

BAHAR ENERGY OPERATING COMPANY
MONTHLY REPORT

November 2020

Contents

EXECUTIVE SUMMARY:.....	2
I - HEALTH, SAFETY & ENVIRONMENT:.....	3
II - PRODUCTION / OPERATIONS:.....	5
III – CONSTRUCTION:.....	12
IV – SUBSURFACE:.....	13
V - FINANCE:.....	14
VI – PROCUREMENT & MATERIALS:.....	15
VII– LEGAL PROCESS AND HUMAN RESOURCES.....	16
VIII – ADMINISTRATION & SECURITY:.....	17
IX – IT:.....	18

EXECUTIVE SUMMARY: *Reported by the President*

A summary of activities during November 2020 are below:

a) Health Safety and Environment:

- November was again a positive HSE month for BEOC, with no TRIR's and no incidents. 42 PTWs were issued, and 22 STOP cards were collected. Environmentally no spills were reported.
- HSE department has been taking preventive actions in the BEOC buildings and main roads against potential Corona Virus infection.

b) Production:

- Oil production was 597 Bopd, up 103 Bopd from October 2020, due to reinstalling ESP failures in South GD wells and changing out the ESP on GD 371 well.
 - Gas production was 22.2 MMcfd, which was lower by 0.5 MMcfd from October due to the natural decline in B167 and B169 wells.
- Total November production of 4217 BOE/d was an increase of 93 BOE/d from August, but still 783 below budget due to the COVID-19 slowing the operations program.
- BEOC also utilized 3.9 MMcfd for fuel gas in Gum Deniz & Bahar operations. The increased gas utilization was the result of having to deliver gas to sales at higher pressure, which required additional compression fuel.

c) Workovers:

- In Gum Deniz, ESP change-outs in the GD 465, 372, 413, and 418 wells add to oil production.
- In Bahar, wells BH 172 and 197 continue fishing and recompletion activities.

d) Construction:

- Offshore construction operations continued on GZU 2, PLT 168, and PLT 175 in the Bahar field.

e) Subsurface

- The AWP&B technical program was completed, and technical meetings of the partners are scheduled for mid-November.
- 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 is underway.

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 December 15, 2020, BEOC has had 94 employees tested positive for COVID-19, and one employee passed away from COVID-19 and diabetes complications. BEOC employees are expected to be able to return to general working conditions no earlier than the end of January 2021.

I - HEALTH, SAFETY & ENVIRONMENT: *Reported by Nuslet Safarov*

a) Summary: HSE:

- No medical treatment incident was recorded in November.
- TRIR is 0.15 by the end of November.

b) Monthly Safety statistics for November 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
March	0	128686	0	0	54
April	0	93337	0	0	27
May	0	109502	0	0	33
June	0	118542	0	1	51
July	0	121799	0	0	44
August	1	118660	1.68	1	65
September	0	117228	0	0	50
October	0	129277	0	0	47
November	0	122650	0	0	42
Total	0	1,312285	0.15	3	493

Legend:

- LTI: Lost Time Incident
- Man Hours: Total number of man hours worked
- TRIR: Total Recordable Incident Rate(Number of Injuries and Occupational Illness X 200,000 / Employee hours worked)
- Near Miss: Near Miss Incidents number
- PTW: Permit to work

c) High-Level HSE Comments:

- No incident recorded during this month.

d) HSE Activity

- HEALTH:

- HSE department has been taking preventive disinfecting actions in the BEOC buildings and main roads 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 have started disinfecting the company rented buses as the number of confirmed cases of COVID-19 continues to rise.
- Installed 25 special dispensers for hand sanitizer are regularly controlled and fulfilled 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.
- 65 BEOCL employees applied to the First Aid Room with non-work-related diseases during the reported period. All of them were rendered corresponding examination and treatment.

- SAFETY:

- Safety inspections of BEOC sites and work performance were carried out.
- General HSE induction was conducted for 6 newcomers/ visitors.
- 22 STOP cards were collected from BEOC facilities/Workshops/Platforms. All issued Cards were registered, tracking is in progress.
- The HSE Audit Permits to Work and associated certificates, verification, risk assessments, and other related documentation were monitored.
- The firefighting equipment monthly inspection was provided and reported. The firefighting water pump was tested at the Oil Process and Transportation field.

- ENVIRONMENT

- Environmental Statistics for Month/Annual

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

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

e) Training and other activities:

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

“First Aid technique for injured person” for 27 employees.

“Basic offshore safety rules” for 23 employees.

The total participants were 50 workers.

