

BAHAR ENERGY OPERATING COMPANY
MONTHLY REPORT

February 2020

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EXECUTIVE SUMMARY: *Reported by the President*

A summary of activities during February 2020 is below:

a) Health Safety and Environment:

- During February for BEOC, as there were no LTIs, TRIR remained at zero, and there were no reportable spills. This performance was commendable as 76 permits to work were issued, and 338 STOP cards were submitted. There was one near-miss incident reported, which was a single vehicle road accident.

b) Production:

- Oil production was 644 Bopd, a decrease of 49 Bopd from January. The drop was due to GD 430 well, which stopped production due to ESP failure and the inability to obtain a crane ship to mobilize necessary equipment to rectify the issue.
- Gas production was 18.4 MMcfd, which is an increase of 0.6 MMcfd over January. The primary contributor to the production increase was the rehabilitation of well B167, which is currently producing 2.65 MMcfd.
- BEOC also delivered 0.8 MMcfd of Solution gas to SOCAR while only utilizing 1.1 MMcfd for fuel gas in Gum Deniz operations.

c) Workovers:

- In Gum Deniz and Bahar fields, ten workovers and well service jobs were completed, of which two wells were prepared for water injection, and six jobs were successful. One acid stimulation was successfully completed on GD 476. In Bahar, workovers were completed on BH 167, which was successful and flowing gas and on BH 134, which not successful due to damaged casing. Bahar workover jobs were initiated on BH 169 and BH 144 wells.

d) Construction:

- Major platform refurbishments are ongoing by Construction in Bahar field at Platform's 168, 136, and GZU 3. Construction of the GD Platform 209 a high-pressure injection system was completed to support the pilot waterflood in the crestal area of the Gum Deniz field.

e) Subsurface

- Simulations are being prepared for the Gum Deniz waterflood pilot areas in horizons VIII and X. Preliminary results indicate the potential to demonstrate waterflood performance in these discrete blocks. Pilot injection in Area "A" (from GD PLTM 450) is ongoing and was initiated in Area "B" (GD PLTM 209a).

f) General Management

- BEOC was unable to utilize any heavy-lift crane vessels during February, which has delayed rig equipment movement and negatively impacted oil production from South Gum Deniz.
- Delayed revenues from gas sales have complicated the payments to longterm vendors and have affected the execution of the 2020 business plan.

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

a) Summary: HSE:

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

b) Monthly Safety statistics for February 2020

Month	LTI	Man Hours	TRIR	Incidents (FA,LTI,NM, PD,RT)	PTW
January	0	133831	0	0	94
February	0	118773	0	1	76
Total	0	252604	0	1	170

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: 1 near-miss incident was recorded during this month..

d) Near-miss incident

- On 13.02.2020 at 15:20 BEOCL vice president Elshad Hasanov lost steering control while driving the company's rented vehicle Hyundai Sonata (plate number 90 PD 925) to the workplace (BEOCL Main office) and crashed to pipeline pole structure. No personal injuries only collision of some of left parts of the vehicle (bumper, left side door and mirror) were damaged.

e) HSE Activity

- HEALTH:

- During the reported period 100 BEOCL employees applied to the First Aid Room with non-work related diseases. All of them were rendered corresponding examination and treatment.
- 558 times drivers passed through a daily medical examination before work commencement.
- Treatment with insecticide, rodenticide, and disinfectant of about 1250 m² was provided at the worksites, workshops and administrative office buildings.

- SAFETY:

- General HSE induction was conducted for 11 newcomers/ visitors.
- 22 Safety inspections of BEOCL sites and work performance were carried out.
- 338 STOP cards were collected from BEOCL facilities/Workshops/Platforms. All issued Cards were registered, tracking is in progress.
- In accordance with Local regulation, the Health and Safety knowledge evaluation of 19 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.

- 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
Total	0	0	0

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

f) Training and other activities:

According to BEOCL HSE Assurance Plan 2 Mustering drills were conducted at the #136 offshore platform.

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

“General safety rules” for 19 employees

“Safety rules for marine transportation of workforce” for 39 employees,

“Rig skidding operation” for 10 employees.

“First aid technique for an injured person” for 20 employees.

“Permit to Work procedure” for 3 employees.,

The total participants were 91 workers.

II - PRODUCTION / OPERATIONS: *Reported by Dale McFadden*

a) 2019 Production is shown below:

OIL and GAS Production 2020 Budget and Actual																		
Feb.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																		
Q1 Average																		
April																		
May																		
June																		
Q2 Average																		
July																		
August																		
September																		
Q3 Average																		
October																		
November																		
December																		
Q4 Average																		

