

BAHAR ENERGY OPERATING COMPANY
MONTHLY REPORT

March 2021

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EXECUTIVE SUMMARY: *Reported by the President*

A summary of activities during March 2021 is below:

a) Health Safety and Environment:

- In March, there were no TRIR's and no other incidents. BEOC's TRIR is 0.55 as of the end of March. 58 PTWs were issued, and BEOC collected 5 STOP cards. Environmentally no spills were reported.

- HSE department has been continuously taking preventive actions in the BEOC buildings and main roads against potential Corona Virus infection.

COVID Statistics as of April 8th, 2021; Recovered – 183 employees; Infected – 8, Death - 1

b) Production:

- Oil production was 447 Bopd, down 83 Bopd from February 2020, due to reinstalling ESP in South GD.

- Gas production was 20.8 MMcfd, which was lower by 0.1 MMcfd from February due to the shortfall in the B169 well.

- BEOC also utilized 3.9 MMcfd for fuel gas in Gum Deniz & Bahar operations. The increased gas utilization resulted from delivering gas to sales at higher pressure, which required additional compression fuel.

c) Workovers:

- In Gum Deniz, ongoing workovers in the GD 454, GD 444, and 716 with the GD467 completed and returned to oil production.

- In Bahar, well BH 196 and 144 continued fishing and recompletion activities. Rehabilitation work continued on the BH196 well

d) Construction:

- Offshore construction operations continued on GZU 2, PLT 169, and PLT 70/106 in the Bahar field.

e) Subsurface

- The work continues building geo and simulation models for main producing reservoirs in both GD and Bahar fields. Work on a revised Plan of Development continues.

f) General Management

- BEOC continues to monitor the Corona Virus situation cautiously, and it is complying with all SOCAR and Ministry directives to ensure a safe workplace for all our employees and contractors. As of April 7th, 2020, BEOC has had 108 employees tested positive for COVID-19, and one employee passed away from COVID-19 and diabetes complications. BEOC employees are expected to return to general working conditions in May 2021.

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

- No any incident was recorded in March.
- TRIR is 0.55 by the end of March.

a) Monthly Safety statistics for March 2021

Month	LTI	Man Hours	TRIR	Incidents (FA, LTI, NM, PD, RT)	PTW
January	0	120243	0	0	39
February	0	108897	1.84	1	40
March	0	131328	0	0	58
Total	0	360468	0.55	1	137

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

b) High Level HSE Comments: No any incident was recorded during this month.

c) HSE Activity

- HEALTH:

- HSE department has been taking preventive disinfecting actions at the BEOC workplaces against potential Corona Virus infection.
- Before commencing crew change operation for the offshore staff BEOCL organized testing employees for COVID-19 to be confident about the health condition of workers.
- HSE department performed disinfecting the company rented buses against potential Corona Virus infection.
- Installed 25 special dispensers for hand sanitizer regularly control and fulfill by HSE representatives at the BEOCL 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.
- 52 BEOCL employees applied to First Aid Room with non-work-related diseases during the reported period. All of them were rendered corresponding examination and treatment.

- SAFETY:

- Safety inspections of BEOCL sites and work performance were carried out.

- General HSE induction was conducted for 16 newcomers/ visitors.
- HSE Audit of BEOCL Permits to Work and associated certificates, verification, risk assessments, and other related documentation were monitored.
- 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	0	0	0
February	0	0	0
March	0	0	0
Total	0	0	0

- The waste segregation process was supervised by HSE department.
- BEOCL sewage water was disposed of through Hovsan Sewage treatment plant.
- “Caspian Sea Monitoring department” of the Ministry of Ecology and Natural Resources with Ecology department of SOCAR conducted ecological monitoring on BEOCL fields according to the annual action plan.

d) Training and other activities:

- As a part of HSE assurance plan 2021 Safety Stand down Meetings were conducted at the BEOCL worksites in the following themes:

“Safe evacuation technique while emergency” for 18 employees

“First Aid to injured person” for 18 employees

Total participants were 36 workers.

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

a) Production is shown below:

OIL and GAS Production 2021 Budget and Actual																		
Mar-21	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	79	7.52	591	80	598	90	666	596,055	21,049,682	3,787	574,092	20,274,059	3,647	728,000	25,709,320	4,625	4,238	5,291
February	65	7.53	486	70	530	93	688	589,044	20,802,089	3,742	559,874	19,771,950	3,557	726,000	25,638,690	4,612	4,043	5,300
March	58	7.58	439	59	447	94	696	584,848	20,653,907	3,715	552,837	19,523,439	3,512	767,000	27,086,605	4,873	3,951	5,568
Q1 Average	67	7.54	506	70	525	92	683	589,982	20,835,226	3,748	562,268	19,856,483	3,572	740,333	26,144,872	4,703	4,078	5,386
April			0		0		0								0	0	0	0
May			0		0		0								0	0	0	0
June			0		0		0								0	0	0	0
Q2 Average			0		0	0	0							0	0	0	0	0
July			0		0		0								0	0	0	0
August			0		0		0								0	0	0	0
September			0		0		0								0	0	0	0
Q3 Average			0		0	0	0							0	0	0	0	0
October			0		0		0								0	0	0	0
November			0		0		0								0	0	0	0
December			0		0		0								0	0	0	0
Q4 Average			0		0	0	0							0	0	0	0	0

b) Production – Gum Deniz

- The production rate of the Gum Deniz field averaged 59 tons/day. Delivery 58 tons/day.
- During the report covering period we haven't delivered any solution gas to SOCAR, the volume of gas used by compressors for internal needs for oil refinery was 1 922 000 m3 (62 000 x 30).

