

BAHAR ENERGY OPERATING COMPANY LIMITED

Monthly Report

June 2022

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

Summary: HSE:

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

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
Total	0	517604	0	0	320

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: No incident was recorded during this month.

HSE Activity

- HEALTH:

- Daily monitoring of COVID-19 vaccination status of BEOCL employees was carried out by HSE department. 522 employees (100%) received 1st dose, 522 employees (100%) received 2nd dose, 452 employees (86.5%) received 3th dose, 6 employee received 4th dose vaccine by the end of June.
- HSE department has been taking preventive disinfecting actions in the BEOC work places against potential Corona Virus infection.
- HSE department performed weekly disinfecting of the company rented buses against potential Corona Virus infection.
- Installed 25 special dispensers for hand sanitizer regularly control and filled by HSE representatives at the BEOCL premises.
- 50 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 performance were carried out.
- General HSE induction was conducted for 23 newcomers/ visitors.

- In accordance with Local Regulation the Health and Safety knowledge evaluation of 22 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.
- 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.

- 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
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:

Technical Safety inspection was conducted in June by State Agency for Safe work in Industry and Mining Control

Outstanding non-conformities recorded by: & percentage of completion

Issued on 18.02.2022 -State Fire Control Service – 50%

Issued on 29.12.2021 -State Agency for Safe work in Industry and Mining Control – 65%

Issued on 18.06.2021 - Ministry of Ecology and Natural Resources – 100%

Issued on 14.07.2021 - SOCAR Upstream – 55%

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 in June:

“Working at Height” for 21 employees.

- Firefighting drill was conducted at the Oil Process and Transportation site with assistance FHN Fire Protection Services.

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

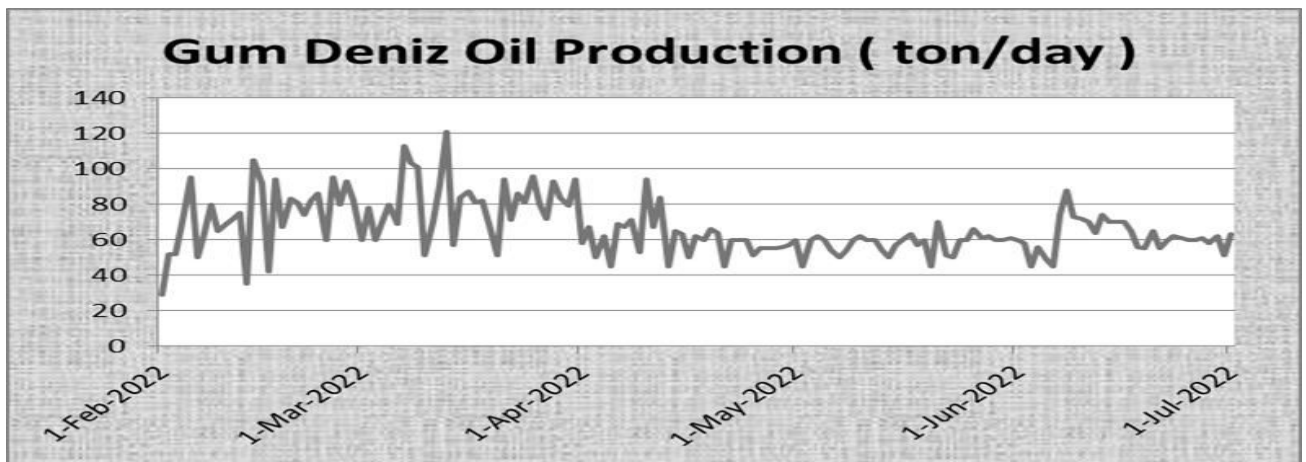
Production year to date is shown in the table below:

OIL and GAS Production 2022 Budget and Actual																	
Jun-22	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
January	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																	
AUGUST																	
SEPTEMBER																	
Q3 Average																	
OCTOBER																	
NOVEMBER																	
DECEMBER																	
Q4 Average																	

Production – Gum Deniz

- Production rate of the Gum Deniz field averaged 63 tons/day. Delivery 77 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 2,790,000 m3 (93,000 x 30).