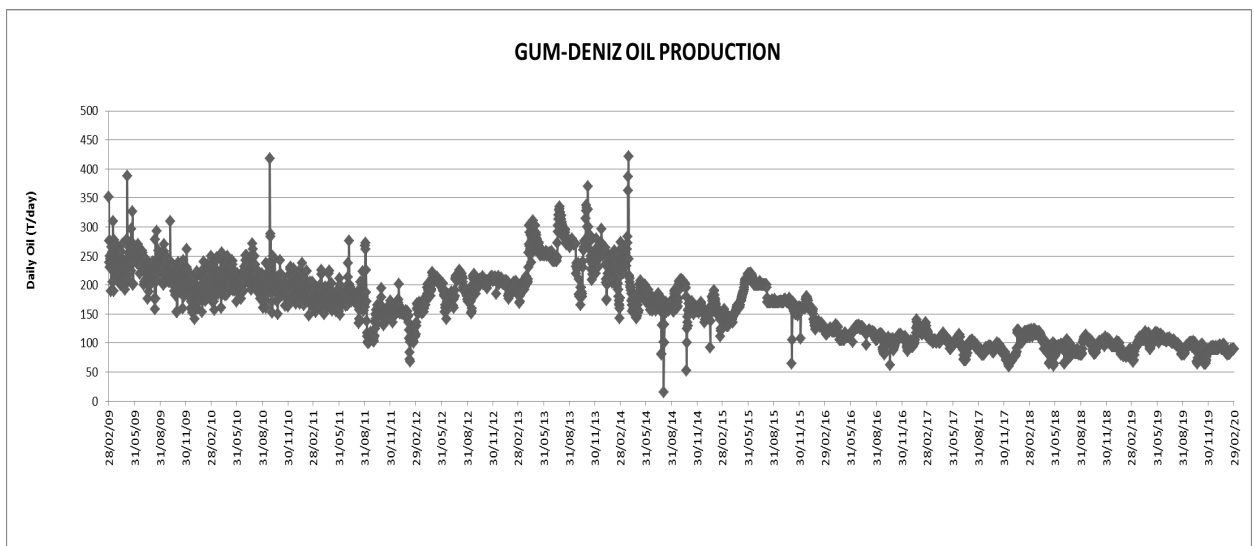
b) Production – Gum Deniz

- The production rate of the Gum-Deniz field averaged 86 tons/day;
- Average oil production was 644 Bopd;
- During the report covering period we have delivered 22 005 m3 of solution gas;
934 000 m3 of fuel gas was utilized.
- The chart below shows the reasons for oil production decrease:

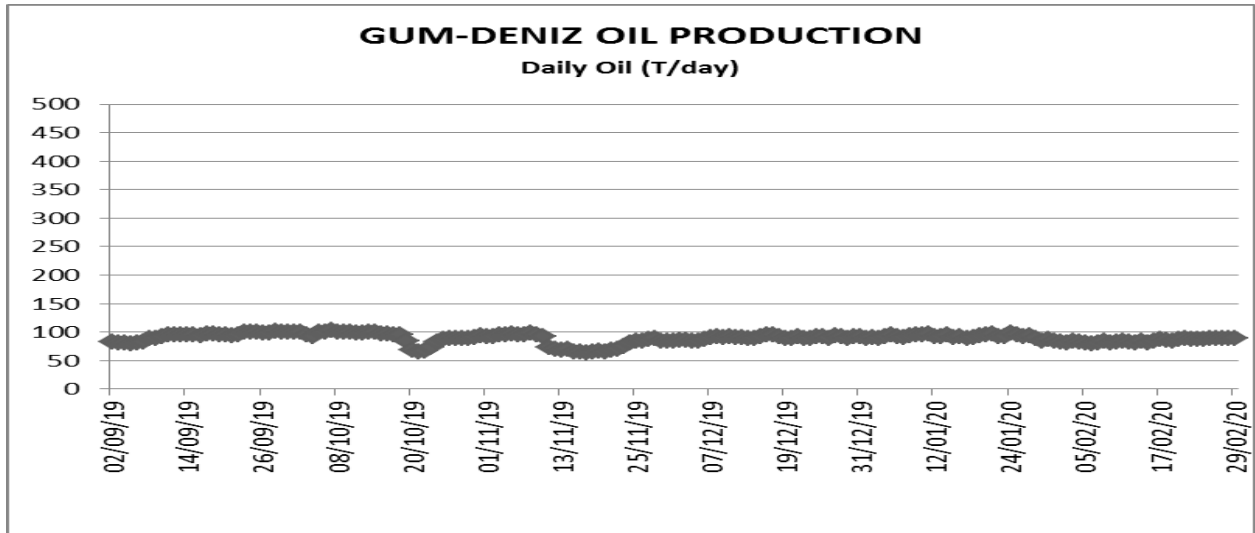
Oil Production Rate Differences Between January and February 2020																															
Date / Well #	006	009	020	038	372	412	413	414	417	418	430	444	445	447	461	465	466	467	468	470	471	475	477	478	479	504	601	715	716	774	Total, m3
January 2020	2.0	2.0	1.6	2.0	23.5	3.7	4.4	9.8	5.5	5.0	6.5	3.8	2.9	3.9	2.0	4.5	1.1	0.8	1.2	2.1	4.3	7.0	4.4	2.8	7.7	2.0	2.1	9.2	2.5	2.0	132.0
February 2020	1.7	1.8	1.0	2.5	23.6	3.6	4.3	11.5	6.2	4.7	0.0	4.1	4.5	3.1	0.3	4.2	1.2	0.0	0.5	2.1	3.0	7.4	4.1	1.9	6.9	2.0	1.5	9.5	3.5	1.5	122.0
Difference																									-10.0						

- GD-476 WOs were carried out and the well was ready-made for water injection purposes;
- GD-520 WOs were carried out and the well was ready-made for water injection purposes;
- GD-468 WOs were carried out and the well was POP via GLV method;
- GD-467 WOs were carried out and the well was POP via GLV method;
- GD-415 WOs were stopped;
- GD-012 WOs are currently ongoing.