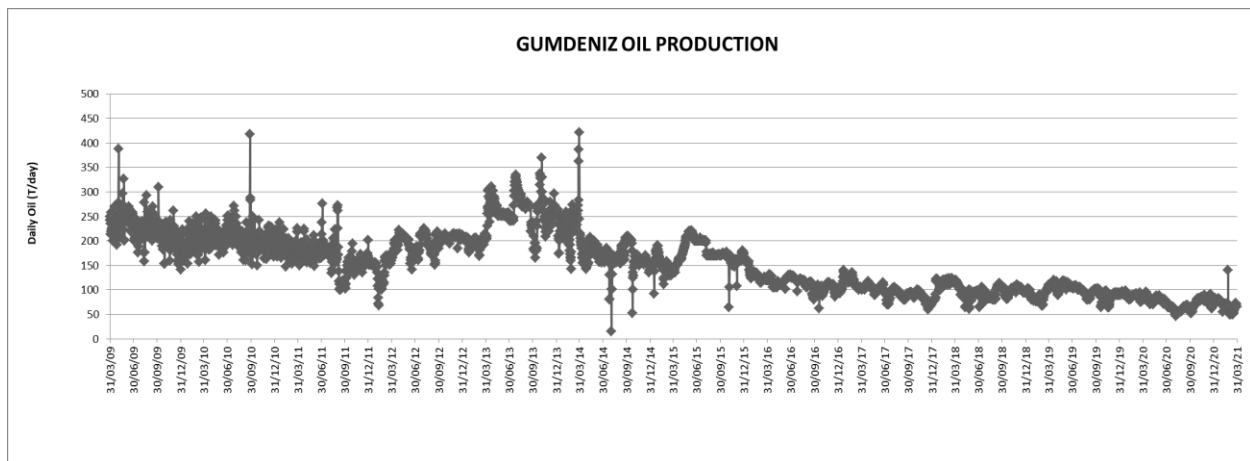
The chart below shows the reasons for oil production increase

Oil Production Rate Differences Between February and March 2021

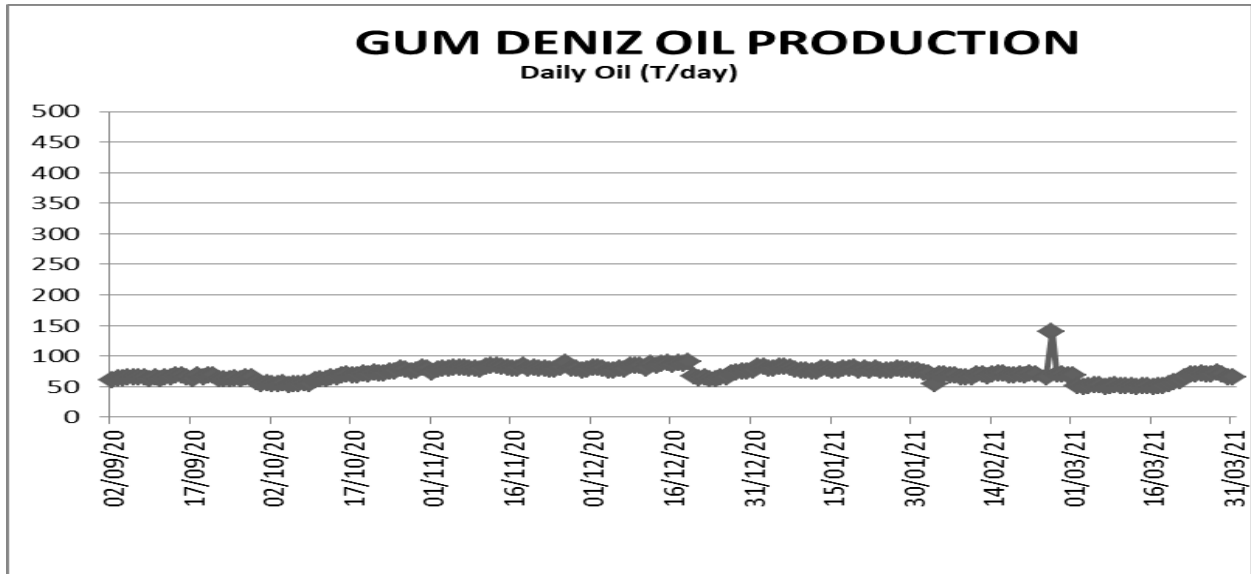
Date / Well#	006	009	012	020	038	372	412	413	414	417	418	430	438	444	445	447	456	461	465	466	467	468	470	471	475	477	478	479	504	601	715	716	774	Total, m3
February 2021	1.0	2.0	1.0	0.0	3.3	17.3	4.3	5.0	2.7	0.0	0.0	11.3	0.0	0.0	1.0	3.0	2.0	0.0	1.7	1.0	0.0	3.0	1.7	3.3	6.0	0.0	2.3	5.0	2.0	0.7	6.7	1.0	1.0	89.3
March 2021	1.3	2.3	1.2	0.0	4.5	17.1	1.5	2.3	1.5	0.0	0.0	3.3	0.0	0.0	1.0	3.2	1.7	0.0	2.8	1.3	1.4	2.4	1.5	3.1	4.3	0.0	3.2	4.9	1.7	0.0	6.9	0.8	0.8	75.9
Difference																												-13.4						