Production graph of the Gum Deniz field for the last 6 month (tons/day) :

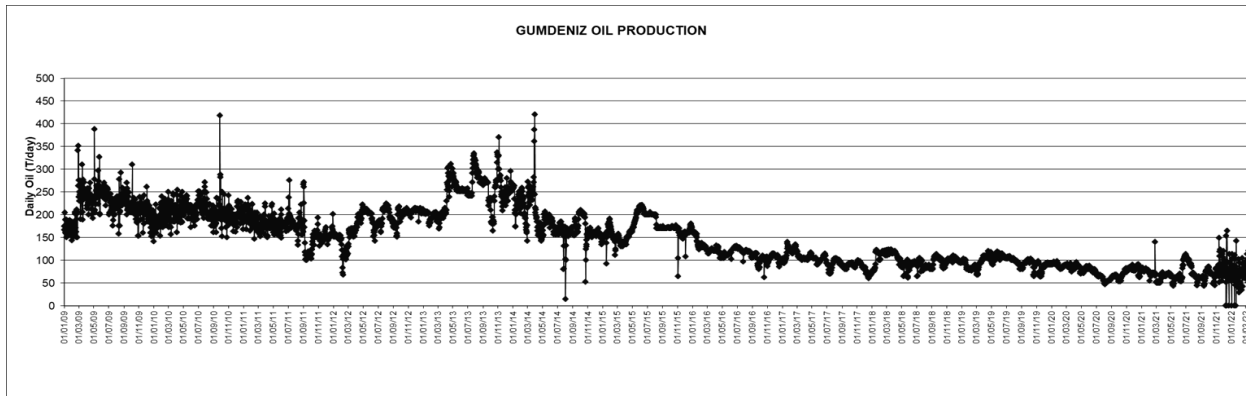


The chart below shows the reasons for oil production increase

Oil Production Rate Differences Between May and June 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	Total, m3
May 2022	2	2	0	0	4	14	3	0	3	0	3	0	0	0	0	3	6	0	0	0	2	2	2	4	6	4	5	12	1	0	7	0	0	85
June 2022	2	2	0	0	4	16	3	0	2	0	3	5	0	0	0	3	7	0	0	0	3	2	2	4	6	4	5	4	1	0	7	4	0	90
Difference																											5							

- SGD-414 Well was handed over to WO due to decrease in production and WO operations were completed. Well was POP with ESP method.
- SGD-412 Well was handed over to WO due to decrease in production and WO operations were completed. Well was POP with ESP method.
- GD-716 WO operations were completed and the well was POP with gas-lift method.
- GD-479 Well was handed over to WO due to decrease in production and WO operations were completed. Well was POP with gas-lift method.
- GD-058 Well was handed over to WO due to water production and WO operations were completed. Well was POP with gas-lift method.
- GD-203 WO operations are underway.
- GD-474 WO operations are underway.
- GD-351 WO operations have started and in progress.
- GD-465 Well was stopped due to no oil production. Waiting for WO crew...

Year to Date Production: Gum Deniz



Production – Bahar

- Bahar daily gas delivery realized as an average of 523 219 m3/day
- Gas delivery was 18.477 MMcf/d.
- The chart below shows the reasons for gas delivery decrease.

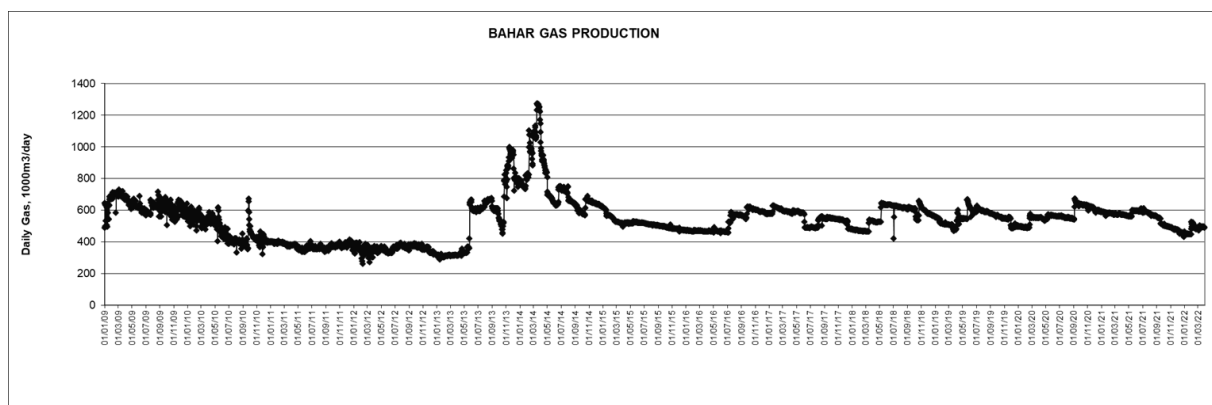
Gas Production Rate Differences Between May and June 2022															
Date / Well#	83	140	144	165	167	169	170	171	175	179	182	205	206	241	Total, x1000 m3
May 2022	22	38	0	149	0	0	115	1	72	70	1	21	67	40	596.0
June 2022	22	38	0	139	0	0	111	1	71	70	1	19	64	40	576.0
Difference															-20.0