c) Year to Date Production: Gum Deniz



d) Oil Production for Last Six Months



e) Production – Bahar

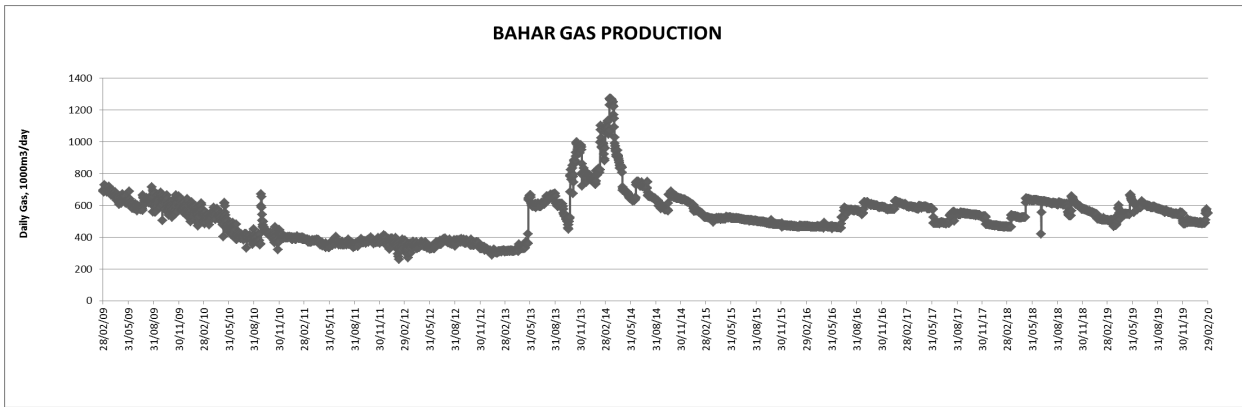
- Bahar daily gas delivery realized as an average of 520 695 m3/day.
- Gas delivery was 18.39 MMcfd.

The chart below shows the reasons for gas delivery decrease:

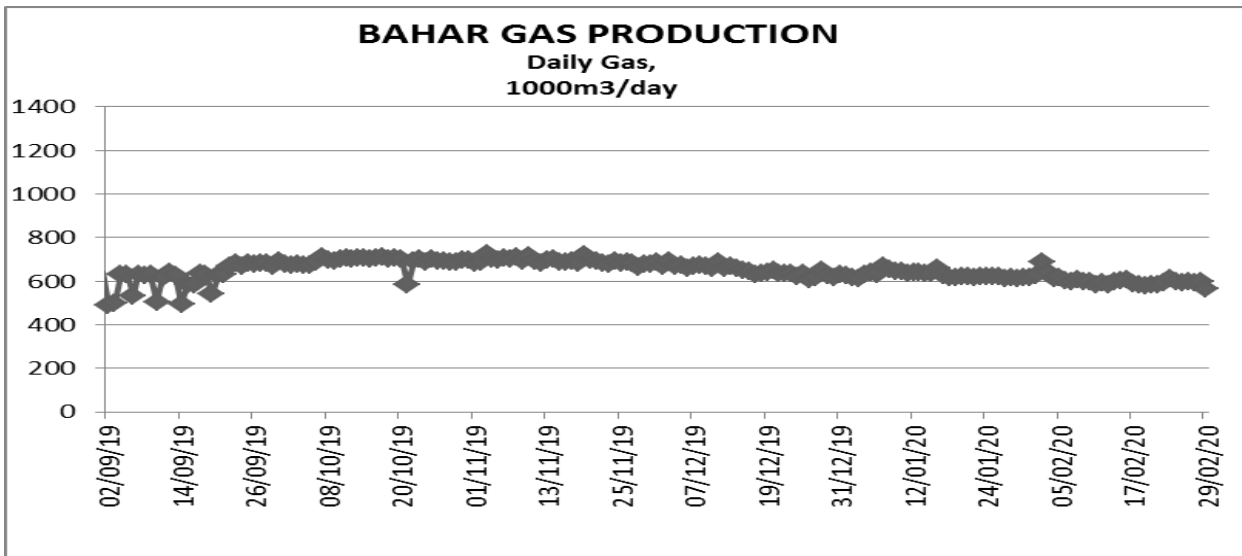
Gas Production Rate Differences Between January and February 2020											
Date / Well #	171	83	167	170	175	179	241	140	205	182	Total, m3
January 2020	46	37	0	129	78	75	52	54	30	0	500.7
February 2020	46	37	26	127	78	75	51	52	28	0	519.6
Difference											18.9

- WOs were completed at “Bahar” field PLT.168 well #167, well was POP.
- WOs started and going on, in the well# 169, PLT.168 “Bahar” field.
- WOs started and going on, in the well# 144, PLT.048 “Bahar” field.
- Refurbishments are ongoing by “Construction Department” at PLT.168, PLT.136, PLT.48 and GZU#2 on “Bahar” field.

f) Year to Date Production: Bahar



g) Gas Production for Last Six Months:



h) Additional Production Works:

- Works are ongoing by Construction Team for 16" production line support system along the causeway at Gum-Deniz field.
- Construction of "Closed Loop System" project stipulated to prevent pollution of the environment through the discharge of formation water from technological storage reservoirs located at Oil Processing Unit is ongoing by the Construction Department.
- Relocation of injection gas distribution system and installation 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.
- Repair of 20" production line from security post #1 in Gum-Deniz field to Gas Compressors, Gas Collection, Processing and Delivery Unit was completed by the Construction Department and was pressure tested to 5 atm, no leaks.
- In regard to the removal of Gas Distribution Point at causeway connected PLT450, "Construction Department" initiated installation of 3 ea of 2.5" gas lift lines from causeway connect PLT009 to PLT450 in Gum-Deniz Field.