- GD-454 WOs executed, SLB ESP fished, and POOH.
- GD-418 well went under WO due to production was water, WOs continue.
- GD-444 WOs continue.
- GD-414 went under WO due to ESP fail, WOs executed, ESP RIH, well completion is done.
- GD-475 SLB ESP failed, well went under WO, continues.
- GD-716 due to production decrease well went under WO, continues.
- GD-477 went under WO, WO was done SLB ESP RIH well completion carried out.

a) Year to Date Production: Gum Deniz



b) Oil Production for Last six months.



c) Production – Bahar

- Bahar daily gas delivery realized as an average of 552 837 m3/day
- Gas delivery was 19.52 MMcfd.

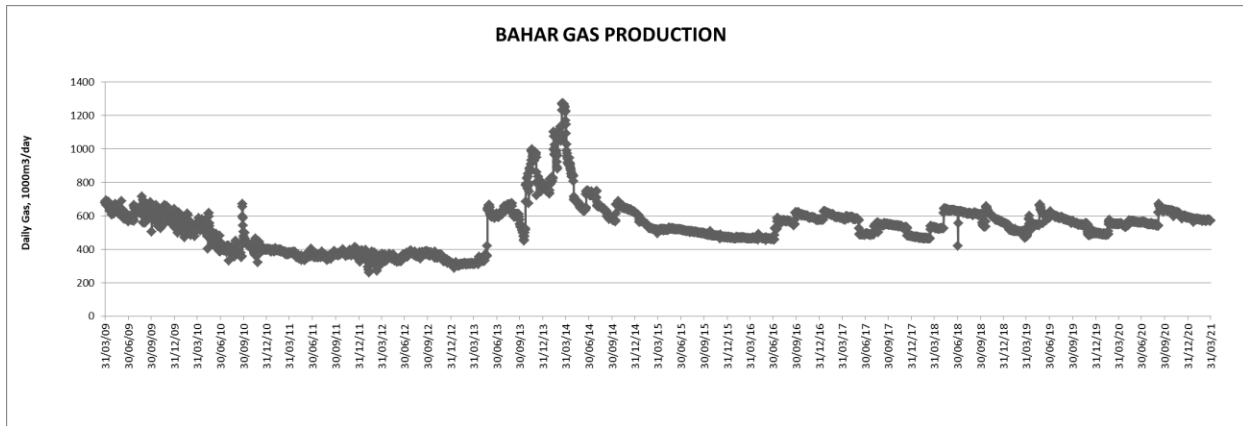
The chart below shows the reasons for gas delivery decrease

Gas Production Rate Differences Between February and March 2021

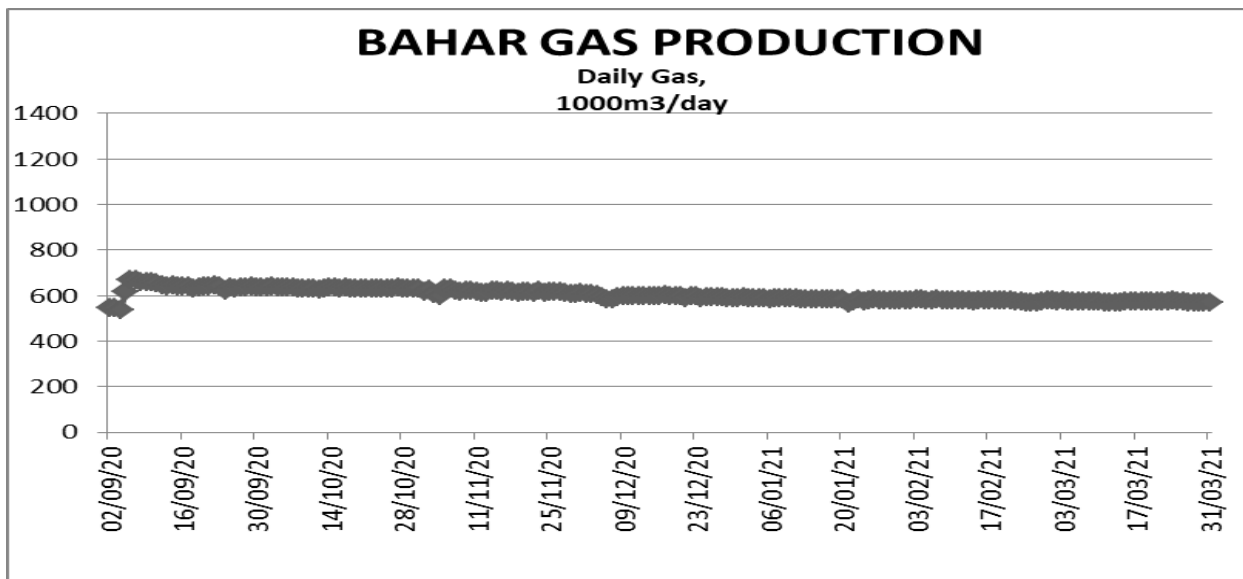
Date / Well#	83	140	144	167	169	170	171	175	179	182	205	241	Total, x1000 m3
February 2021	34	48	3	42	93	116	38	77	75	1	15	44	586.0
March 2021	34	47	3	41	92	115	37	76	75	1	15	44	580.0
Difference													-6.0