- WO operations are underway in well BH169 on PLT168 of the “Bahar” field.
- WO operations are underway in well BH074 on PLT 70/106 of the “Bahar” field.
- WO operations are underway in well BH144 on PLT048 of the “Bahar” field.
- WO operations are underway in well BH190 on PLT065 of the “Bahar” field.

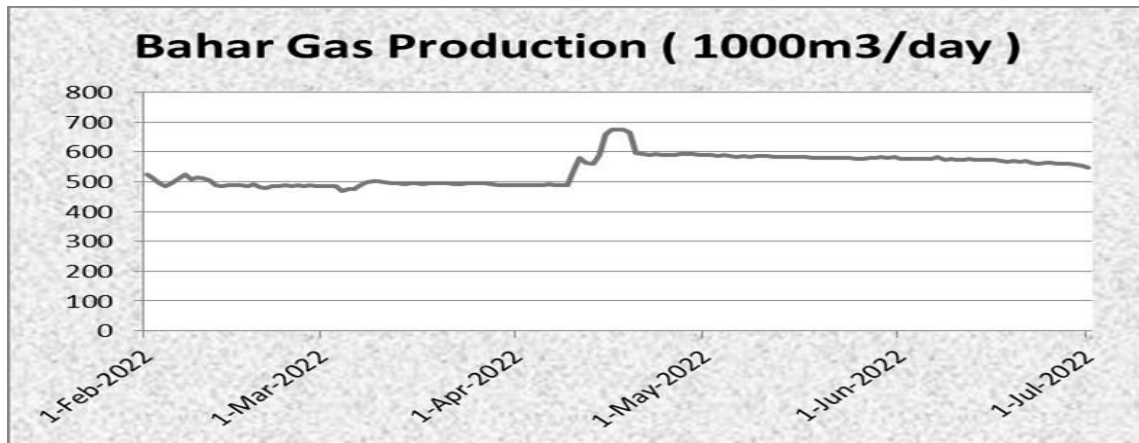
During the period covered by the report, the "Shirvan" crane vessel worked on order:

1. "Shirvan 3" crane ship took 2 separators from "Offshore Oil&Gas collecting unit No 3" in "Bahar" field and gave them "Ulluchay" crane vessel's board.
2. The "Shirvan 3" crane vessel helped the construction crew to lift (with the help of divers from the "Kesson") the broken vertical support part of the underwater 8" production line between PLT65 and PLT70/106.
3. The "Shirvan 3" crane vessel took on board a 25-ton autocrane and a 28-meter derrick from the "Zira" port.
4. On PLT409, a 28 m derrick was placed on well No417.
5. From platform 409, the vessel took the "A50" type Pulling Unit on board on the worksite.
6. The vessel took a 60-ton autocrane on board from PLT65 and handed a 25-ton autocrane on board to PLT 65.
7. The vessel gave the "A 50" type Pulling Unit and a 60-ton autocrane from its deck to the "Zigh" port.