(February 2020)	
Name of the operation	Completed Operations
Hot Light Oil Operation in wells	4
Fluid level survey	64 (15 wells)
Sulfanol treatment in wells	-
Salinity measurement in wells	86
Soap stick application in gas wells	-

i) Transportation Division:

Auto-Transportation Field Report for February 2020								
<i>Description</i>	<i>Number</i>	<i>Works Hours</i>	<i>Moto Hours</i>	<i>Repair Hours</i>	<i>Driven Destination</i>	<i>Amount of Works Carried Out</i>		
						<i>Number of Vehicles / hourly</i>	<i>Number of Vehicles / monthly</i>	<i>Number of Vehicles / daily</i>
TRF	87							
Pulling Units serving for WO	9	411.5	411.5	118				
Stationary Type Pump (V-12)	1							
Drawwork (QBQ-120)	2	287.5	287.5					
Mobile Hot Oiler Truck (Consisting of two parts)	1	5	5					
Cement Trucks serving for all BEOC departments	11	348	124	104	14			
Water Tank Trucks of Auto-Transportation Workshop	3	400	45.5	44	2858			
Other vehicles of Auto-Transportation field	7	348.7	99.8	32	747			
Number of Trucks put back into service after a long term repair works								
Rented Heavy/ Civil Plant trucks						20/223,5	8/monthly	11/13
Rented light vehicles							21/monthly	

Logistic Report for Lifting Operations for February 2020			
01.02.2020 - 29.02.2020			
Months	Orders	Weight (kg)	Hours
General	<u>Total: 87</u>	<u>Total: 1054000</u>	<u>Total: 200</u>

Marine Transportation Report for January 2020

Marine Transportation Report for February 2020								
NAMEs of VESSELS	DAYS	PASSENGER NO		TONNAGE	INCIDENT	REPAIR	SAILING	CANCELLATION
		OUTBOUND	INBOUND					
ULLUCHAY	10 days			533,457 kg	NO		TOTAL-24	TOTAL-17
MAGIC-1	11 days	316	326		NO			
XEZER-3	2 days			225,000 kg water	NO			
IRGIZ	1 days			136,784 litr diesel fuel and 24,000 kg water	NO			

j) Power usage and charges chart:

<u>POWER/ELECTRICITY COST by MONTHS - 2020</u>			
ACTIVE ENERGY	Kwatt		
LOCATION	January	February	TOTAL
GumDeniz - Field	900,000	742,000	1,642,000
Compressor station 14	260,000	90,000	350,000
Compressor station 1	356,000	215,000	571,000
Compressor station 2	530,000	470,000	1,000,000
Automotization Industrial Processes	7,200	6,286	13,486
Electric workshop	7,500	6,500	14,000
Oil Process	80,000	66,000	146,000
5000 area	152,000	132,000	284,000
Gas Process	8,662	8,261	16,923
Workover	43,324	40,128	83,452
Offices	83,700	77,900	161,600
Transportation	42,032	38,900	80,932
Laboratory	23,015	21,130	44,145
Construction	12,102	10,400	22,502
Water supply	167	146	313
TOTAL -kW	2,505,702	1,924,651	4,430,353
	0.076271187		
COST AZN total	191,113	146,795	337,908
REACTIVE ENERGY kVAR			
AZN/KVAR 0.00104			
kVAR	1,056,804	1,141,576	2,198,380

k) Workovers:

Bahar WO's:

- BHR 167 – Successfully Re-completed the well at Hor. VI. Perforated intervals are 3733 - 3730m. Well is flowing.

- BHR 169 – Moved Derrick and Draw work onto the well from B167. Successfully pulled old (1994) production string from the well. Will continue with wellbore cleaning.
- BHR 144 – Moved crew, completed rig mobilization jobs. Checked TD in the tubing at 4353m (mechanical gun release). Find the hole in tubing at 4080 m. Will continue attempts to release and pull production string.

Gum-Deniz WO's:

- GD 464 – Executing Re-completion plan: Drill out 3 BP and fish or drill out WL tools. Cement isolation work to be done while cleaning down. Clean wellbore to TD 2828m. Squeezed cement at 1984 – 1992m. RIH w/140mm Drill Bit BHA. Ongoing.
- GD 012 – Resumed fishing works as per Re-completion plan. Successfully fished out LIH packer BHA. Cleaned the wellbore and performed INNK Log upward up to 3140m. As per INNK Log results will continue with Perforation at 3404 – 3420 m intervals w/86mm Casing Guns.

GUM-Deniz WS and Optimization:

- GD 467 – Replaced ESP to GLV. Landed PS w/93mm Re-entry guide and 8 each GLV at 2302.71m. POP
- GD 468 – Replaced ESP to GLV. Landed PS w/93mm Re-entry guide and 6 each GLV at 1906.94m. POP.
- GD 474 – Pulled and recovered PS and 7 each GLV from 1899.70m. POP.