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

a) Production year to date is shown below:

OIL and GAS Production 2020 Budget and Actual																		
Nov-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	3,591	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	3,639	4,720
March	86	7.47	640	86	645	110	814	563,562	19,902,192	3,317	552,572	19,514,080	3,252	617,000	21,789,355	3,920	3,892	4,734
Q1 Average	88	7.45	653	89	661	109	809	529,209	18,689,004	3,115	518,889	18,324,553	3,054	604,333	21,342,032	3,839	3,707	4,648
April		7.47		86	642	110	814	556,996	19,670,314	3,278	546,134	19,286,722	3,214	615,000	21,718,725	3,907	3,214	4,721
May	55	7.46	409	80	596	110	814	571,667	20,188,420	3,365	530,309	18,727,862	3,121	623,000	22,001,245	3,958	3,531	4,772
June	80	7.46	600	80	595	110	814	572,778	20,227,655	3,371	525,926	18,573,077	3,096	636,000	22,460,340	4,040	3,695	4,854
Q2 Average	45	7.46	336	82	611	110	814	567,147	20,028,796	3,338	534,123	18,862,554	3,144	624,667	22,060,103	3,968	3,480	4,782
July	80	7.43	595	66	489	110	814	567,785	20,051,327	3,342	540,580	19,090,583	3,182	644,000	22,742,860	4,091	3,777	4,905
August	85	7.41	629	54	403	110	814	559,590	19,761,921	3,294	517,637	18,280,351	3,047	655,000	23,131,325	4,161	3,676	4,975
September	85	7.36	625	65	477	110	814	641,868	22,667,568	3,778	591,686	20,895,391	3,483	645,000	22,778,175	4,098	4,108	4,912
Q3 Average	83	7.40	616	62	456	110	814	589,748	20,826,939	3,471	549,968	19,422,108	3,237	648,000	22,884,120	4,117	3,854	4,931
October	89	7.35	655	67	494	110	814	644,531	22,761,612	3,794	588,664	20,788,669	3,465	671,000	23,696,365	4,263	4,120	5,077
November	90	7.36	660	81	597	110	814	628,818	22,206,708	3,701	604,367	21,343,221	3,557	659,000	23,272,585	4,186	4,217	5,000
December																		
Q4 Average																		

b) Production – Gum Deniz

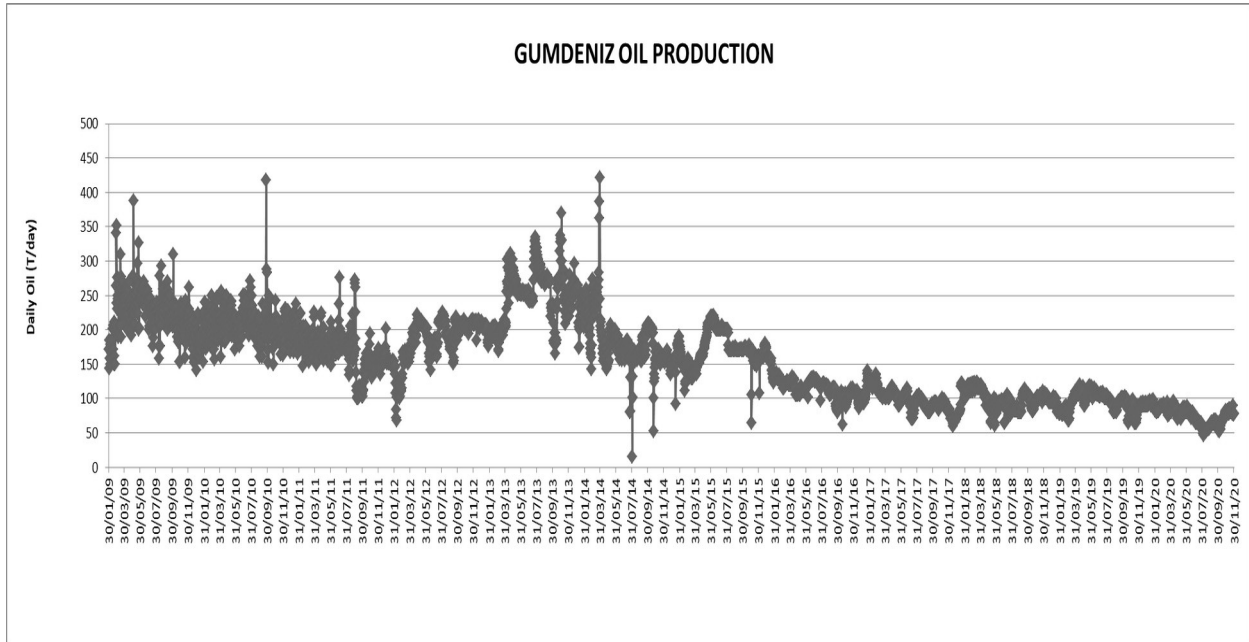
- Production rate of the Gum Deniz field averaged 81 tons/day. Delivery is 90 ton/day
- During the report covering period we haven't delivered any solution gas to SOCAR, the volume of gas used by compressors for internal needs for oil refinery was 2 100 000 m3 (70 000 x 30).
- The chart below shows the reasons for oil production decrease:

Oil Production Rate Differences Between October and November 2020																																				
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		
October 2020	1.4	2.5	0.8	0.0	3.5	12.6	0.8	0.0	11.7	0.0	1.2	2.4	0.0	0.5	4.2	2.7	3.5	0.0	3.9	1.1	3.2	2.3	2.5	2.5	5.1	0.4	3.6	5.2	1.8	1.7	7.6	2.0	1.1	92.1		
November 2020	1.0	2.2	0.7	0.0	3.3	23.7	3.2	1.8	10.8	0.0	2.5	10.3	0.0	0.2	3.1	2.5	2.4	0.0	1.5	0.7	2.2	1.8	2.3	3.3	6.2	0.2	3.2	5.4	1.6	1.4	6.8	1.4	1.1	106.9		
																																			Difference	14.7

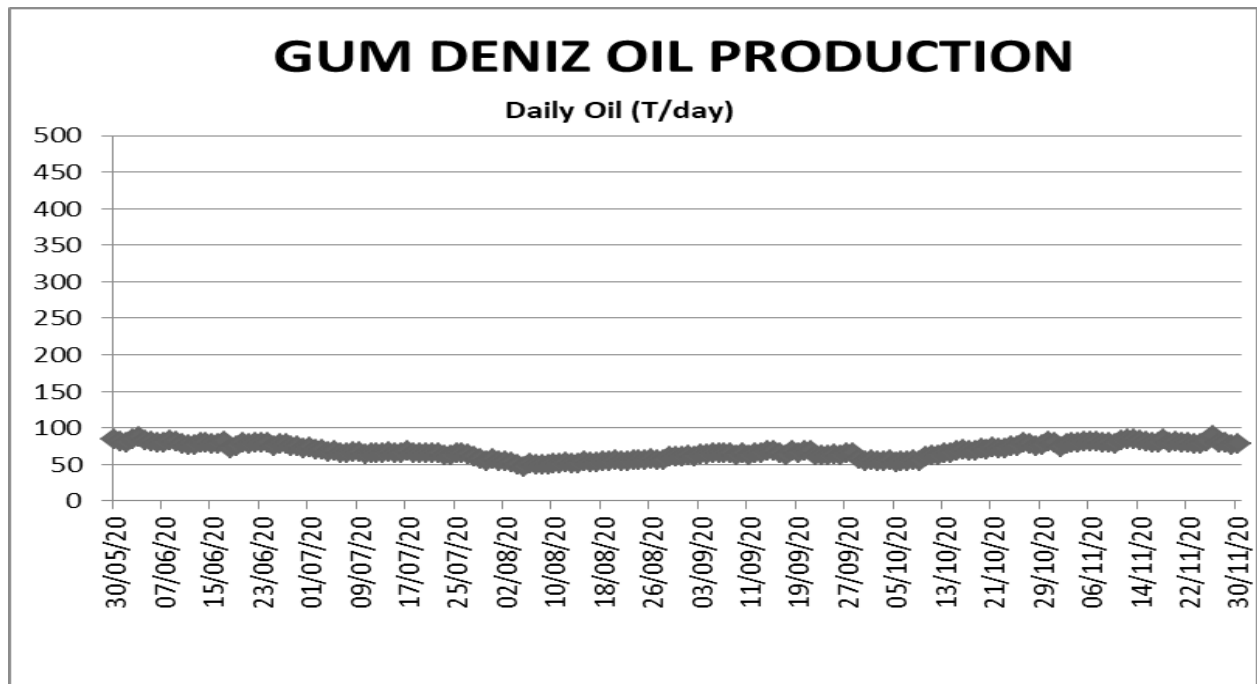
- WO was suspended in GD-202 due to technical problems with the damaged casing.

- SOCAR's ESP in GD-465 was POOH due to failure, a new ESP was RIH and the well was completed.
- WO was done in GD-413, SLB ESP RIH, and well was completed.
- GD-418 went under WO due to SLB ESP failure, WO continues.

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 604 367 m3/day.

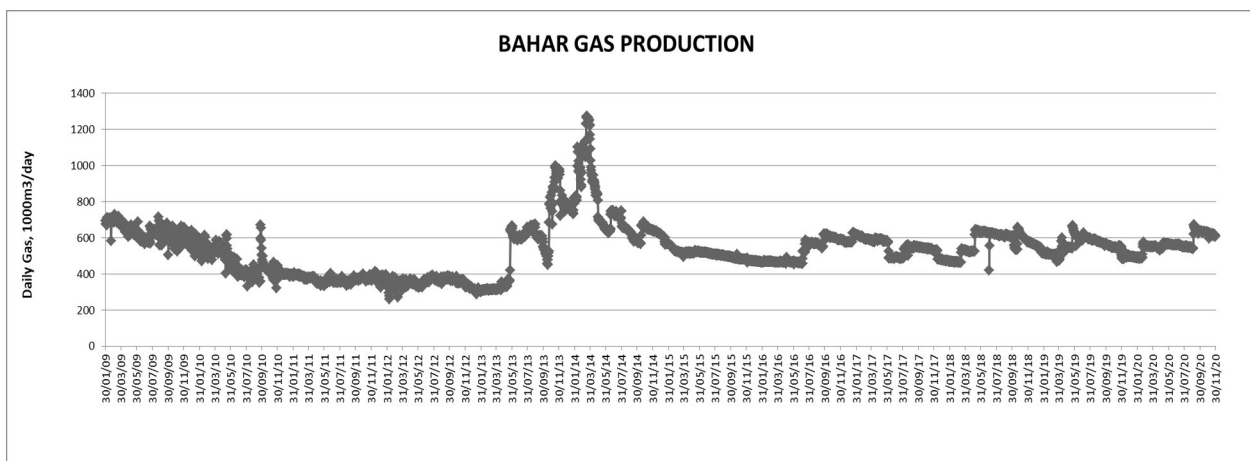
- Gas delivery was 21.34 MMcfd.