- WOs continue in the well196 at PLT196 of Bahar field.
- Due to B144 production decrease at PLT48 Bahar field, well went under WO, continue.
- Construction crews continue repairs on PLT196 & PLT70/106 at OGSU.2 of Bahar field.

d) Year to Date Production: Bahar



e) Bahar Gas Production for Last Six Months.



f) Additional Production Works:

- Construction of “Closed Loop System” project stipulated to prevent pollution of the environment through discharge of formation water from technological storage reservoirs located at Oil Processing Unit is ongoing by “Construction Division”.
- Completed construction of a 12” line for connecting 2, 3, and 6 2,000 m3 process tanks at pump station#3 in oil Processing Unit, connecting works completed.
- Started the repair of Ship boardings at PLT409 of Gum-Deniz field, works continue.
- Relocation of gas / fluid measuring junction continues at 470 belonging to the “Gum-Deniz” area
- Due to removal of Gas Distribution Point at the causeway connected to PLT450 “Construction Department” initiated laying of 3 ea of 2.5” gas lift lines running from causeway PLT009 to PLT450 at Gum-Deniz Field, connection works will proceed.

Mar-21	
Name of the operation	Completed Operations
Hot Light Oil Operation in wells	13(7 wells)
Fluid level survey	86(16 wells)
Sulfanol treatment in wells	1 (1 well)
Salinity measurement in wells	79 (31 wells)
Soap stick application in gas wells	-

g) Auto-Transportation Sub-Division.

Report for March 2021								
Description	Number	Work hours	Moto hours	Repair Hours	Milage km	Amount of works carried out		
						Number of Vehicles/ hourly	Number of Vehicles/ monthly	Number of Vehicles/ daily
TRF	231							
Pulling Units serving for WO	9	1102	1102	77				
Stationary Type Pump (V-12)	1	41	41					
Stationary Type Pump (V-16)	1			2				
Drawwork (QBQ-120)	2	179	179	4				
Mobile Boiler Truck (Consisting of two parts)	1	6	6	3				
Cement Trucks serving all BEOC Departments	11	2126	310.5	168	18			
Water Tank Trucks of Autotransportation Workshop	3	288	44	61	2807			
Other vehicles of Autotransportation field	7	360	119.5	11	913.7			
Fire trucks	3			1				
Number of Trucks put back into service after a long term repair works								
Rented Heavy duty trucks						16/131	6/months	11/25

Logistic Report for Lifting Operations for March 2021

01.03-31.03

Months	Orders	Weight (kg)	Hours
GENERAL	<u>Total: 231</u>	<u>Total: 1275000</u>	<u>Total: 508</u>

j) Marine Sub-Divison.

Report for March 2021								
	DAYS	PASSENGER NO		TONNAGE	INCIDENT	REPAIR	SAILING	CANCELLATION
		OUTBOUND	INBOUND					
ULLUCHAY	15 days			854,920 kg	NO		TOTAL-37	TOTAL-13
MAGIC-1	14 days	346	336		NO			
XEZER-3	2 days			253.000 kg water	NO			
BMK-1058	4 days (3 days stand by due to weather)				NO			
ZERDAB-3	1 day				NO			
IRGIZ	1 day			170.980 litres of diesel fuel 68.000 kg of water	NO			

k) Power usage and charges chart:

POWER/ELECTRICITY COST by MONTHS - 2021

ACTIVE ENERGY	Kwatt			
	January	February	March	TOTAL
GumDeniz - Field	710,000	640,000	653,000	2,003,000
Compressor station 14	73,000	66,000	69,000	208,000
Compressor station 1	342,000	297,000	317,000	956,000
Compressor station 2	540,000	478,000	484,000	1,502,000
Automotization Industrial Processes	6,800	6,200	6,200	19,200
Electric workshop	7,100	6,400	6,500	20,000
Oil Process	90,000	80,000	80,000	250,000
5000 area	126,000	107,000	108,000	341,000
Gas Process	6,769	6,033	6,533	19,335
Workover	30,247	25,220	27,220	82,687
Offices	40,036	34,061	34,064	108,161
Transportation	36,078	32,486	35,456	104,020
Laboratory	13,640	12,217	12,217	38,074
Construction	39,680	35,250	35,250	110,180
Water supply	148	116	196	460
TOTAL -kW	2,061,498	1,825,983	1,874,636	5,762,117
	0.076271187			0
COST AZN total	157,233	139,270	142,981	439,484
REACTIVE ENERGY kVAR				
	kVAR	927,459	735,329	1,662,788

l) Workover Division.