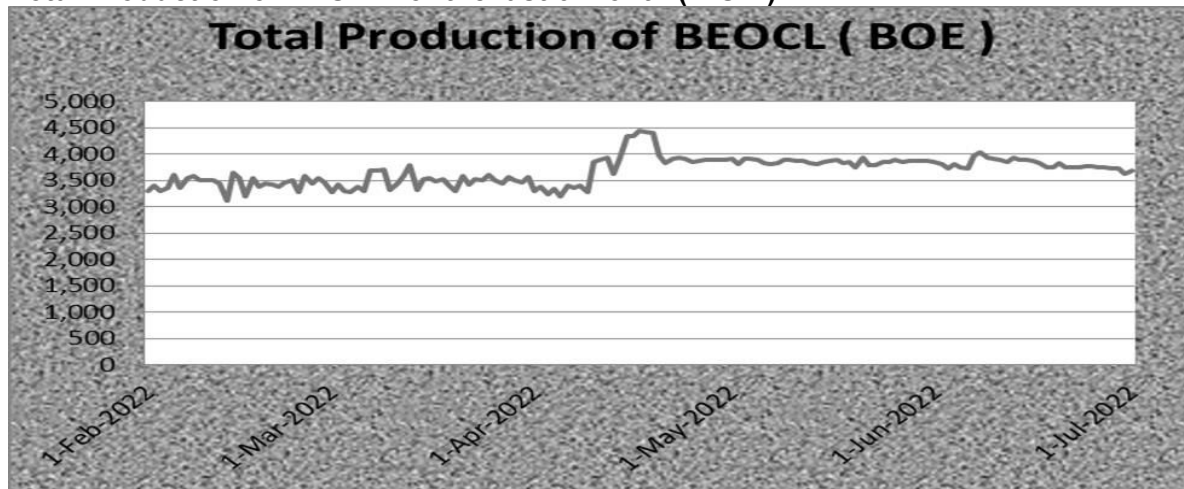
Year to Date Production: Bahar



Production graph of the “Bahar” field for the last 6 month (1000m3/day) :



Total Production of BEOCL for the last 6 month (BOE) :



Additional Production Works:

- The "Closed System" project designed to prevent the environmental pollution of the formation waters discharged from the technological tanks at "Oil Processing and Delivery Field" is being continued by the "Construction Division".
 - 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.
 - In CS1, GMC No 6 has been repaired and reconstructed and the car is undergoing a test run.
 - The work of relocating the gas/liquid measurement junction in PLT470 belonging to the "Gum-Deniz" field is ongoing.
 - "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 coordination works are ongoing by the construction division.
- 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.

June 2022	
Name of the operation	Completed Operations
Hot Light Oil and Diesel Operation in wells	10 (8 wells)
Fluid level survey	57 (17 wells)
Sulfanol treatment in wells	4 (2 wells)
Salinity measurement in wells	86 (30 wells)
Soap stick application in gas wells	-

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

- BHR 074 – Continued with uphole completion by perforating at the intervals 4044 - 4039m. With purpose of to pierce 3-layer casing slots - no flow. Uphole completion execution at Hor. VI by perforating at 3900 – 3897m and 3894-3886m interval is ongoing...
- BHR 144 – Due to casing damage around 3912m, moved forward for uphole completions at Hor. VI by perforating at 3710-3707m and 3704-3702m. Execution of wireline jobs by SGGI is underway.
- BHR 169 – No success with perforations at 3916-3913m. Moved on, to complete the well at Hor. VI by perforating at the intervals 3848-3840m. Executions for the completion of the well are underway.
- BHR 190 – Cleaned wellbore till 3796m. with 114mm JM BHA. Due to non-standard wellbore deviation was not able to rotate the WS for drilling the CP. POOH the string to renovate BHA for milling or drilling ops.

Gum Deniz WO's.

- GD 058 – Cleaned the wellbore down to 3454.00m Hor. PK – POP with GLV system.
- GD 479 – Well servicing / cleaned the wellbore down to PBTD at 2553m and POP with GLV system.
- GD 474 – RIH for drilling cement plug through the cemented intervals 2088-2085m and 2032-2035 vs 2037-2040m – PT and continue task by drilling out BP at 2190m and clean the wellbore for Hor.VII.
- GD 203 – Despite all attempts could not mill deeper than 2121.00m. POOH w/ Working String - 140mm JM BHA, 604m. Moved the rig on to the well G716 and crew to the well GD 412 to complete the well. Planning to move back on to the well at the first opportunity.
- GD 716 – Re-completed the well by perforating at the intervals 2350-2337m / Well optimization – POP with GLV system.
- GD 038 – Optimization - Lowered the Production String 2203.46m – POP with GLV system.

South Gum Deniz WO's.

- GD 414 – Well servicing / Replaced ESP and power cable – POP with ESP at 1476m.

- GD 412 – Well servicing / Replaced tubing string and power cable – POP with ESP at 1770m.

Out of Field report.

- Continue coordination of Sidetrack Project with SOCAR Drilling Trust. Made recommendations for developing a stimulation drilling program for G447 ST. Hold next meeting for move forward plan.