The chart below shows the reasons for gas delivery decrease:

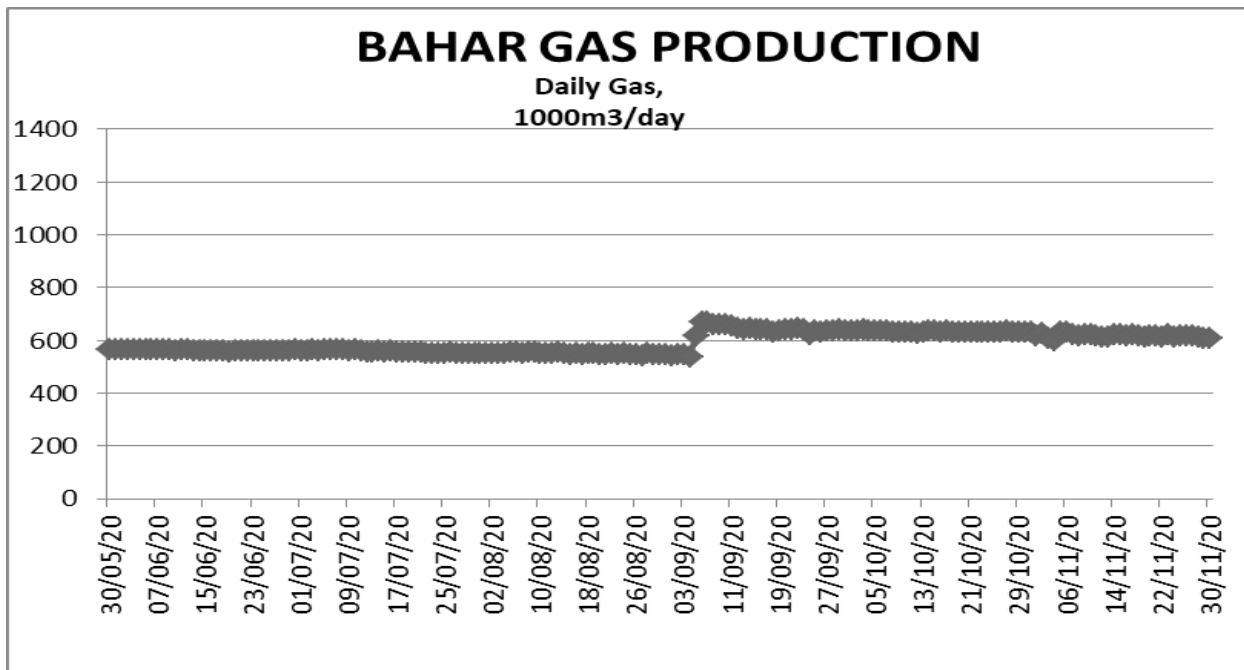
Gas Production Rate Differences Between October and November 2020													
Date / Well#	83	140	144	167	169	170	171	175	179	182	205	241	Total, x1000 m3
October 2020	36	50	25	51	105	117	39	78	75	1	16	46	639.0
November 2020	35	50	22	48	101	116	38	78	75	1	15	45	624.0
Difference													-15.0

- WO continues in the well 172 at PLT168 of Bahar field.
- WO continues in the well 197 at PLT196 of Bahar field.
- Construction works by Construction team is on-going at PLT.168, PLT.175 and GZU.2.

f) Year to Date Production: Bahar



g) Bahar Gas Production for Last Six Months:



h) Additional Production Works:

- Construction of “Closed Loop System” project stipulated to prevent pollution of the environment through discharge of formation water from technological storage reservoirs located at Oil Processing Unit is ongoing by “Construction Department”.
- Continuing cleaning out the bottom of 2nd tank from the sediments at 2000 tanks farm at Oil Processing Unit.
- Damage on the sidewall of the cellar of oil heating unit at Oil Preparation and Transportation field was eliminated.
- Installation of valves has begun on 20” production line considered between OGSU#1 of Compressor Stations, Gas Collection, Processing and Delivery Unit and Oil Processing Unit
- Due to removal of Gas Distribution Point at 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 be proceeded.
- For carrying out the operations on the wells with high paraffin content on PLT9 of Gum-Deniz field, with the assistance of Construction Division the replacement with another tank continues due to the leak on white oil storage tanks.