Gum-Deniz Water Flood Injection Project

- GD 476 – Perform an acid job. Pump 4.5m³ HCl down tbg. displace w/ 1.5m³ water. Re-latched on/off tool. Handed the well for Injection.
- GD 448 – BP set at 1005m, pressure test 70atm. Dump bail cement and made TOC at 1002.6m. MU and RIH w/ ESP - Shroud ASSY. landed at 563.49m. Make up x-tree and injection lines, pressure test 200atm. Start injection.

Out of Field:

- Released service and purchases and Service request for various type WO Downhole/handling equipment as per the 2020 WO operations plan. Continue to cooperate with Procurement in this regard.
- Cooperate with HSE Dep. In regard the improvement of safety culture within WO Dep. Actively cont... Proceeding of Risk Assessments and work permits for ea. Well and workshop jobs. Conducted safety meetings by Workover Senior foreman's and foremen w/ employees in regard to work plans, risk assessments, and work permits.

- Monthly / Annual Workover Statistics

<i>Month</i>	<i>Workover & Well Service Jobs completed</i>	<i>Number WO & WS Success</i>
January	11	6
February	10	6
Total	21	12

- Summary of Workover Activity

Workover Operations					
<i>Well</i>	<i>Operation</i>	<i>AFE#</i>	<i>Actual Cost</i>	<i>AFE Amount</i>	<i>Difference</i>
BHR 167	Fishing / Recompletion	40-2-167-01-19	184M \$	406M \$	222M \$
BHR 169	Recompletion	40-2-169-01-20	10M \$	405M \$	394M \$
BHR 144	Recompletion	40-2-144-01-20	10M \$	256M \$	246M \$
GD 464	Recompletion	40-1-464-01-20	13M \$	131M \$	118M \$
GD 012	Recompletion	40-1-012-01-20	49M \$	32M \$	-17M \$

- Summary of Well Service Activity

Well Services		
<i>Well</i>	<i>Operation</i>	<i>Actual Cost</i>
GD 476	Water Flood Injection Project	43.6M \$
GD 448	Water Flood Injection Project / Canister Well	19.5M \$
GD 467	Well Service	21M \$
GD 468	Well Service	13.5M \$
GD 474	Equipment Recover	3.5M \$

III – CONSTRUCTION: *Reported by Zaur Najafzade*

a) Report by Budget Line Item

- C1.1 – BH Plt No 9 WO UpGrade (B-129)

Under preparation process.

- C1.2 – BH Plt No 136 WO UpGrades (B-135, B-137)

Upgrade of the B-137 well bay area and repair of the substructure piles in Progress. Start installation of the skid beams on the B-241 section. Fabrication of the access stairs for newly installed boat landing on the west side of the accommodation unit ongoing.

- C1.3 – BH Plt 168 WO Upgrade (B-172, B-169, B-167)

Upgrade of the B-165 well bay area in progress.

- C1.4 – GD causeway piling works

Connection of previously hammered piles to the existing system and upgrade of secondary steels in progress. Repair of the causeway deck section between the Gd Plt's 232 and 16 has been completed. Repair of the causeway section between the GD Plt's 208a and 209a in progress.

- C1.5 – GD Plt 250 Upgrade (GD 392/250/521)

Project hasn't started yet

- C1.6 – CS 2 fluid cooling system renovation

Project research in progress.

- **C1.7 – CS 2 gas separator system renovation**
Project research in progress.
- **C1.8 – New 16” line (800m) from GNAS 1 to CS 2**
Project hasn't started yet.
- **C1.9 – GD Plt 209 Upgrade of separator system deck area**
Construction materials under procurement process.
- **C1.10 – GNAS 2 Upgrade of separation system**
Project research ongoing.
- **C1.11 – Replacing of GD PLT 9 substation # 13 (PQ-13)**
Under preparation process.
- **C1.12 – Undersea pipeline (2km) for Water Disposal Project**
Project hasn't started yet.
- **C1.13 - Construction of alternative Bahar Gas Transfer Line**
Project has't started yet.

b) Additional Works

- GZU-3 platform upgrade works - Strengthening of the platform crossing bridge and repair of the south side deck section ongoing. Works are being done to cut down the elements of useless steel structures. Preparation to the installation of the second boat landing on the north-east side of the platform ongoing. fabrication of the new 10x10 meter steel panel #5 in progress.. Fabrication of the GZU-3 new collector spools in the island construction fabrication shop ongoing. Construction works in progress.
- Construction of the GD Plt 209a high pressure injection system has been completed..
- BH Plt 48 B-144 WO upgrade - Preparation of the B-144 for WO operations has been completed. Installation of the safe access way around the working areas in progress. Substructure piles upgrade works have been completed. Repair of the accommodation platform pile in progress.
- Assembly (fabrication and welding works) of shelves in the main hangar # 1.
- Repair of the machine#3 and 9 concrete bases's in the CS#14
- Installation of pipelines for machine No.2 & 4 in the CS# 14 has been completed.
- Installation of pipelines for machine No.9 in the CS# 14 in progress.
- Preparation of farms for installation of roofing in block "C" of the administrative building has been completed.
- Upgrade of the tank#3 pipe connection systems on the 2000m3 tank farm area have been completed.
- Upgrade of the tank#4 pipe connection systems on the 2000m3 tank farm area in progress.
- Installation of the safety valve on the 2,5" line in the CS#1.
- Repair of the leakage on the GD Plt 9 4" production line.
- Laying of the 6 "line pipes for connecting Tank 6th to the drainage system in the tank farm area has been completed.
- Installation of the cable grooves on the GD causeway

c) Safety

During the month, 4 construction safety seminars were held on the following topic:

- “Organization of safety trainings for working personal ” on 05.02.2020
and 19.02.2020
- “ Safety Requirements for Gas Cylinders” - on 12.02.2020
- “ Safety requirements during loading and unloading operations” - on 26.02.2020

IV – SUBSURFACE: *Reported by Ray Larijani*

Workover Programs prepared

- B-169 Clean down to 4510m. Fishing of damaged tubing strings out of the well. QR/NGL/CCL(4510-2600m) logging;
- GD-448 Clean down till 1000m. Preparing well as a canister well for water injection;
- GD-012 Pull out the old tubing. If there is a sand plug, clean the sand plug down @3457m. GR/NGL(3457-3150m) logging;
- GD-449 Squeeze 2135-2140m and clean to maximum depth. Run INNK from 1980m to TD;
- GD-464 Clean till 2828. Logging INNK from 2828m to 2350m;
- GD-474 POOH the tubing string for use in other wells.

Wells logged/re-logged

GD-012 INNK

Wells completed

- B-169 Recompletion. Pulled old production string, WO is ongoing. Expected risked gas rate is 40 Mm³/d from horizon X. Actual cost \$10M.
- B-167 Fishing/Recompletion. Successfully Re-completed the well at Hor. VI. Perforated intervals are 3733 - 3730m. Well flows with 70 Mm³/d gas. Actual cost \$184M.
- B-144 Recompletion. TD checked at 4353m, detected hole at 4080m. WO is ongoing. The expected gas rate is 70 Mm³/d from horizon X. Actual cost \$10M.
- GD-464 Recompletion. Clean wellbore to TD 2828m. Squeezed cement at 1984 – 1992m. WO is ongoing. Actual cost \$13M.
- GD-012 Recompletion. Cleaned the wellbore and performed INNK Log upward up to 3140m. The plan is to perforate 3404-3420m as per INNK result. Expected oil rate is 2.5 ton/d from horizon PK. Actual cost \$49M.
- GD-476 Water Injection Project. Performed acid job on horizon IX. Actual cost \$43.6M.
- GD-448 Water Injection Project canister well. Started injection. Actual cost \$19.5M.
- GD-467 Well Service. Replaced ESP to GLV. Actual cost \$21M.
- GD-468 Well Service. Replaced ESP to GLV. Well flows with 1 m³/d oil, 40 m³/d water. Actual cost \$13.5M.
- GD-474 Equipment recovery. Pulled and recovered PS and 7 GLV from 1899.70m. Actual cost \$3.5M.
- GD-520 Water Flood Injection Project. Scraped down to 2379m, BP set at 2360m and put 2.6m cement via cement bailer. Injection string was RIH. Packer set at 2323.35m. Ready for injection. Actual cost \$ 93M.

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:
GD-012 INNK

b) Geology

- GD horizon FS-X-IX geological model and production data prepared.

c) Reservoir Engineering

- Bahar WO candidate review and recoverable reserve calculation.
- GD horizon VIII history matching has started.
- 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 follows up file and Bahar general database.

d) Seismic

- New fault map prepared for BX.
- 2. Fault & horizon map prepared for South GD.