Coordinating with Construction Team regarding Drilling Rig and equipment spotting at platform as per sketch requirements of SOCAR Institute.—

- Continue coordinating orders regarding equipment:
 - Power Swivel Unit – 1 sets.
 - Skid base Triplex Slurry Pump – 1 sets.
- 28 – 100 type Derrick was successfully tested at “ADO-G” base and moved to the PL409.
- Continued coordinating with “ADO-G” regarding redness 28m Derricks for PL2 at GD field, PL9 and PL77 at Bahar field.
- Coordinated with “IDS” Company for 3rd 120 tonners Drawwork.
- Implementing and executing repair and maintenances programs for Heavy Equipment assets to support operation without delays. Coordinating purchase and delivery with the Procurement team.

a) Monthly / Annual Workover Statistics

<i>Month</i>	<i>Workover & Well Service Jobs completed</i>	<i>Number WO & WS Success</i>
January	8	2
February	9	3
March	8	2
April	16	8
May	8	5
June	12	6
Total	61	26

b) Summary of Workover Activity

<i>Workover Operations</i>					
<i>Well</i>	<i>Operation</i>	<i>AFE #</i>	<i>Actual Cost</i>	<i>AFE Amount</i>	<i>Difference</i>
BHR 074	Fishing / Re-completion	40-2-074-01-21	277M \$	365M \$	88M \$
BHR 144	Uphole re-completion	40-2-144-01-22	178M \$	164M \$	-14M \$
BHR 169	Uphole re-completion	40-2-169-01-22	55M \$	84M \$	29M \$
BHR 190	Re-completion	40-2-190-01-22	34M \$	286M \$	252M \$
GD 716	Re-completion	40-1-716-02-22	38M \$	31M \$	-7M \$

GD 203	Fishing / Re-completion	40-1-203-01-21	90M \$	42M \$	-48M \$
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c) Summary of Well Service Activity

Well Services		
Well	Operation	Actual Cost
GD 414	Well service	9M \$
GD 479	Well service	30M \$
GD 474	Fishing / Lower zone Re-completion	103M \$
GD 058	Well service	95M \$
GD 412	Well service	11M \$
GD 038	Well service	2M \$

d) Well operations heavy equipment report

Well operations heavy equipment field 2022 June					
Work Description	Number	Work hours	Engine Hours	Repair Hours	Mileage km
TRF	10				
Pulling units and Taw tractors used at Workover Workshop	14	706.5	706.5	124	
Stationary type pump unit (V-12)	1	27.5	27.5	12	
Stationary type pump unit (V-16)	1	51.5	51.5	6	
QBQ-120	3	588.5	588.5	24	
QBQ-160	1	359.5	359.5	2	
Mobile (two-part) ADPM unit	1	6.5	6.5	7	
Cementing Pump Trucks serving BEOC Departments	12	3144	283.5	196	26
Steam Unit Transportation field	1	64	12	6	14
Fire trucks of Transportation field	4				

Transportation field - Added repairs	4			30	
Number of trucks put into operation after long-term repairs					

IV – CONSTRUCTION: Reported by Panah Mammadov

#	Field/Location	Work Description	Status
Gum-Deniz			
1	Gum-Deniz, Causeways	In order to re-commission well No. 005, located on location 470 in the island area, which has been out of operation for a long time, temporary put on hold re-installation and connection of "GSU", "Fluid Measurement" junction and "Household gas" separator located in the area preparation of details in the workshop for laying lines.	In progress
2	CS, OGSU No2	Preparation and welding of details of BEOCL's natural gas, re-installed metering junction and input and output lines of 2 new separators for laying of 35 mm gas pipeline from Oil and Gas Extraction Company named after 28 May to Gas Export Department have been completed. In addition, the installation of bridges, service areas over valves and pipes.	In progress
3	Gum-Deniz, Causeways PLT9	Installation of a platform due to spot change of the unit PQ13 located in between the crossroad and PLT9. Carried out the installation of 2 panels 10x10. Completed welding of leaned 10" pipes for reinforcement of the panels. Carrying out works to connect with existing causeway road. Preparatory work for the construction of the building.	In progress
4	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
5	Gum-Deniz, Causeways, PLT2	"Gum-Deniz" 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 platform and pipes.	In progress
Bahar field			
1	Bahar, offshore oil&gas collecting Unit No2	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-65	In order to prepare for the WO of wells 187, 189, 190 and 191 located in the "Bahar" field, PLT 65, and the repair work to be carried out. In the western part of the platform, 8x10x40m metal plates were installed in the area intended as living block. In the eastern part of the working area, 1 Boat Landing was installed and fastened and connected to the floor. Currently, the installation of the underrotor of well 189 and the area around the well is underway.	In progress