(November 2020)	
Name of the operation	Completed Operations
Fluid level survey	63 (20 wells)
Sulfanol treatment in wells	1 (1 well)
Salinity measurement in wells	105 (33 wells)
Soap stick application in gas wells	-

i) Transportation Division:

Auto-Transportation Field Report for November 2020								
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	54							
Pulling Units serving for WO	9	576	576	86				
Stationary Type Pump (V-12)	1	5	5					
Stationary Type Pump (V-16)	1							
Drawwork (QBQ-120)	2	517.5	517.5	29				
Mobile Boiler Truck (Consisting of two parts)	1			2				
Cement Trucks serving all BEOC Departments	11	708	196.5	93				
Water Tank Trucks of Autotransportation Workshop	3	304	45	43	2774			
Other vehicles of Autotransportation field	7	808	170.5	6	602.6			
Number of Trucks put back into service after a long term repair works								
Rented Heavy/ Civil Plant trucks						8/60,5	5/months	7/20
Buses and Minibuses by Service contract							16/months	

Logistic Report for Lifting Operations for November 2020			
01.11-30.11			
Months	Orders	Weight (kg)	Hours
GENERAL	Total: 52	Total: 548000	Total: 145

Marine Transportation Report for November 2020								
	DAYS	PASSENGER NO		TONNAGE	INCIDENT	REPAIR	SAILING	CANCELLATION
		OUTBOUND	INBOUND					
ULLUCHAY	12 days			656,640 kg	NO		TOTAL-26	TOTAL-14
MAGIC-1	13 days	321	318		NO			
IRGIZ	1 days			102,588 liter diesel fuel 105,000 kg	NO			

j) Power usage and charges chart:

POWER/ELECTRICITY COST by MONTHS - 2020

ACTIVE ENERGY	Kwatt											
LOCATION	January	February	March	April	May	June	July	August	September	October	November	TOTAL
GumDeniz - Field	900,000	742,000	805,600	800,000	812,000	798,000	714,000	630,000	470,000	491,000	660,000	7,822,600
Compressor station 14	260,000	90,000	110,400	105,000	111,000	220,000	686,000	686,000	90,000	251,000	80,000	2,689,400
Compressor station 1	356,000	215,000	249,000	253,000	274,000	410,000	405,000	342,000	190,000	205,000	238,000	3,137,000
Compressor station 2	530,000	470,000	498,000	481,000	499,000	600,000	828,000	612,000	640,000	667,000	645,000	6,470,000
Automotization Industrial Processes	7,200	6,286	7,986	7,829	8,794	8,708	8,246	7,900	8,200	8,500	7,800	87,449
Electric workshop	7,500	6,500	10,980	9,032	8,995	8,809	8,347	8,150	8,400	8,700	7,500	92,913
Oil Process	80,000	66,000	84,560	79,500	86,500	88,500	75,000	80,000	85,000	98,000	80,000	903,060
5000 area	152,000	132,000	178,000	172,000	173,000	171,000	180,000	170,000	167,000	185,000	130,000	1,810,000
Gas Process	8,662	8,261	11,170	8,437	3,592	3,253	3,767	3,368	3,663	4,259	6,284	64,716
Workover	43,324	40,128	57,960	56,010	60,173	57,302	56,840	39,684	44,481	48,716	43,267	547,885
Offices	83,700	77,900	79,060	40,060	44,223	52,100	51,638	48,472	53,270	57,505	52,058	639,986
Transportation	42,032	38,900	48,700	46,750	52,816	48,405	47,943	44,768	49,565	53,800	48,353	522,032
Laboratory	23,015	21,130	23,230	20,685	23,848	21,203	20,741	17,575	22,373	26,608	21,161	241,569
Construction	12,102	10,400	15,493	18,350	23,339	20,489	20,489	31,361	36,159	40,396	34,948	263,526
Water supply	167	146	129	31	28	52	49	48	57	69	136	912
TOTAL -kW	2,505,702	1,924,651	2,180,268	2,097,684	2,181,308	2,507,821	3,106,060	2,721,326	1,868,168	2,145,553	2,054,507	25,293,048
0.076271187												
COST AZN total	191,113	146,795	166,292	159,993	166,371	191,274	236,903	207,559	142,487	163,644	156,700	1,929,131
REACTIVE ENERGY kVAR												
AZN/kVAR 0.00104												
kVAR	1,056,804	1,141,576	1,179,464	1,143,362	1,254,237	1,678,234	2,007,753	1,948,526	1,282,975	978,029	893,051	14,564,011

k) Workovers:
Bahar WO's

- 172 – Continue WO fishing operation, proper rotation was a problem due to high wellbore deviation. Arranged 158 jts of 2-3/8" EU DP from AzNeft IB organization based on technical support. RIH w/114mm BJM on a combined string, 2-3/8" EU DP, and 2-7/8" EU DP. Got sufficient rotation, hard tag at 3792.04m. Set off 1 ton roughly, released at 6 tons over pull, expecting to lose junk (strip). Will continue with remedial cementing - to have lost junk stable and stationary in the hole for proper milling ops.
- BHR 172 – Lowered the tool, tagged at 3833.58m (same depth), reciprocated string, OK. No pull drag or obstacle observed. Circulated bottom up to clean. Prepared 1m3 of cement slurry with 1.68 SG, pumped down to tubing, chased with 7.6m3 of seawater. Stopped pumping, balanced cement. Started raising the string for backwash. While pull observed pull drag up to 6 ton on 1st joint, 2nd

joint was pulled with drag up to 1.5 ton, 3rd joint pulled free. On the 4th joint after 6m of pull, observed pull drag, string got stuck. Couldn't move the string. Pulled over up to 54 tons, the string didn't move. Couldn't break circulation, pressured up WH 90 atm, Ann. 150 atm. Arranging Wireline cutting tools to cut the string from possible depth.