a) Highlights:

Bahar WO's

- BHR 196 – Perforated at 3710-3712.5m. Well didn't flow. Despite all attempts couldn't release Packer BHA. Tubing in the checked plug at 3443m. Performed tubing cut via Jet Cutter tool at 3424m. Completed POOH of PS from cut tubing. Logged GRN 3110 – 2600m interval for

possible up hole completion. As per log result, a decision been made for lower re-completion at Hor. V, target interval 3701 – 3707m.

Arranged and delivered rent 435 jts of 2-7/8" Left Hand Drill Pipes and fishing tools for backing off / fishing operation of 254.84 m of LIH tubing string. RIH w/LH 2-7/8" Spear BHA, latched on fish at 3405.5m. Backed off the tubings, started to pull w/3ton extra weight. Fished out 24 joints of 2-7/8" EUE tbgs 227.09m. Left in hole: 3 jts of 2-7/8" EUE tbg + 2 ea. Corolation pup joint + 2 jts of 2-7/8" EUE tbg + ON/OFF tool + Mapset Packer TCP BHA as total 66.95m. TOF at 3632.09m. 93mm OD Tubing coupling. RIH w/SDT NR LH Spear.

- BHR 144 – Filled annulus w/25m³ of water, switched to tubing, filled w/8m³ of water. Attempted release the packer w-out result. Unlatch the string from ON/OFF tool. Left for hydrostatic balance. Latched back to ON/OFF tool, after several attempts successfully released the MapSet Packer at 30 ton over pull. Completed POOH w/released MapSet Packer & TCP BHA. Observed BHA below the flow sub filled/plugged with formation sand. MU and RIH w/4-1/2" OD Washpipe pup (0.75m) BHA 3215m. Cont... The plan is to wash over the packer BHA at 4284m from sand and debris settlement.

Gum Deniz WO's.

- GD 454 – Successfully fished and pulled out ESP Shroud and Assy w/5-1/2" Overshot BHA. LD of ESP Assy. and hand over to SLB. Secured the well.
- GD 601 – Successfully cemented perforation zone at 3105 – 3126m in two stages. Remaining cement milled cemented zone pressure tested to 100atm stable pressure. Continue with milling off BP at 3127m. Ongoing.
- GD 477 – Successfully milled BP off at 2478m w/132mm BJM BHA down to 2506.22m (2509m by wireline). Pulled w/ work string. MU and RIH w/ ESP assy. Landed at 2008m. Put well back on production.
- GD 475 – Due to failed ESP Assy. The rig was skid onto the well. Pulled ESP Assy. INNK Log was proposed and executed, Logged at the intervals 2626 - 2350m. As per the interpretation result decision been made to produce the well. RIH w/ ESP Assy. Will land at 2230m and POP. Ongoing.
- GD 716 – Based on re-completion pan, the rig was moved onto the well. PS pulled, Wellbore cleaned down to 2835m, POOH ongoing. Will continue with the proposed perforation at 2812 - 2816m at Hor. FS and 2618 - 2624m at Hor. X w/86mm Casing Guns

South Gum Deniz WO's.

- GD 414 – Cleaned the wellbore to 3793.55m. Prepared and pumped into the formation 105m³ of solution with surfactant. Pulled string, RIH back w/ESP Assy. Landed at 1478m. Put well back on production.
- GD 418 – Due to HWC from the new perforated zone at 3660 – 3665m decision been made to isolate via BP set at 3657 - 3658m and produce the well from old perforations above. Pulled ESP Assy. MU and RIH w/ 5-3/4" Casing Scraper. Scraped casing down to 3660m (WM). Circulated to clean. POOH ongoing. Will RIH back ESP Assy. Ongoing.

b) Monthly / Annual Workover Statistics

Month	Workover & Well Service Jobs completed	Number WO & WS Success
January	4	1
February	8	3
March	10	4
Total	22	8

c) Summary of Workover Activity

d) Summary of Workover Activity

Workover Operations					
Well	Operation	AFE #	Actual Cost	AFE Amount	Difference
BHR 196	Recompletion	40-2-197-01-21	135M \$	238M \$	103M \$
BHR 144	Recompletion	40-1-418-01-21	8M \$	127M \$	118M \$
GD 601	Recompletion	40-1-601-01-21	93M \$	184M \$	92M \$
GD 716	Recompletion	40-1-716-01-21	52M \$	46M \$	-6M \$

e) Summary of Well Service Activity

Well Services		
Well	Operation	Actual Cost
GD 414	ESP replace	37.5M \$
GD 454	ESP recovery	96.5M \$
GD 444	Well service	32M \$
GD 477	Optimization/ESP installation	28M \$
GD 418	ESP replace	9.5M \$
GD 475	ESP replace	36.6M \$

