletion	40-2-144-01-20	58M \$	256M \$	198M \$			
BHR 169	Recompletion	40-2-169-01-20	22M \$	405M \$	383M \$			
GD 477	Recompletion	40-1-477-01-20	9M \$	33M \$	24M \$			
GD 464	Recompletion	40-1-464-01-20	15M \$	33M \$	116M \$			

- Summary of Well Service Activity

Well Services					
Well	Operation	Actual Cost			
GD 471	Well Service	19M \$			
GD 454	ESP Installation / Water Flood Injection Project	10M \$			
GD 476	Water Flood Injection Project	69M \$			

III – CONSTRUCTION: *Reported by Zaur Najafzade*

a) Report by Budget Line Item

- C1.1 BH Plt No 9 WO UpGrade (B-129)
- C1.2 BH Plt No 136 WO UpGrades (B-135, B-137) *
- C1.3 BH Plt 168 WO Upgrade (B-172, B-169, B-167) *
- C1.4 GD causeway piling works *
- C1.5 GD Plt 250 Upgrade (GD 392/250/521) *
- C1.6 CS 2 fluid cooling system renovation*
- C1.7 CS 2 gas separator system renovation*
- C1.8 New 16" line (800m) from GNAS 1 to CS 2*
- C1.9 GD Plt 209 Upgarde of separator system deck area*
- C1.10 GNAS 2 Upgrade of separation system*
- C1.11 Replacing of GD PLT 9 substation # 13 (PQ-13) *
- C1.12 Undersea pipeline (2km) for Water Disposal Project*
- C1.13 Construction of alternative Bahar Gas Transfer Line*

* To prevent the threat of the spread of coronavirus, given the instructions and recommendations of the relevant Government Agencies and Company order all major repair and construction works and projects, with the possible support of day-to-day operations, are temporarily stopped on the BH platforms.

b) Additional Works

- Construction works for connection the tank 4 th line with drainage system on the 2000m3 tank farm area have been completed.
- Fabrication of the GZU-3 new collector spools in the island construction fabshop ongoing.
- Upgrade of the 2SQ-50 Compressor Machine No. 12 base and line pipes systems in CS# 14.
- Line pipes upgrade works Compressor Machine No. 3 on the CS#14.
- Upgrade of the GD B-471 well bay area, hydro testing of the B-471 new fabricated oil and gas manifolds
- Fencing works on the dam access area has been completed.
- Shelving in the main warehouse hangar.

- Upgrade of 2SQ-50 Compressor Machine No. 12 base in CS# 14.
- Repair of the GD Plt 363, B-461 subsea gas lift line.
- Repair of the leakage on the BH Platforms subsea production line between GZU-1 and GZU-3.
- Repair of the leakage on the CS#1 separator blowing line.
- Repair of the roof of the pumping station on the tank farm area.
- GZU-3 Starting from 19.05.2020 the construction brigade was placed on the platform for the organization of the planned piling works.
- Connecting the old gas lift pipeline along the dam to the water line at the entrance to the dam and near the "Halikarnas" restaurant and installing fire hoses on it, connecting the pump on the existing water line to the old gas lift line.

IV – SUBSURFACE: Reported by Ray Larijani

Workover Programs prepared

- B-144 Clean sand till TD. Drop the bar and perforate IX horizon , 4281-4278m intervals, put the well on production.
- GD-476 Run production string with MapSet packer to 2331m.

Wells logged/re-logged

Wells completed

- B-144 Recompletion. Perforated 4278-4281m horizon IX. Mm3/d. Well produces averagely 26 Mm3/d gas. Actual cost 58M \$.
- B-169 Recompletion. WO postponed. Expected gas rate is 40 Mm3/d from horizon X . Actual cost 22M \$.
- GD-477 Recompletion. Replaced ESP. Well produces averagely 4 tons/d oil, 200 ton/d water and 3 Mm3/d solution gas. Actual cost 9M \$.
- GD-464 Recompletion. Pulled out PS. Plan is to clean till 2828m, run INNK log. Further decision will be made according to INNK log result. WO postponed Actual cost 15M \$.
- GD-471 Well Service. POOH PS. Cleaned till 3112.71m. Well produces averagely 4 tons/d oil, 140 ton/d water and 4 Mm3/d solution gas..Actual cost 19M \$.
- GD-454 ESP Installation / Water Flood Injection Project. Canister well. Injecting into GD-476. Actual cost 10M \$.
- GD-476 Water Flood Injection Project. Actual cost 69M \$.