Gum-Deniz WO's:

- GD 202 – RIH w/129mm Mill, milled down to 1934.59m. Continues sand amount have increased in returns, started to reciprocation with circulation, observed pull drag, eventually tool got stuck and was released at 17ton over pull, casing collapsed. Decision has made to POOH and defers the operation. POOH w/129mm Mill. OD remained the same, observed broken pieces on mill blade sides. ND BOP, NU WH equipment. Secured the well.
- GD 465 – Completed RU Rig with related equipment. Pulled out ESP assy. Checked TD at 3450m. ESP pumps were OK. Only Hydro Protector Thread was slightly loose and ESP motors were full of water due to loose thread. Run back in w/NEW SOCAR ESP, landed at 2511m. POP.

South Gum Deniz WO's.

- GD 413 – RIH w/93mm STC tagged at 3526 WM, tried to go down with circulation, couldn't make a progress more than 2.7m (assuming due to 108 each of corroded cable clamps, which left in a hole while POOH of ESP Assy.). Raised string, pumped 600kg of sand, and made 15m of the sand plug on top perforation zones, TOS at 3498 WM. Pressure tested and check for federate the casing damage at 2930 – 2937m. Pumped 200 l, Pressure build up to 80 atm and was stable for 15 min. Pulled STC, RIH w/ESP Assy and landed at 1730m. POP. Will de-pressurized casing damage zone for cementing.
- GD 418 – Rig skidded from G413. Pulled out ESP. Will clean the wellbore. Perform INNK log and continue as per Log results. Ongoing...

- Monthly / Annual Workover Statistics

Month	Workover & Well Service Jobs completed	Number WO & WS Success
January	11	6
February	10	6
March	8	2
April	6	5
May	7	6
June	4	3
July	7	4
August	7	5
September	6	3
October	8	4
November	6	2
Total	80	46

- Summary of Workover Activity

Workover Operations					
Well	Operation	AFE #	Actual Cost	AFE Amount	Difference
BHR 172	Fishing / Recompletion	40-2-172-01-20	86M \$	331M \$	245M \$
BHR 197	Fishing / Recompletion	40-2-197-01-20	33M \$	358M \$	325M \$

- Summary of Well Service Activity

Well Services		
Well	Operation	Actual Cost
GD 413	ESP replace	43.2M \$
GD 418	ESP replace	25M \$
GD 465	ESP replace	27.6M \$
GD 202	Fishing / Recompletion	60.5M \$

III) Construction Department: *Reported by AliIskender Gurbanzade*

CONSTRUCTION PROGRESS REPORT FOR November 2020			
#	Field/Location	Work Description	Status
Gum-Deniz			
1	Gum-Deniz, Causeways, Entrance road	Completed repairs & installation of 20" production pipeline supports along the entrance road and on the causeways in the area between 62-235 and PLTs	completed
2	Gum-Deniz, PLT232 at Causeways	Completed works on hammering of 4 piles 10" each for repair of road section in between 160B and PLT232 at the causeways & hammering of 2 piles for 160-160B and intermediate connection works.	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, PLT62-235	10" Piles hammering and connecting with existing structure in between PLT 62 & 235 with purpose to repair support #20,	in progress
5	PLT209	As for installation of 10x10 steel panels at PLT209, cutting of unused steel structure, its transportation and prep. works.	in progress
6	Gum-Deniz, Causeways, in between PLT235-64	As a part of repair job of the road in between PLT235 and PLT64, hammering and connection of 10" piles around bad piles #39-40 was completed	in progress
7	Gum-Deniz, Causeways, in between PLT235-64	As a part of repair job of the road in between PLT235 and PLT64, hammering and connection of 10" piles around 41st bad pile	in progress
8	CS, Gas Collection, Processing and Delivery Unit and Oil Processing Unit.	In order to complete construction project, finished installation of 20" valves on production line considered between OGSU#1 of Compressor Stations, Gas Collection, Processing and Delivery Unit and Oil Processing Unit. Prep. for UT and leak test of finished welding joints .	
Bahar field			
9	Bahar, GZU-2	Proceeding the installation of 12" gas flow line pipe supports along the existing bridge according to the project. Expansion of the existing comb separator area in the south-western part of the working area. Reinforcement of lines coming from wells in the southern part of the existing working site and installation of 6x10m service area. The installation of parts fabricated in the workshop has begun.	in progress
10	Bahar, PLT168	Installation of the platform surrounding well#165 and to connection of the sub-rotary piles with the supports of the existing Rig platform. Preparation of 4 submersible pumps and safety belt on the working site.	in progress
11	Bahar, PLT-175	Assembling of new GYM and stairways in the western part of the living block were done. on-going the installing supports to a gas flow lines running to the wells and installation of the entrance path to the Separator and .	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	Setting up grating floor surrounding 2SQ-50 type compressor of unit No. 12 in the hall of compressor station No. 14 at CS, Gas Collection and Transportation areas	in progress
3	Pipe-fitting joints were prepared in department's workshop for repair of the platform and placement of the collector spools, 2 separators, technological pipelines at GZU #2 "Bahar" field. Details have been delivered to the relevant PLTs.	in progress
4	Linking works are carrying out 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. Installation of new supports on existing water line, cutting off the old lines on-going.	in progress
5	Repairs of corroded pipeline supports on the 20" production line along the causeways.	in progress
6	Installation of new oil trap for oil separation and construction of pump station at Oil Prep. & Transportation area.	in progress
7	Rehabilitation of collapsed parts of demulsification unit No. 1 and reinforcement by installation of steel structure at Oil Prep. & Transportation area.. The work is completed	completed
8	As a result of heavy rain old Administrative Building Roof and offices damaged, repair of the roof and offices	in progress
9	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
10	Repairs commenced on 11th support along the entrance road. Installation 10" pipe as a support and cementing works	in progress