3	Bahar, PLT-9/129	Installation of 2 metal plates in PLT9/129, initial supply of materials and installation of a footing area for hanging Boat Landing in the southern part. Temporary transfer of workers to the offshore platform by crane-vessel.	In progress
4	Bahar, PLT48	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 well No146 and the area around the well had been completed. Work is underway to assemble the rotoral supports of well No. 146 and the area around the well.	In progress
5	CS, offshore oil&gas collecting unit No1	Carrying out works to increase the durability of existing lines and connecting bridges in offshore oil & gas collecting Unit No1.	In progress. The crew was temporarily moved to the 70/106 platform.
6	Bahar, PLT-70/106	Repair and installation works to be carried out in order to prepare for the WO of well #74 located in PLT70/106 "Bahar" field. Connection of wells and existing production lines and installation of manifold lines. Reinforcement and coordination of 8" production lines from PLT65.	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 been completed. Next, work is underway on the 3rd hangar. Assembling and commissioning of 15pc shelves are completed. Work is underway to assemble the shelves of the 4th hangar.	In progress
2	The construction of a hangar for storing chemicals near the hangars belonging to the central warehouse on the island has been completed, as well as the installation of 2.5-pipe trusses and inter-farm wooden shafts. Preliminary preparations for the installation of corrugated sheet metal.	In progress
3	"Gum-Deniz" field, in different parts of the causeway, in accordance with the work plan of AFE 70-1-007-01-22, TS-01-22-07 dated 07.01.2022, designed for the repair of emergency supports. Installation and connection of supports between crossroads-PLT9 and PLT9-Base road.	Completed
4	Installation of 16" inlet and outlet lines of oil trap, 6" drainage lines and piles for the pump to be installed and connection lines in Oil Processing and Delivery Field.	In progress
5	Carrying out welding and installation works at Gas Processing and Delivery Field CS 2, replacing 20" unusable salt water lines with 16" new pipes.	In progress
6	Preparation of push-ups on the south-eastern and south-western legs to prepare for the Derrick skidding on the causeway at PLT208 has been completed. Carrying out works on preparation of pusher supports on north-western and north-eastern legs	In progress
7	Installation and welding of lines from 4" and 2.5" pipes exiting the separator, electric furnace Gas Distribution Unit in order to relocate the existing GDU located in causeway PLT209. Construction the new Gas Distribution Unit's building was completed. Construction and painting of the GDU's building was completed.	Completed
8	"Gum-Deniz" 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
9	In order to relocate the physico-chemical laboratory to the auxiliary building located on the island Carrying out of planned repair-construction works.	Completed

10	In the "5,000" area of the oil processing and delivery field, work has been completed to clean and repair the bottom sediment and deformation of some parts of the formation water trap. Carrying out repair work based on the defect act.	Completed
11	Work has been completed to eliminate leaks in the 10" salt water line in the area of the 19th, 31st, 51st and 88th supports along the dam road. Work has been completed to eliminate leaks in the 20" liquid line on the 2, 67, 136th supports along the dam road.	In progress
12	Installation and welding of 12" flange-pipe and 12" flange on 20" pipe prepared in the workshop for the cleaning of sediments in the 20" liquid line along the causeway between causeway Island-PLT66.	In progress
13	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
14	Installation and welding of a new 6m ³ water tank in operation of V-16 type pumping unit belonging to the heavy transport sector.	In progress
15	Cutting and welding works on the inlet and outlet lines during the overhaul and reconstruction of Gas compressor machine No6 at CS1.	In progress
16	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.	In progress