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

a) Cased-hole logging

Interpreted logs from GGI:

B-144

b) Geology

- Bahar FS-BX-BIX Geo-modeling is ongoing.
- Bahar VI Geo-modeling started

c) Reservoir Engineering

- GD horizon VIII history matching continues.
- 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 Production follow up file and Bahar general database.

d) Seismic

- 1. Bahar seismic horizon BVI interpretation is completed.
- BVIII-BIX-BX fault system review in the central part of the production area based on the updated well data is ongoing.

e) Task Scheduler

No.	Tasks started	<u>Start date</u>	Provisional completion date	Completion date
	GD Field			
1	GD horizon VIII history matching	25 February 2020	30 June 2020	
2	BVIII-BIX-BX fault system review in the central part of production area based on the updated well data	1 March 2020	30 June 2020	
3	GD NKP Simulation and Forecast	30 June 2020	31 December 2020	
	Bahar Field			
1	Bahar FS-BX-BIX Geomodeling, Simulation & WO Candidates Forecast	12 May 2019	30 June 2020	
	<u>Completed</u>			
1	Bahar VI fault interpretation and mapping	3 March 2020		31 May 2020

V - FINANCE: Reported by Rasul Gafarov

a) On a Monthly Base:

- Completed the Apr-20 accounting cycle in accordance with the monthly schedule;
- According to JOA issued Apr-20 Monthly reports to Contractor Parties;
- According to JOA May 20 Cash Calls distributed to Contractor Parties.
- Issued Apr-20 Additional Monthly reports to Contractor Parties;
- Issued and distributed Apr-20 Monthly departmental cost reports to Budget Holders / Department Managers;
- Issued and submitted Apr-20 monthly reports to government bodies, including but not limited;

- Prepared and submitted monthly Apr-20 Financial Highlights report to the Management.

b) On an Annual Base:

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

- BEL Group Audit;
- BEOC Cost Recovery Report;
- BEOC Special Purpose Statement;
- BEL Profit Tax Return;

VI – LEGAL PROCESS AND HUMAN RESOURCES: Reported by Ahmadiyya Musayev

a) Legal, Compliance, Document Control & Translation issues

- Contract review and negotiation activities were continued advising on contract drafts and other contractual documents;
- Board Resolutions were drafted and executed:
- Follow-up meetings and status checks were done regarding our meeting at FHN re new contract value;
- Employee complaints received from SOCAR were addressed;
- Necessary emails were drafted regarding COVID 19 and communication exchanged with SOCAR Upstream;
- Cases of various vendors in terms of BEOC payment obligations and received payment requests were reviewed and reported to management;
- 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 and a draft letter was prepared for discussing discounts with vendors;
- 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

- 1 employee contract was terminated (due to resignation application of employee);
- 19 term agreements were prolonged
- Overall 203 HR related operations have been made through this month;
- 105 vacations and 21 bulletins have been written and entered to the HRB system;
- Scanning of employee personal files continued;
- Review and revisions of current job descriptions were ongoing;
- Review of employee personal files continued;
- Coordinating of entering vacation days into HRB system

- Organization of mandatory trainings was carried on.
- Intensive work continued with Audits of Deloitte company