IV – SUBSURFACE: *Reported by Ray Larijani*

Workover Programs prepared

- GD-465 Check TD, if there is sand plug, clean. Inspect the condition of the pump and run 2500 m 2 7/8" tubing with ESP.

Wells logged/re-logged

None

Wells completed

- B-172 Fishing/Recompletion. Continues. The expected gas rate is 50 Mm³/d free gas. Actual cost \$ 86.
- B-197 Fishing/Recompletion. The expected gas rate is 60 Mm³/d free gas. Actual cost \$33.
- GD-202 Fishing. The expected oil rate is 7 t/d. Actual cost \$ 60.5M.
- GD-413 Well service. ESP replacement planned. Well produces 2 ton/d oil, 270 ton/d water and 1 Mm³/d solution gas. Actual cost \$ 43.2M.
- GD-418 Well service. ESP replacement planned. The plan is to clean the wellbore. Perform INNK log and continue as per Log results. Ongoing. Actual cost \$ 25M.
- GD-465 Well service. ESP replace. Well produces oil rate is 3 ton/d water rate is 90 ton/d, solution gas is 1 Mm³/d. Actual cost \$ 27.6M

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

a) Cased-hole logging

- Interpreted logs from GGI:

None

b) Geology

- Bahar Horizon VIII correlation and thickness maps for geological model completed.

c) Reservoir Engineering

- Bahar FS-BX-BIX Simulation & WO Candidates Forecast continues.
- Meeting with SOCAR UPSTREAM about the Annual Work Program of 2021.
- Bahar Horizon VII hydrodynamic model perforation and production data preparation has started.
- Bahar Horizon VIII hydrodynamic model perforation and production data preparation 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 and monthly Production follow up the database.

d) Seismic

- Bahar field BVII fault system review.
- Gobustan 3D seismic cubes are loaded to the project and interpretation started.

e) Task Scheduler

<u>Tasks started</u>	<u>Start date</u>	<u>Provisional completion date</u>	<u>Completion date</u>
Bahar Field			
Bahar FS-BX-BIX Geomodelling, Simulation & WO Candidates Forecast	31 March 2020	31 December 2020	
Bahar horizon VII Geomodelling, Simulation & WO Candidates Forecast	15 September 2020	1 January 2021	
Bahar horizon VIII Geomodelling, Simulation & WO Candidates Forecast	1 October 2020	30 April 2021	
Completed			
Bahar horizon VII geomodelling completed.	10 October 2020		31 October 2020
GD-477 PBU test interpretation.	30 October 2020		30 October 2020
Bahar BVIII fault system review	10 November 2020		30 November 2020
Gobustan 3D seismic cubes are loaded to the project and interpretation	20 October 2020		20 November 2020

V – FINANCE: *Reported by Rasul Gafarov*

a) On a Monthly Base:

- Completed Oct-20 accounting cycle in accordance with the monthly schedule.
- According to JOA issued Oct-20 Monthly reports to Contractor Parties.
- According to JOA Nov -20 and Dec-20 Cash Calls distributed to Contractor Parties.
- Issued Oct-20 Additional Monthly reports to Contractor Parties.