V- SUBSURFACE: Reported by Alamdar Useynov

Workover Programs prepared

- B-169** POOH 3.57 m left item from 1029 m depth, scrape up to 3920m, set BP at 3920m and put on cement liquid with GGI. Run 86mm TCP guns with mapset packer at the end production string within to 3916m. Coordinate packer setting and TSP guns depth. Drop detonator bar. Perforate 3916-3913m(3m) at horizon VII (1st program). If not open MP pull out of hole the tubing string open on-off connector. Set BP at 3865 and put on cement liquid with GGI. Run 86mm TCP guns with mapset packer at the end of the production string to perforation zone 3848-3840m intervals at horizon VII. By logging GR/CCL coordinate packer setting and TSP guns depth. Open MP at 3827m. Drop detonator bar and POP. (2nd program).
- B-190** RİH special mill, drill the cement plug 4200m. Clean well down to 4690m. Perform QR/NGL/CCL(4690-3760m) logging. Further operations will be planned according to GR/NGL results.
- GD-479** POOH production tubing with gas lift valves. Run sand bailer to clean down to TD. if there is a sand plug. In case of being unsuccessful, use special mill to clean down to TD. Run 2250m 2 7/8" tubing with gaslift valves (1st program). Add 150 m to the tubing string (2nd program).
- GD-716** POOH tubing string with gaslift valves. Set BP at 2500 and put on cement liquid with GGI. Run 2000m 2 7/8" tubing with gaslift valves. Logging GR/CCL, perforate 51 mm tubing guns at 2350-2337m(13m) intervals at horizon VIII (1st program). Check TD through tubing string. Add 300m to the tubing string (2nd program).
- B-074** POOH tubing. RİH 4" tubing string to 1000m. Logging GR/CCL, perforate TST-65 at 4044-4039m intervals at horizon VII. If the well does not flow POOH tubing string, Run 4035m 2 7/8" tubing with ceramic disk in the well. Drop mechanically bar and POP.
- GD-058** POOH tubing string with gaslift valves. RİH special mill, check feedrate of 3340-3350m interval. If positive perform remedial cement squeeze into the interval. Clean to cement and sand to 3450m. Run 2000 m 2 7/8" tubing with gaslift valves.
- GD-412** POOH tubing string with ESP. Inspect condition of tubing and ESP, if any problem, solve. Run 1760m 2 7/8" tubing with ESP.
- GD-038** Add 150m to the tubing string.

Wells logged/re-logged

GD-716 GR/CCL (2)
B-74 GR/CCL
B-144 GR/CCL

Wells completed

- 1. B-074 Fishing/Recompletion. Ongoing.** Perforated 4039-40144m at horizon VII. No flow. Expected natural gas rate is 30 Mm³/d from horizon VII. Actual cost is 277 M \$.
- 2. B-144 Uphole Recompletion. Ongoing.** Due to casing damage decided to perforate uphole potential intervals 3710-3707m, 3704-3702m intervals at horizon VI. Expected natural gas rate is 30 Mm³/d from horizon VI. Actual cost is 178 M \$.
- 3. B-169 Uphole Recompletion. Ongoing.** Expected natural gas rate is 40 Mm³/d from horizon VII. Actual cost is 55 M \$.
- 4. B-190 Recompletion. Ongoing.** Expected natural gas rate is 70 Mm³/d from horizon X. Actual cost is 34 M \$.
- 5. GD-203 Fishing / Re-completion.** Could not mill deeper than 2121m. Expected oil rate is 4 ton/d from horizon VIII. Deferred because of GD-716 and GD-412. Actual cost is 90 M \$.
- 6. GD-716 Recompletion.** Perforated 2350-2337m at horizon VIII, POP, oil rate started with 49 ton/d, dropped to 1.5 ton/d, water rate is 5 ton/d, gas rate is 5 Mm³/d. Actual cost is 38 M \$.
- 7. GD-474 Fishing / Lower zone Re-completion. Ongoing.** Expected oil rate is 5 ton/d IX/X horizon. Actual cost is 103 M \$.
- 8. GD-412 Well Service.** Replaced tubing string and power cable. POP with ESP at 1770m. Expected oil rate is 3 ton/d. Well produces 231 ton/d water. Actual cost is 11 M \$.
- 9. GD-058 Well Service.** Cleaned TD till 3454m. Expected oil rate is 4 ton/d PK horizon. Producing 103 ton/d water for drain formation. Actual cost is 95 M \$.
- 10. GD-038 Well Service.** Lowered the production string to 2203.46. POP with GLV. Well produces 3 ton/d oil, 41 ton/d water, 2.5 Mm³ solution gas. Actual cost is 2 M \$.
- 11. GD-414 Well Service.** Replaced ESP and power cable. ESP set at 1476m. Well produces 3 ton/d oil, 292 ton/d water, 1 Mm³ solution gas. Actual cost is 9 M \$.
- 12. GD-479 Well Service.** Cleaned till 2553m. POP with GLV. Actual cost is 30 M \$

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

Interpreted logs from GGI:

Geology

Reservoir Engineering

1. GumDeniz PK and KaS horizon simulation model history match in progress.
2. Balakhany IX, X and FS history match in progress.
3. WO Success file updated.