III – CONSTRUCTION: *Reported by Ali İskender Gurbanzade*

CONSTRUCTION PROGRESS REPORT FOR March 2021

#	Field/Location	Work Description	Status
Gum-Deniz			
1	Gum-Deniz,Causeways	Have completed hammering of 11 piles (made of 10" pipes), around the damaged supports in order to prevent the breakage of the crossbars connecting the overpasses 13-14 and 14-15 in the part of the causeways in between the coast and PLT62. Connecting works in between 10" piles completed	in progress
2	Gum-Deniz,OP&TCS, 2000m3	Completed the extension of emulsion line from the technological tanks to the pumping station of 12" pipes at Oil Prep.& Transp. and reconstruction of 1 SNS 300x300 pump foundation at the oil pumping station, reinstalled pump was connected to new 12" pipeline & existing 6" outlet line.	completed
3	Gum-Deniz,Causeways PLT9	Connection of 600mm i-beam with 10x10 panels installed on the causeways' piles for the widening of the vehicle pass at the causeway in between the crossroads and PLT9 where 6 / 0.4kV Distribution Unit No. 13 located.	in progress
4	Gum-Deniz, PLT2	Repair and restoration works for preparation of the well122 for Wos at PLT of Gum -Deniz field.	in progress
5	Gum-Deniz, Causeway, PLT209	Carry on with installation of 2nd 10x10 steel panel at PLT209.	in progress
6	Gum-Deniz, Fab.shop	Completed fabrication of extensioners for newly purchased rig skidding pistons.	completed
7	Gum-Deniz,Causeways	Pile hammering in front of PLT66, at causeway and vehicle path	in progress
Bahar field			
8	Bahar, GZU-2	Proceeding the installation of 12" gas flow line pipe supports along the existing bridge according to the project. Assemblage of service workfloor for flare and drainage system installation.Reinforcement of lines coming from wells in the southern part of the existing working site and installation of 6x13m service platform. Have started installation of pipe fittings and comb type separator fabricated in the workshop, on the panels.	in progress
9	Bahar, PLT196	Carrying out repair and restoration works on the site as preparation of 196 for WOs at PLT196 Bahar field. Moving the crew to BH PLT20	completed
9	Bahar, PLT20	Carrying out repair and restoration works on the site as preparation 206 for WOs at PLT20 Bahar field	in progress
10	Bahar, PLT-70/106	Continue repairs and installation works as preparation for WO of well#74 at PLT106/70 Bh. Assembling of 3rd panel 10x10.	in progress

Additional Works

1	In the hangar No. 1 of the central warehouse area, the installation of shelves for the collection of goods and materials has commenced, continues.	in progress
2	Completed Installation of support roofing beams fabricated of 2.5" pipes in the workshop, on the roof of C-D(2 items) and B block of Administration bld. wooden supports installation ongoing	in progress
3	Welding and setting up works in the Fab. shop on the cable spooler used during WO operations (POOH & RIH) at ESP wells of Gum-Deniz field."	in progress
4	Repairs of corroded pipeline supports on the 20" production line along the causeways.	in progress
5	Installation of new oil trap for oil separation and construction of pump station at Oil Prep. & Transportation area. covering rooms walls with metal plates.	in progress
6	Installation and connection works completed in between old gas lift pipeline along the dam road and the entrance and existing water line close area to the "Halikarnas" restaurant as well as installation of vertical pipeline supports. Work is on-going on cutting of old unused lines and installation of additional pipe supports on the existing water line on-going	in progress
7	Restoration of F197 compressor cylinders & inlet-outlet gas chambers to bring into completely safe commissioning condition of Gas Compressor Unit #5 (inv. N1525)	in progress
8	Demolition of the existing concrete layer in the machine hall of the CS#14 area to repair the engine and subfloor foundations of the compressor machine type 2SQ-50 No.6.	in progress
9	Re-laying of line connecting fluid manifold with the annulus of well#475 & 477 at PLT450 at Gum-Deniz field.	completed
10	Repair of leaks in the parts of technical water line close to PLTs 66 and 16 at Gum-Deniz field.	completed
11	Repair of side walls and roofing of 4 hangars of Central WHSE.	completed

IV – SUBSURFACE: *Reported by Ray Larijani*

Workover Programs prepared

Workover Programs prepared

1. **B-196** POOH production string with packer. Run production string and 86mm tubing guns (TCP) with mapset packer to a determined depth. RİH sinker bar check TD. Cut the production string from possible depth and POOH. Run 3100-2600m NGK log. Further operations will be planned according to NGK log results.
2. **GD-444** RİH special mill set artificial sand plug (10m) to TD. Test feed rate in 2148-2152m intervals. If there is inflow in these intervals plan for cementing operation at these intervals. Clean sand plug till TD.
3. **GD-477** POOH tubing with gas lift valves. RİH special mill to drill cement plug and BP (2478m) wash to the 2509m. Perform INNK log.
4. **GD-716** POOH outer tubing string with gaslift valves. Check TD. If observes sand plug, cleaning have to be done. Perforate horizon FS at 2816-2814m and X at 2624-2618m.