VII- ADMINISTRATION & SECURITY: Reported by Elshad Hasanov

Security: Reported by Masud Shahmaliyev

- 163 person and 113 vehicles entered to BEOC area based on the request issued of one-time entrance permissions;
- Registration of inflow and outflow of materials, equipment, workers going to the premises via Access Control Point # 1 is monitored on a daily bases;
- Maintaining records in the logbook of 188 employees who left for Bahar (working per shift) and checking their availability at work during March;
- On 06,22,27 May 2020 deployment of employees (working on shifts) to Bahar field on vessels was accompanied by the Department's rescue diver personnel;
- Entry to the causeway is prohibited for vehicles weighing more than 3 tons as per the decision of the Company Management. Only in exceptional cases vehicles heavy than 3 tons are allowed on the causeways as per approval of the President;
- 2 letters have been sent to Karim Rzayev, the chief of "Etalon Security" LTD, in order to get the permission certificates for 14 employees and 5 special machines to be able to enter the "BEOC" area, according to points of the contract;
- On 08.05.2020, the specialists of the department took part in the control of the transfer of 136784 liters of diesel fuel to the "Bahar" area;
- On 08.05.2020 experts of department have been attended to control the giving process of 3 generators Teksan TJ1250PE51 1250KVA to "Bahar" area;
- The employees of CD and FD measure every person's temperature with special tool whoever enters from checkpoint #1;
- On 17.05.2020 at 05:30 the wagon has been burned which is located just meters away from the entrance door of 2nd QKS of "BEOCL", and (belongs to cancelled mechanism making organization) is being used by workers of "Surakhani MKIS as dressing room. This wagon is made of wood and has the area of 20 m2. The security who works in 2nd QKS have seen the fire and called the fire department. The fire has been completely extinguished by 6 o'clock. 2nd QKS had no damage. The vice president Elshad Hasanov was informed;
- Two security checkpoints which were at 7/14 GCS of the company have been cancelled by the desicion of the meeting with Karim Rzayev who is the director of "Etalon" LTD and his assistant Anar Mammadov. They have agreed to decrease the payment for security from 35000 AZN to 28000AZN;

Additionally I would like to emphasize that we did not have results in the agreement on the price decreasing for Fire Department. The head of the department, majorgeneral Mr. Fuzuli Asadov's explanation was that he doesn't have the authority to change the staff unit and salary which is approved by Council of Ministers.

VIII – PROCUREMENT & MATERIALS: Reported by Margarita Rudkovskaya

a) Procurement

- 44 MR & SR Received
- 43 PO's and SO's prepared in SUN System
- 1 SR's under sourcing stage

b) Tender and Contracts:

Tender Packs under evaluation – 1

o BEOC 10165 CS 2 Gas Separator System Renovation

Tenders under RCA approval – 1

o BEOCL 10170 Heavy Vehicle & Civil Plant Rental Services

- RECOMMENDATION TO PROLONGATION & INCREASE VALUE OF CONTRACTS – 0

- NUMBER OF ACTIVE CONTRACTS

- OPS/WO/LOG 94 (including 16 transportation services and 18 services contracts for empl.)
- CONSTRUCTION 18
- HSE 9
- G&G 9 (incl. 2 consultancy contracts & 2 contracts for payment purpose only)
- ADMIN 20 (incl. 7 service contracts for empl.)
- HR –10(including 6 contracts with interns (free of charge)
- ITC 5
- LEGAL 16
- PM –14 (incl. 3 contracts for payment purpose only)
- FINANCE 3

- NUMBER OF ADDENDUMS / EXTENSION -11

c) Warehouse and Materials

- 172,320.00 kg handled without incident
- WHS received 14 PO's, 28 line items for the amount of 978,386.74 AZN
- WHS issued 179 line items for the amount of 187,207.04 AZN
- 13 (thirteen) NCR's raised 5 (five) NCR's was closed.
- Delayed Hanger 1 and 2 floor painting
- Delayed Video surveillance project
- Delayed Repair of roads in the territory PPY1
- Delayed Chemical storage
- Delayed installation Shelves Hangar 1, 3, 4
- Operations Monitor at gas station is out of service.
- Fuel station received 136,784.00 Liter of Diesel
- Fuel station issued 143,659.00 Liters of Diesel
- Fuel balance at June 1, 2020, is 61,215.00 Liters
- Waiting building project from constriction department (Main office Building)

IX – IT: Reported by Eldar Eyyubov

- No disruption in ICT department
- 25 helpdesk requests were processed
- All empty cartridges were replaced
- Provided was VPN connection between finance depart and Socar.
- All systems in normal operating mode
- All printers have been checked
- All servers checked and backed up.

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