4. Monthly Reports for SOCAR (Production, Delivery, Used, Production and Delivery Indicators, Well Fund).
5. Updated Bahar and GD OFGM database.
6. Updated Daily and monthly Production follows up database.

<u>June 2022 Planned and Fact Production Comparison</u>			
	Plan	Fact	Achieved
Oil and Condensate, tons	3022.620	1887.670	62%
Free Gas, Mm3	25790.797	17437.216	68%
Solution Gas, Mm3	3704.586	1393.267	38%

Seismic:

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

VI- Finance: Reported by Rasul Gafarov

On a Monthly Base:

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

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

According to JOA Jun – Jul-22 Cash Calls distributed to Contractor Parties.

Issued May-22 Additional Monthly reports to Contractor Parties.

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

Issued and submitted following May-22 monthly as well as quarterly reports to government bodies:

VAT, consolidated tax report on employment and statistical reports;

Prepared and submitted monthly May-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;
- TSA Policy was prepared and executed;
- MSA for Technical Services Agreement with SOCAR Upstream for Technical Services Agreement was prepared and executed;
- Cable theft was reported to the relevant subdivision of the Water Police Department;
- Liaison activities with Surakhany Mayor's office and other government authorities, including security forces continued;

- 159 one-time permissions were issued for 200 person and 105 vehicles entered to BEOC premises based on the requests received.
- Records in the log book of 897 employees who left for Bahar (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 01, 04,09,11,17,19,24,30 days of current month by the Department's rescue-diver personnel.
- 2 letters were sent to Avtandil Aqayarov, the Chief of " Tornado-S " LTD, in order to get permission certificates for 659 employees and 97 special vehicles to be able to enter the "BEOCL" area, according to terms of the contract.
- On 02.06.2022, 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 June was no disruption in IT dept.
- 73 helpdesk requests were processed
- Remotely configured a new printer in the Houston office
- Replaced a broken air conditioner in the backup server room with a new one
- Replaced 4 faulty UPS at compressor station
- Fixed a large network printer malfunction on the second floor
- Replaced faulty monitor at compressor station
- A faulty computer was replaced in the field of oil processing and delivery
- Greenfields website was updated
- Repaired a broken printer in the warehouse
- Tested and accepted equipment of resigned personnel
- All empty cartridges were replaced
- All printers have been checked
- All servers checked and backed up.

IX– PROCUREMENT & MATERIALS: Reported by Rasul Gafarov

- 73 MRs & SRs Received;
- 68 POs and SOs prepared in SUN System;
- 2 MR canceled/oh hold;
- 30 MRs & SRs passed to Contract/Tender;
- 48 MRs & SRs under sourcing stage.

Tendered Contracts under process – 1

- BEOCL 10178 Construction of Seaport

Number of Valid Contracts

- OPS – 31 (3 services contracts for empl.);
- WO/LOG – 27 (9 services contracts for empl.& 1 consultancy contract);
- Construction - 23;
- HSE – 18 (including 1 service contract for empl.);
- G&G – 13 (incl. 3 consultancy contracts & 2 internship program);
- ADMIN – 11(including 3 service contracts for empl.)
- HR – 5;
- ITC – 13;
- Legal – 16;
- Finance – 3;
- Procurement-15
- Logistics -- 60 (including 14 service contract for bus drivers; 24 – compulsory insurance; 1 – operator of 60t crane; 1 – rigger; 3- minibus driver; 1 vacuum truck driver)
- WH - 2

Number of addendums/extensions – 8

Termination of agreements - 2

Materials and Handling Department:

- **3,159,740.00 kg** handled without incident;
- Handling division received 220 materials transfer request
- WHS received **58 PO's, 263 line items** for the amount of **AZN 978,804.36;**
- WHS issued **698** line items for the amount of **AZN 1,389,192.38;**
- **139** NCR's raised; **42** NCR's was closed;
- Fuel station received **170,980.00** Liter of Diesel;
- Fuel station issued **188,249.00** Liters of Diesel;
- Fuel balance at July 1, 2022, is **110,805.00** Liters;

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