Wells logged/re-logged

GD-475 INNK
B-196 NGL

Wells completed

1. **B-196 Recompletion.** Perforated 3710-3712.5m at horizon V. No flow. Run NGL between 3110-2600m intervals. Ongoing. Actual cost \$135M.
2. **B-144 Recompletion.** The expected gas rate is 50Mm³/d. Actual cost \$8M.
3. **GD-601 Recompletion.** The expected oil rate is 2 ton/d. Actual cost \$93M.
4. **GD-716 Recompletion.** The expected incremental oil rate is 2 ton/d. Actual cost \$52M.
5. **GD-414 ESP replace.** Actual cost \$37.5M.
6. **GD-454 ESP recovery.** Actual cost \$96.5M.
7. **GD-444 Well service.** Actual cost \$32 M.
8. **GD-477 Optimization/ESP installation.** Actual cost \$28 M.
9. **GD-418 ESP replace.** Actual cost \$9.5 M.
10. **GD-475 ESP replace.** Actual cost \$36.6 M.

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

Cased-hole logging:

Interpreted logs from GGI:

B-196 NGL
GD-475 INNK

Geology

1. **GD-716** offset wells analyzed.

Reservoir Engineering

1. Bahar Horizon VII simulation history matching continues.
2. Bahar horizon V simulation history matching continues.
3. B-196 WID document prepared.
4. WO Success file updated.
5. Monthly Reports for SOCAR (Production, Delivery, Used, Production and Delivery Indicators, Well Fund).
6. Updated Bahar and GD OFGM database.
7. Updated Daily and monthly Production follow-up the database.

Seismic

1. GumDeniz KaS fault and horizon interpretation continue. This is to identify drilling location for Qala formation in this area.

Task Schedule

<u>Tasks started</u>	<u>Start date</u>	<u>Provisional completion date</u>	<u>Completion date</u>
Bahar Field			
Bahar FS-BX-BIX Simulation & WO Candidates Forecast	31 March 2020	30 April 2021	
Bahar horizon VII Simulation & WO Candidates Forecast	15 September 2020	30 April 2021	
Bahar horizon VIII Simulation & WO Candidates Forecast	1 October 2020	30 April 2021	
Bahar horizon V Simulation & WO Candidates Forecast	20 March 2021	31 May 2021	
GumDeniz KaS fault and horizon interpretation continues.	1 December 2020	30 April 2021	
Completed			
Bahar horizon V geomodel completed.	9 March 2021		18 March 2021

V - FINANCE: *Reported by Rasul Gafarov*

a) On a Monthly Base:

Completed Feb-21 accounting cycle in accordance with the monthly schedule.

According to JOA issued Feb-21 Monthly reports to Contractor Parties.

According to JOA and Feb-21 – Mar-21 Cash Calls distributed to Contractor Parties.

Issued Feb-21 Additional Monthly reports to Contractor Parties.

Issued and distributed Feb-21 Monthly departmental cost reports to Budget Holders / Department Managers.

Issued and submitted Feb-21 monthly reports to government bodies, including but not limited:

Prepared and submitted monthly Feb-21 Financial Highlights report to the Management.

VAT, payroll, social fund, and statistical reports;

b) On an Annual Base:

Start preparation for 2020 Audit of below shown reports and actions:

- BEOC Cost Recovery Report;
- BEL Profit Tax Return

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

Legal, Compliance, Document Control & Translation issues

- Approval was obtained for Rep Office President form the Task Force under the Cabinet of Ministers of Azerbaijan;
- Application package for visa was filed and solicitation for visa approved by the Ministry of Foreign Affairs of Azerbaijan;
- Package of necessary documents was prepared for the redundancy process;
- Various discussions were held with the Chairman of the Trade Union regarding upcoming redundancy process;
- Actions continued for inventory of Admin, Security and IT assets;
- Various SOCAR inquiries for information were addressed;
- Work on residency/work permits and registration with the State Migration Service continued applying new SOCAR approved system of application;
- Contract review and negotiation activities were continued advising on contract drafts and other contractual documents;
- 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; JAFZA renewals and other activities were carried on;
- Document control function covering both internal and external correspondence, and maintenance of archive was performed;

- Verbal and written translations support was ensured.

a) HR issues

- Use of the outstanding vacations was monitored;
- Employment of 2 employees have been terminated and re-employed till the end of December 2020;
- Signing Employment Agreements with 3 new employees for (2 Electrical welder position and 1 Compressor machinist)
- Termination of employment agreements of 8 employees (by own request)
- To be expired contracts were followed up and management was updated;
- Overall 324 HR related operations have been made through this month;
- Organizational structures have been updated as per last changes
- 209 vacations and 53 bulletins have been written and entered to the HRB system;
- Review and revisions of current job descriptions were ongoing;
- Review of employee personal files continued;
- Meetings were held with HRB system provider to discuss issues related with software;
- Performance Appraisal of Company employees for 2019 was followed up;
- Electronic permissions were controlled and updated on e-gov to ensure uninterrupted access of employees to working places.