e) Task Scheduler

No.	Tasks started	Start date	Provisional completion date	Completion date
	GD Field			
1	GD horizon VIII history matching	25 February 2020	30 April 2020	
2	BVIII-BIX-BX fault system review in the central part of production area based on the updated well data	1 March 2020	28 March 2020	
3	GD NKP Simulation and Forecast	30 June 2020	31 December 2020	
	Bahar Field			
1	Bahar FS-BX-BIX Geomodelling, Simulation & WO Candidates Forecast	12 May 2019	30 June 2020	
2	Bahar seismic horizon BVI interpretation	3 March 2020	20 March 2020	
	Completed			
1	QA/QC of BX-FS GD central area (well and reservoir data)	1 February 2019		1 April 2019
2	Update BX-FS geomodel in Central GD by using Jewel Suite software (new faults structure and vertical sealing barriers)	5 February 2019		19 February 2019
3	GD BX Formation Tops and Units correlation, Structure and Thickness Maps	5 February 2019		28 February 2019
4	Initialization of Central GD BX-FS model	4 March 2019		6 March 2019
5	Peripheral water injection scenarios with platform upgrades in Central GD	21 December 2018		15 January 2019
6	GD-716 well performance study by using production history, PLT, and PBU for the different perf histories	1 December 2018		20 January 2019
7	Assessment of injected water in reservoir PV in Central GD	21 December 2018		5 January 2019
8	GD BX horizon fault map update based on latest seismic interpretation	10 January 2019		20 February 2019
9	GD NKP horizon interpretation and mapping	25 February 2019		19 March 2019
10	Bahar Horizons IX, X and FS Formation Tops and Units correlation, Structure and Thickness Maps	4 March 2019		15 March 2019
11	GD BV-BVIII main fault tracing and horizon interpretation	1 April 2019		15 May 2019
12	GD NKP Geomodelling	27 March 2019		11 April 2019
13	Bahar, BIX horizon, B-140 Well Test Measurements for PTA Analysis	12 April 2019		21 April 2019
14	Prepare Well Test design for GD-297 and GD-463	23 April 2019		25 April 2019
15	Preparation of well production & pressures for rerun of FS-BX model in Central GD	10 February 2019		20 April 2019
16	GD BVII & BVIII - Formation Tops and Units correlation, Structure and Thickness Maps	10 April 2019		8 May 2019
17	GD BX & SP Geological Modelling	25 March 2019		10 April 2019
18	Bahar BIX-BX-FS Geomodelling	20 April 2019		1 May 2019
19	GD BX Mbal	26 May 2019		29 May 2019
20	GD PK horizon and fault interpretation, attribute mapping	20 March 2019		15 June 2019
21	Run HM for BX-FS model in Central GD	25 April 2019		20 May 2019
22	Run well by well HM for BX-FS model in Central GD	20 May 2019		1 June 2019
23	GD FS Material Balance	7 June 2019		7 June 2019
24	GD NKP Fluid Modeling (P90/P50/P10 volumes)	10 May 2019		1 June 2019
25	GD NKP - Formation Tops and Units correlation, Structure and Thickness Maps	21 April 2019		20 June 2019
26	Bahar NKP Geomodelling	20 June 2019		30 June 2019
27	2019-2035 Production Forecast	1 June 2019		3 June 2019
28	GD KaS suite top and Base horizons correlation and mapping in Kingdom Suite	15 May 2019		30 July 2019
29	Bahar Field Reserve Evaluation for horizon V, VI, VII, VIII, IX, X, NKP with Material Balance method.	1 July 2019		2 July 2019
30	Run Well by well History Match for BX-FS model in Central GD	15 June 2019		15 July 2019
31	Gum Deniz Area A Water flood performance using B-L	22 July 2019		23 July 2019
32	GD KaS, PK suite top and Base faults interpretation in Kingdom Suite	15 July 2019		31 August 2019
33	Preparation of Injection Plan for GD-543&GD-476	1 August 2019		7 August 2019
34	Prediction for BX-FS (Base case and Waterflood)	1 August 2019		31 August 2019
35	GD horizon IX foromation tops correlation, Structure and Thickness Maps	20 August 2019		15 September 2019
36	GD horizon IX and X Geological model	15 September 2019		30 September 2019
37	Production Data Preparation for BIX-BXup simulation	25 September 2019		30 September 2019
38	Bahar for NKP horizon producers BHP calculation	15 October 2019		20 October 2019
39	Bahar NKP wells VFP model buiding	21 October 2019		30 October 2019
40	GD BIX-Bxup (NW) geological model conversion to Simulation model by using Tnav (Model Designer)	1 October 2019		15 October 2019
41	Preparation of PLT and Welltest data for the interpretation (GD-543)	3 October 2019		5 October 2019
42	GD south BX Seismic interpretation and mapping	15 September 2019		20 October 2019
43	GD south BX geological model	10 October 2019		20 October 2019
44	North and central Gum Deniz BX fault model update based on previous PSTM seismic data	30 October 2019		25 November 2019
45	Well test interpretation (GD-543)	5 November 2019		10 November 2019
46	Preparation of PLT and Welltest data for the interpretation (GD-476)	7 November 2019		10 November 2019
47	GD-463 Well Test Data Interpretation	20 May 2019		19 June 2019
50	PLT and Well test interpretation (GD-476)	10 November 2019		15 November 2019
51	Bahar NKP Horizon Simulation Model Initialization, History Matching, Production forecast for WO candidates	10 July 2019		31 December 2019
52	Gum Deniz Horizon VIII shale barriers correlation.	20 November 2019		25 December 2019
53	GD VIII Horizon Central Area Geological and Simulation Modelling for WI Project	15 November 2019		25 December 2019
54	Bahar BVI horizon faulting review based on 2D scaled seismic data	1 December 2019		10 December 2019
55	GumDeniz GD-466 PBU test interpretation	17 December 2019		19 December 2019
56	GD FLD horizon interpretation based on previous pstm seismic data	5 December 2019		30 December 2019
57	GD BIX-Bxup (NW) sector simulation (HM) within well test results (GD-543 and GD-476)	15 October 2019		15 December 2019
58	GD BX horizon fault analysis, mapping and attribute calculation near P22 based on pstm seismic data	7 January 2020		25 January 2020
59	GD PK horizon detailed fault interpretation near island area using old pstm seismic data	15 December 2019		16 January 2020
60	GD BIX-Bxup (NW) sector simulation (Waterflooding Prediction)	16 December 2019		20 December 2019
61	GD horizon FS-X-IX geological model and production data prepared	10 February 2020		24 February 2020

V - FINANCE: Reported by Rasul Gafarov

a) On a Monthly Base:

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

- Issued and submitted Jan-20 monthly reports to government bodies, including but not limited;
- Prepared and submitted monthly Dec-19 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;
- Cases of various vendors in terms of BEOC payment obligations and received payment requests were reviewed and reported to management, Board Resolutions and subsequent Board Resolutions were drafted to address outstanding liabilities to certain vendors;
- Work on residency/work permits and registration with the State Migration Service continued applying new SOCAR approved system of application; Vacancy was posted on caspianbarrel.org. Application package was submitted and accepted at SOCAR for Workover Manager;
- Disciplinary procedure was supported and reflected Near Miss;
- Certain incoming letters were addressed with necessary input;
- Necessary internal orders were drafted/reviewed and commented;
- Rep Office's different structural units were provided with other necessary legal support, including in relation to certain issues arising from PSA and legislation;
- Document control function covering both internal and external correspondence, and maintenance of archive was performed;
- Verbal and written translations support was ensured.