- Issued and distributed Oct-20 Monthly departmental cost reports to Budget Holders / Department Managers.
 - Issued and submitted Oct-20 monthly reports to government bodies, including but not limited:
 - Prepared and submitted monthly Oct-20 Financial Highlights report to the Management
- VAT, payroll, social fund and statistical reports;

b) On an Annual Base:

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

- BEL Group Audit-finalized;
- BEOC Cost Recovery Report;
- BEL Profit Tax Return-finalized;

VI - PROCUREMENT & MATERIALS: *Reported by Rasul Gafarov*

a) Procurement

- 35 MRs & SRs Received;
- 29 POs and SOs prepared in SUN System;
- 0 MRs canceled/oh hold;
- 1 MRs & SRs passed to Contract/Tender;
- 32 MRs & SRs under sourcing stage.

Tender Packs under RFI – 1

- BEOCL 10173 - RENT OF ESP's ;

Tender Packs under ITT (bids submission period) – 1

- BEOCL 10172 - Supply of workover's tubular

Tender Packs under evaluation – 2

- BEOCL 10169 - Supplies of Steel Materials
- BEOCL 10171 - Supplies of Pipes

- NUMBER OF ACTIVE CONTRACTS

- OPS/WO/LOG – 103 (incl. 16 transportation services and 18 services contracts for empl.);
- Construction-20;
- HSE – 12 (including 1 service contract for empl.);
- G&G – 13 (incl. 3 consultancy contracts & 2 contracts for payment purpose only);
- ADMIN – 19 (incl. 2 service contracts for empl.);
- HR – 4;
- ITC – 11;
- Legal – 16;

- PM – 16 (incl. 4 contracts for payment purpose only);
- Finance – 4;

- NUMBER OF ADDENDUMS / EXTENSION -9

b) Warehouse and Materials

- **239,284.00 kg** handled without incident;
- WHS received **34 PO's, 82-line items** for the amount of **AZN 282,331.93**;
- WHS issued **453-line items** for the amount of **AZN 387,925.15**;
- **16 (sixteen)** NCR's raised; **6 (six)** NCR's was closed;
- Fuel station received **102,508.00** Liter of Diesel;
- Fuel station issued **126,398.00** Liters of Diesel;
- Fuel balance on December 1, 2020, is **6,188.00** Liters

**VII – LEGAL, HR, ADMIN, SECURITY & COMPLIANCE
PROCESS:** *Reported by Ahmadiyya Musayev*

a) Legal, Compliance, Document Control & Translation issues

- Relevant documents were prepared and liaised with JAFZA regarding removal of one of the BEOC Board members;
- Necessary documents were drafted and executed in relation to restructuring Operations and Finance departments;
- Letter was prepared and sent to Labor Inspectorate to address various employee complaints;
- Meetings were held with Trade Union Chairman re G&G confrontations;
- 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. SOCAR approval was obtained for G&G Manager;
- 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;
- 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

- Use of the outstanding vacations was monitored;
- Use of the outstanding vacations was monitored;

- Employment contracts of 4 employees have been terminated and re-executed till the end of December 2020;
- Interviewing of 2 candidates for Electrical welder position continued;
- Termination of employment agreements of 3 employees carried out (2 by own request and 1 died);
- To be expired contracts were followed up and management was updated;
- Overall 320 HR related operations have been made through this month;
- Organizational structures have been updated as per last changes;
- 65 vacations and 22 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.

c) Administrative affairs

- 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
- SRs were collected from all the structural units for stationery and consolidated list was prepared;
- Outsanding membership fee for New Azerbaijan Party was collected and transferred;
- Inventory check of Administrative Affairs Department together with gardeners of Service Division continued;
- Need for repairs of the roof of the administrative building was raised and activities started, also the air conditioning equipment on the roof was dismantled and lowered.
- The offices of the Finance Department have been relocated.
- Repair work in the office of the manager of the Operations Department is underway. Attention is paid to the relocation of items and office equipment in the office under the supervision of the Service Division.

- Severely damaged company name and logo at the main checkpoint were removed and replaced with a new one.

d) Security & civil defense activities

- Registration of inflow and outflow of materials, equipment, workers going to the premises via the Access Control Point # 1 is monitored on daily bases;
- 281 person and 170 vehicles entered to BEOC 198 area based on request issued for one time entrance permissions;
- Relevant records were entered into the log book with respect to 430 employees who left for Bahar (working per shift) and their availability at work during November was so checked;
- On 10,22,24 November 2020 deployment of employees (working on shifts) to Bahar field on vessels was accompanied by the Department's rescue diver personnel.
- The employees of Security Group measure, with special tool, every person's temperature who enters BEOC premise from checkpoint #1;
- On 04.11.2020, the specialists of the department took part in the control of the transfer of 5m3 chemical to the area;
- On 12.11.2020, the specialists of the department took part in the control of the transfer of 102588 liters of diesel fuel to "Bahar" area;
- 1 letter have been sent to Karim Rzayev, the chief of "Etalon Security" LTD, in order to get the permission certificates for 413 employees and 10 special vehicles to be able to enter the "BEOCL" area, according to the 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 – IT: *Reported by Eldar Eyyubov*

- No disruption in ICT department
- 80 helpdesk requests were processed
- Large printer in President's assistant room was fixed
- All empty cartridges were replaced
- Google subscription was prolonged
- Replaced one faulty computer at the compressor station

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

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