VII– ADMINISTRATION & SECURITY: *Reported by Ahmadiyya Musayev*

- Inventory check of Administrative Affairs Department together with gardeners of Service Division continued;
- The indicators of Azersu water meters were reported.
- A new boiler was purchased and installed in the facility belonging to the Security department at Company's entrance.
- 15 large-capacity air conditioning units were lowered by crane due to the roofing of the administrative building.
- 2 air conditioning units of the server room were lowered and installed by the masters of the "Climatex" company in the corner of the building.
- The damaged part of the sewage line in the basement of the administrative building was replaced with a new one and put into operation.
- Presentations, schedule changes and route lists were prepared and handed over to Legal&HR Department for issuance of orders on time in lieu with respect to recue-divers of the Security department who travelled to "Bahar" field, and for those who were called back from rest due to these needs;
- Monthly schedules and timesheets for the Administrative and Security departments, as well as for their contractors have been prepared;
- MRs/SRs were prepared for take off of the goods entered into Administration warehouse.
- Monthly reports on turnover goods and materials, low value goods and write off acts as well as low value goods use acts were prepared
- Orders from all departments and structural units for stationery and production goods were received, consolidated list was prepared and MR was handed over to the Procurement

division and the distribution of some materials from the Central Warehouse to the departments was organized.

- Technical inspections in the rooms and offices belonging to the Representative Office were carried out, inspection of the operating systems of the rooms and offices, supervising the cleanliness and tidiness of the offices and rooms was performed.
- Outsanding membership fee for New Azerbaijan Party was collected and transferred;

Security& Civil Defense activities

- 307 person and 176 vehicles entered to BEOC 220 area based on request issued for one-time entrance permissions.
- Maintaining records in the log book of 592 employees who left for Bahar (working per shift) and checking their availability at work during March.
- On **02,09,19,26** March 2021 deployment of employees (working on shifts) to Bahar field on vessels was accompanied by the Department's rescue-diver personnel.
- On **04.03.2021**, the specialists of department took part in the control of the transfer of 170980 liters of diesel fuel to "Bahar" area.
- 1 letter has been sent to Avtandil Agayarov, the chief of "Etalon Security" LTD, in order to get the permission certificates for 18 employees and 23 special machines to be able to enter the "BEOCL" area, according to provisions of the contract.
- Classes in all categories were held regularly and fully taught on the basis of a 15-12-hour program envisaged in the 2020 Civil Defense Annual Plan.
- The trainings and drills provided for in the civil defense plan were organized and conducted in a timely manner, and the set goals were fully achieved.
- Employees involved in training on the basis of a 12-hour program were trained in terms of the rules of conduct during emergencies, location at protection facilities and evacuation from dangerous areas, if necessary.

During the training and exercises, the management of the facility and the commanders of the civil defense forces were able to demonstrate their ability to perform their duties properly

VIII – PROCUREMENT & MATERIALS: *Reported by Rasul Gafarov*

a) Procurement

- 38 MRs & SRs Received;
- 27 POs and SOs prepared in SUN System;
- 0 MRs canceled/oh hold;
- 0 MRs & SRs passed to Contract/Tender;
- 77 MRs & SRs under sourcing stage.

b) Tender and Contracts:

Tender Packs under Bidder List approval – 1

- BEOCL 10174 - Provision of 2 set VS 28 x 100 WO Derrick;
- BEOCL 10175 – Purchasing of 120 t Stationary Pulling Drawwork;

Tender Packs under evaluation – 2

- BEOCL 10173 - Rent of ESP's ;
- BEOCL 10165 - CS 2 Gas Separator System Renovation;

Number of Active Contracts

- OPS/WO/LOG – 98 (incl. 16 transportation services and 21 services contracts for empl.);
- Construction - 19;
- HSE – 13 (including 1 service contract for empl.);
- G&G – 10 (incl. 1 consultancy contracts & 2 contracts for payment purpose only);
- ADMIN – 18 (incl. 3 service contracts for empl.);
- HR – 5;
- ITC – 12;
- Legal – 16;
- PM – 17 (incl. 1 contracts for payment purpose only);
- Finance – 3;

Number of Addendums / Extension – 9

Materials Division:

- **828,480.00 kg** handled without incident;
- WHS received **29 PO's, 101-line items** for the amount of **AZN 2,567,810.38**;
- WHS issued **350-line items** for the amount of **AZN 434,403.95**;
- **45** NCR's raised; **2** NCR's was closed;
- Fuel station received **205,176.00** Liter of Diesel;
- Fuel station issued **187,227.00** Liters of Diesel;
- Fuel balance at April 1, 2021, is **44,798.00** Liters

IX – IT: *Reported by Eldar Eyyubov*

- No disruption in ICT department within March
- 71 helpdesk requests were processed
- Replaced was fault printer in the warehouse office
- New warehouse employee was provided with email account
- All new employees were provided with access cards
- The equipment of resigned personal was checked
- Installed were equipment of relocated employees

- All empty cartridges were replaced
- All printers have been checked
- All servers checked and backed up.

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