b) HR issues

- Recruitment process continued employing 2 new staff members for PMD and verifying the status of other 2 for G&G;
- 1 employee contract was terminated (due to resignation application of employee);
- Overall 345 HR related operations have been made through this month;
- 158 vacations and 40 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;
- Expat Headcount report was submitted to SOCAR Investments;
- Organization of mandatory trainings was carried on;

- Signing 3-month Internship contracts with 6 students of Azerbaijan State Oil and Industry University;
- Intensive work continued with Audits of Deloitte company

VII– ADMINISTRATION & SECURITY: *Reported by Elshad Hasanov*

Security: *Reported by Masud Shahmaliyev*

- 305 person and 202 vehicles entered to BEOC 228 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 621 employees who left for Bahar (working per shift) and checking their availability at work during November;
- On 02,05,11,13,20,23 February 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.
- 3 letters have been sent to Karim Rzayev, the chief of "Etalon Security" LTD, in order to get the permission certificates for 6 employees and 13 special machines to be able to enter the "BEOCL" area, according to points of the contract;
- On 10.02.2020, the specialists of the department took part in the control of the transfer of 136784 liters of diesel fuel to the "Bahar" area;
- In 21.02.2020 around 15:00 we got information about an unknown person collecting iron mass On the island. Immediately we informed police that a person has entered the island without permission and done this. He has been caught by the police officer working on the island and has been determined that this person is Guliyev Hasangulu who is registered to Astara and been taken to the police officer. After that around 15:40, we got information that there is a ship(AB 42) under the overpass. Immediately we have gone there with 2 police officers and we have noticed that they are cutting the electric cables which are underwater and collecting them into the ship. The police have been informed about both of the events.
- In 21.02.2020 at 15:00. The citizen Hasangulu Guliyev Agabulu has entered without permission to the area of "BEOCL" company, which belongs to the organization of it in Azerbaijan Republic, and took some stuff. The search, about the stuff he took, has started by Khatt Police office in Zigh coast which belongs to The Head Police office of Governmental Coast Control.

VIII – PROCUREMENT & MATERIALS: *Reported by Margarita Rudkovskaya*

a) Procurement

- 33 MR & SR Received
- 21 PO's and SO's prepared in SUN System
- 12 MR's & SR's under RFQ stage

b) Tender and Contracts:

- **Tender Packs under RFI –3**
 - BEOCL 10170 Heavy Vehicle & Civil Plant Rental Services
 - BEOCL 10169 Supply of Steel Materials
 - BEOCL 10171 Supply of Pipes
- **Tender Packs under Bidder List approval – 1**
 - BEOCL 10170 Heavy Vehicle & Civil Plant Rental Services
- **Tender Packs under ITT (bids submission period) – 2**
 - BEOCL 10165 CS 2 Gas Separator System Renovation
 - BEOCL 10170 Heavy Vehicle & Civil Plant Rental Services
- **Tendered Contracts under process – 1**
 - BEOCL 10162 SUPPLYING of WORKOVER TUBULAR (ITECO)
- **RECOMMENDATION TO PROLONGATION & INCREASE VALUE OF CONTRACTS – 3**
 - BEOCL/2017/10145 Electrical Submersible Pump Rental – Schlumberger
 - BEOCL/10133/2017 60, 80, 120 Ton Workover Rigs – Ilkin –N
 - BEOCL/10146/2018 Piling & Conductor Driving – ADO-G
- **NUMBER OF ACTIVE CONTRACTS**
 - OPS/WO/LOG - 96 (including 16 transportation services and 21 services contracts for empl.)
 - CONSTRUCTION - 18
 - HSE – 9
 - G&G - 10 (incl. 2 consultancy contracts)
 - ADMIN – 26 (incl. 9 service contracts for empl. and 2 contracts for payment purpose only)
 - HR – 4+ 6 contracts with interns (free of charge) =10
 - ITC – 11
 - LEGAL – 15
 - PM –16 (incl. 3 contracts for payment purpose only)
 - FINANCE – 2
- **NUMBER OF ADDENDUMS / EXTENSION -16**
- **TERMINATIONS OF AGREEMENTS-0**

c) Warehouse and Materials

- 179,209.00 kg handled without incident
- WHS received 27 PO's, 47 line items for the amount of 165,873.42 AZN
- WHS issued 474 line items for the amount of 713,007.63 AZN
- 10 (ten) NCR's raised 7 (seven) 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 the gas station is out of service.
- Fuel station received 136,784.00 Liter of Diesel
- Fuel station issued 152,023.00 Liters of Diesel
- Fuel balance at March 1, 2020, is 50,230.00 Liters
- Waiting building project from constriction department (Main office Building)

IX – IT: *Reported by Eldar Eyyubov*

- Within February was no disruption in the ICT dept.
- 88 helpdesk requests were processed
- All empty cartridges were replaced
- All ID cards have been issued
- 1 IP phone was installed for Deloitte group
- 7 Computers were upgraded to Windows 10 OS
- 3 Computers restored after a system failure
- All systems in normal operating mode
- All printers have been checked
- All servers checked and backed up.

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